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# Startup Capital: The New India

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ABHILASH GUPTA<sup>1</sup> AND VEDIC MANGAL AGARWAL<sup>2</sup>

## ABSTRACT

*Startups frequently face pressures in commercializing items and administrations. Every year around 28,800 start-ups get registered but only 5-10% get recognized considering the regional capital and encounters, new companies may not qualify for institutional value venture toward the beginning. Consequently, it is significant for new businesses to raise subsidizing for short-and long-haul development at the establishing stage. This paper endeavors to feature critical writing surveys and research holes connected with new businesses' wellsprings of financing and to showcase how start-ups are getting internally and externally. One of the critical discoveries in this paper is financial backers' choice in giving financing. This paper will add developing writing on factors that impact financial backers' direction, and guide in looking at startups.*

**Keywords:** *Start-ups, Funding, Growth, Future, Scheme, Government*

## I. INTRODUCTION

Startups frequently face pressures in commercializing items and administrations. Considering the regional capital and encounters, new companies may not qualify for institutional value venture toward the beginning. Consequently, it is significant for new businesses to raise subsidizing for short-and long-haul development at the establishing stage. This paper endeavors to feature critical writing surveys and research holes connected with new businesses' wellsprings of financing. One of the essential discoveries of this paper is financial backers' choice in giving funding. This paper will add developing writing on factors that impact financial backers' direction, and guide in looking at startups.

Startups are quite possibly the best maker and trailblazers of groundbreaking thoughts. The production of new positions or filling of licenses are impressions of supporting neighborhood imaginative new businesses by which new organizations are perhaps to be created, existing item thoughts to be extended subsequently, reinforcing the monetary framework. Monetary imperatives, absence of business experience also administrative are portions of new companies' hardships as new businesses will quite often depend on financial assets as well as empowering framework for endurance. Also, new companies rely on laying out confiding involved with key

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<sup>1</sup> Author is a Student at University of Petroleum & Energy Studies, Dehradun, India.

<sup>2</sup> Author is a Student at University of Petroleum & Energy Studies, Dehradun, India.

partners to be specific economic asset suppliers. Accordingly, financial dangers are frequently focused on supporting liquidity and getting finance. Additional time, new businesses go through a few stages from pre-send off to development or exit. Be that as it may, new companies' absence of market authenticity and believability decreases the capacity to see as institutional and modern accomplices for collaboration in the development processes.

## **GENESIS**

New companies are viewed as a significant wellspring of advancement. New businesses are perceived as having a high contribution to advancement exercises. The expression "startup" began from the U.S. in the last part of the 1970s and became well known in the 1990s as a feature of the web publicity and innovation that's more blasted out in the 2000s. Furthermore, the term was laid out by investment to recognize new organizations and independent ventures with adaptable, quick development potential. The time is attached to gamble with also subsidizing innovation mentality. characterizes a startup as "An impermanent association intended to search for a business model that is repeatable and adaptable." While describes a startup as "A human organization intended to make another item or administration under states of outrageous vulnerability." Intriguingly, there has been the development of new companies' definitions from the 1970s till the present. For example, it characterizes new companies as "Youthful, not yet settled organizations, which are set up to understand a development business thought "With regards to Indonesia, a startup is characterized as an impermanent period of an innovative endeavor direction by which businesspeople reshape and refine business models with a dream to layout and refine business models with a plan to lay out a practical, adaptable and stable undertaking. Additionally, a startup is a recently youthful, established organization that is searching for an adaptable also redundant model or an inventive attractive item or administration. In light of 's discoveries, most of the interviewees had an indistinct meaning of the term "startup". Also, the few definitions of the term by interviewees incorporated the size of the term, activity span, work trouble, familiarity, financing strategies, development, and nonattendance of a completed item. Notwithstanding accentuates that the size of new businesses isn't regularly begun. presumed that but new companies have been examined in both non-scholarly and scholastic, the definition stays unclear. Subsequently, it tends to be recommended that a startup is an imaginative firm that has characteristics, for example, hazard taking, proactive, and looks to develop persistently.

## **OBJECTIVES**

1. To Know Startups as Future of India.

2. To Understand the Startup and its Importance
3. Startup Achievements in India
4. Atmanirbhar Bharat

### **RESEARCH METHODOLOGY**

Using both primary and secondary sources, such as books, articles, research papers, blogs, uncovered demonstrations, and so forth, a doctrinal research methodology has been adopted. The information gathered from these sources structures the essence and content of the exploration project in order to reach an equitable conclusion.

### **SCOPE**

Taking a gander at the recovery and remaking accounts of a few new companies, it's not difficult to conjecture that the biological startup system in India will be a lot better in contrast with its circumstances previously. Incomes client developments alongside heightening productivity would help the certainty of youthful and maturing business people putting their entire being in new companies. The experience that the Indian startup environment has gone through in April, May, and June has decreased and has been recuperated too. Fast reception of computerized should get the kudos for the upliftment of the Indian economy post-COVID-19 pandemic and lockdown.

In 2021, startup proprietors and maturing business visionaries were prepared to save their feet in another time for the biological startup system in India that would get characterized by scale, income, companies that have been into a vastly improved position as far as basic unit financial aspects and above all, IPOs. Private backers will walk ahead to loan their unending and legitimate help to up and coming age of business visionaries.

Mighty startup supporting associations that have demonstrated their backbone in the past would zero in on making a local area and creating it and welcoming real individuals ready. A couple of years back, there was a massive hole in the environment because there was no room accessible for individuals to work. The expanding number of brooding associations and steadily developing and expanding cooperating spaces have lessened the issues relating to the absence of room. It is expected from the local startup area that it will be more deft, imaginative as well as challenging, yet at the same time running behind the development, even with a more focused and hopeful methodology, more indispensable cooperation alongside the coordinated effort.

### **IMPORTANCE**

A startup business venture is vital because it likewise brings new advancements, new Positions,

and cutthroat elements into the business climate and endeavors. The job of new companies in monetary thriving is improving in this day and age. One of the real benefits of new companies is that it makes new positions. Worldwide information shows that new businesses are making a more significant number of occupations in our country than the enormous organizations or undertakings. At this point, many of the latest companies have presented the most recent innovation Artificial Intelligence, Robotics and so forth. The more significant part of the innovation goliath organizations re-appropriate their undertakings to new ones. It will likewise serve to increment the income of new companies. Remembering the meaning of liability that the Indian new companies are distributed to play in expanding the Indian economy. The turnover accomplished through the latest companies and the tremendous quantities of occupations that can be made by work with new businesses, even the market regulator Securities and Exchange Board of India (SEBI), the simplicity of utilization of startup guideline prompted creation with the progression of assets from the market to new companies. **New businesses will make more positions** Indeed. On the off chance that you will be a business person, you can make more positions. Subsequently, the pace of joblessness in our country likewise diminishes. So, work creation is one of the primary advantages of new companies, **Formation of abundance** Since business visionaries are drawing in financial backers by contributing their assets, the country's individuals would benefit when new companies develop. Since the cash is imparted to the general public, riches are made inside the country. **A better way of life new companies can carry out advancements** and advances to work on the living of individuals. There are numerous new businesses are working for country regions to foster the local area. **Expansion in GDP** GDP (Gross Domestic Products) assumes a fundamental part in upgrading economic development. World Bank says that India will turn into the quickest developing country as economic development on the planet. It is feasible to create more income locally by supporting and empowering more new companies, and shoppers' capital will likewise stream around the Indian economy.

## **II. WHY DO MOST REGISTERED START-UPS FAIL?**

On 15th August 2015, our honourable Prime Minister, Mr. Narendra Modi, initiated the Start-up India scheme. The main objective of the Start-up India initiative was to provide:

- Funding support and incentives to the various start-ups of the country.
- Industry-Academia Partnership and Incubation, and
- Simplification and handholding.

And the scheme has proved pretty successful as well. Since the start-up of the India project was

initiated, around 586,339 start-ups have been registered. I know the number seems pretty cool more than 500k start-ups have been reported, and you probably must be thinking that the Indian economy must be blooming by this, and let me tell you, you are right. India has now become one of the world's largest ecosystem for start-ups.

And the economy of India has developed but only a little bit. As you know, 586,339 start-ups have been registered in the Start-up India scheme but do you know how many start-ups have survived till now, or should I say recognized?

According to the DPIIT (Department for promotion of Industry and Internal trade), they have recognized 77,880 start-ups till now, approximately 13.26% of the registered ones. According to them, about 80 start-ups get reported every day, which means 2400 start-ups a month and 28,800 a year, but among them, only 10-12% of start-ups get confirmed success.

According to the embroker site, about 90% of start-ups fail in India. Among those 90%.10% of new businesses among the 90% fail within the first year. Start-up failure tends to be roughly the same across all industries. Seventy percent of start-ups fail between years two and five, which is when it happens most frequently.

Now the main question is, why are these start-ups failing? What are the factors affecting them, and why do only 10-12% of start-ups succeed while the rest get shut down?

### **III. FACTORS AFFECTING START-UPS**

Well, to answer the question of why start-ups are failing? Isn't that simple? Various internal and external factors frequently have an impact on or even place restrictions on the early stages of start-up activity. In other words, rather of having an impact in one way, these factors have an impact on the chances for beginning new firms and the performance of those businesses.

Now let's understand how start-ups can get affected by these factors. Well, start-up success and failure depend on several factors. One main component that impacts start-ups' marketing, innovation, product design & production, and tactics has been highlighted in previous case studies and literature. The identified factor is finance, which is thought to be a crucial determinant in the success or failure of major start-ups.

Many start-ups have found it challenging to secure finance as a result of the demonetization in 2016 and the COVID crisis in 2020, which has subsequently hampered start-up innovation. The decrease in net investments is a result of the recession's impact on the commercial market's credit supply line, which cut off venture capitalist funding.

The majority of startups fail not because of a lack of funding but rather due to a lack of vision

and a weak R&D staff. Entrepreneurs are important in business, yet they rarely succeed on their own. A flourishing company employs a few couples to hundreds of individuals. Those personnel will be in charge of carrying out your top-level objective, fostering innovation, and developing plans to keep the company operating in line with the environment. Hiring the wrong people could jeopardise your best-laid plans, while hiring the right people will ensure that a sensible businessman never faces a problem. Take the Ford Motor Company, for instance. Henry Ford was a visionary who wanted to create an economical and efficient car that the typical American worker could readily purchase. Ford revolutionised assembly line production by working with his group of engineers and factory managers. This allowed for the mass manufacture of automobiles and encouraged each employee to focus on a particular position on the line.

Many companies could not survive because they could not keep up with the innovative technology and capital in the market. In the business world, timing is essential; consider “timing is everything.” Despite a chaotic and crowded market at their arrival, timing has allowed many enterprises to succeed from a competitive standpoint. For instance, there were dozens of video streaming services available when YouTube first entered the market. However, YouTube has been able to experience phenomenal early success since it was established at a crucial time when high-speed internet became the standard.

To be in the market, a company needs to keep up with the innovation; otherwise, there are many cases where a well-established, successful company gets forgotten over time. A ranking of the 500 biggest firms published by Fortune Magazine in 1955 has come to represent prosperity. 67 years later, only 71 of the businesses are still in operation. Businesses like Yahoo, Myspace, Blackberry, and the whole publishing sector were once held in high regard, but today they are all but extinct.

With 21% of the online advertising market, Yahoo was the dominant player in 2005. However, they are currently fighting to hold onto their fourth place, after Google, Facebook, and Microsoft. In the early 2000s, Blackberry controlled about 50% of the global market for mobile phones. Even so, after the iPhone was released, Blackberry lost market share because it failed to recognise the shift in consumer behaviour as well as the characteristics and location of the high-tech and innovative markets.

#### **IV. TIMELINE OF START-UP INDIA SCHEME**

The Start-up India project was initiated on 15th August 2015 by our honourable Prime Minister to assemble a robust ecosystem for fostering start-ups and innovation in the nation, which will

provide widespread employment opportunities and sustainably build the economy. And since then, the scheme has seen many ups and downs due to external factors like demonetization in 2016, recession in 2019, and COVID crises in 2020. So, let's examine the progress of the Start-up India scheme since its initiation:

## **2015**

India ranks third internationally with over 4200 start-ups in that year, according to NASSCOM's "Start-up India: Momentous Growth of Indian Ecosystem" study. Bengaluru, Mumbai, and the NCR are home to 65% of these start-ups. The 2015 Start-up Genome Project Ranking included Bengaluru, which is frequently referred to as the Silicon Valley of India, as one of the top 20 start-up hubs in the world.

Startup funding has increased in India. Data from YourStory, a media outlet that covers startups, shows that \$9 billion in capital was invested in Indian startups in 2015, matching the total funding from 2010 to 2014.

In India, active investors climbed from 220 in 2014 to 490 in 2015, according to a NASSCOM survey. Eight Indian start-ups are currently a part of the "Unicorn Club" as of December 2015: Flipkart, Snapdeal, Ola, In Mobi, Paytm, Quikr, Zomato, and MuSigma.

The government began demonstrating interest in start-ups in India in 2015 and gradually created a supportive environment. The most important facilitators for supporting start-ups are programmes like Make in India and Digital India.

## **2016**

Som Parkash, the minister of state for commerce and industry, said that 471 start-ups were officially recognised in India in 2016 thanks to proactive government initiatives.

To stimulate ideas and innovations (knowledge-based and technology-driven), the Department of Science and Technology (DST) launched an umbrella programme called the National Initiative for Developing and Harnessing Innovations (NIDHI) in 2016.

Agro-processing, Food Technology & Value Addition, Artificial Intelligence (AI), Information & Communication Technology (ICT), Internet of Things (IoT), Block Chain Technology (BCT), precise farming and Digital agriculture, and Block Chain technology are just a few of the projects started by start-ups in the agriculture and related sectors in 2016.

When demonetization occurred in November 2016, the Indian startup industry trembled. The Indian startup industry is preparing for additional job losses after a dozen mid-sized businesses gave layoff notices to hundreds of staff in an effort to reduce costs and save money. There have

been very few outliers in the decreased trend of human people, despite the fact that the majority of layoffs have occurred in food delivery, e-commerce, and consumer services businesses. Despite the gloom, fintech start-ups are hiring like crazy as India transitions to a largely digital economy, enjoying a rare moment of sunshine.

Venture Intelligence, a fact aggregator, reports that start-up investments dropped by 28% to \$1.4 billion in 2017 from a high of \$2 billion in 2015. Investors put pressure on Indian start-ups to develop successful and sustainable business models. While the start-up industry has slowed due to falling valuations, layoffs, and shifting recruiting to smaller organisations, investors and entrepreneurs have also come to the conclusion that squandering money is probably not the best course of action.

## **2017**

Suppose one were to look ahead to 2017 and beyond. In that case, it is likely a new schedule and horizon for start-ups and the fostering of a genuine entrepreneurial ecosystem in the country that will get India to the sustained 10% augmentation that is crucial to meet the communal aspirations of a billion Indians.

In spite of increased competition from nations like the UK and Israel, India has experienced an increase of over 1,000 start-ups this year, strengthening its position as the third largest start-up ecosystem globally. As a result, the NASSCOM Start-up Report estimates that there are now close to 5,200 technology start-ups overall. According to the report, B2B start-ups make up 40% of all new businesses, and B2B finance accounts for more than 30% of all new technology start-up capital.

According to calculations, there were 360 fintech start-ups in 2017, representing a 31% year-over-year increase, with more than \$200 million in capital secured in the first half of the year, representing a growth of 135% compared to the same period in 2016, it claimed. The number of start-ups in the healthcare technology sector is projected to have increased by 28% annually. Additionally, the vertical received \$160 million in investment overall in the first half of 2017, an increase of 129% from 2016. In the first half of 2017, the business-to-consumer technology start-up segment accounted for over 60% of all new businesses and concentrated on developing inventive business models and adopting a vertical strategy.

## **2018**

India's start-up ecosystem grew by 12–15% year over year (YoY) in 2018, making it the third largest in the world. Over 50,000 start-ups were registered in India in 2018, with 8,900–9,300 of them being tech-related.

Eight unicorn start-ups were among the more than 1,200 new start-ups that emerged in 2018, bringing the total to 7,200, according to NASSCOM. Enterprise software, finance, the health tech business, and edtech were the main growth drivers. The quickest adoption across industrial verticals has been seen with data analytics, AI, and IoT start-ups. More than 400 start-ups, according to the survey, expanded internationally, including the travel and accommodation company Oyo, the taxi aggregator Ola, the EduTech Byju's, Zomato, and Witty feed.

## **2019**

In 2019 Indian tech start-ups raised a tremendous amount of funding. 2019 has surpassed 2018 stats in many elements, with many new milestones and accomplishments. In 2018, if the Indian tech start-ups had raised \$11 Bn in budget across 743 deals with more than 637 Indian start-ups raising financing, in 2019, 660 unique start-ups boosted a whopping \$13.16 Bn funding through 800 sales.

In contrast to 2018, 10 start-ups entered the unicorn club, and only seven Indian tech start-ups turned unicorns in 2019. At the same time, this could signify the Indian tech start-up ecosystem stepping into 2.0 with more stability and maturity, analysing the growth curve.

The government of India doesn't directly subsidize start-ups but through Alternate Investment Funds, and the investment completed by the government runs from 20% to 30% of their funds. Policy-wise, 2019 has been a milestone year for Indian start-ups, as the finance minister, in July, eventually announced the angel tax abrogation for Start-up India-recognised start-ups. FM Nirmala Sitharaman also noted that the decision would be equally applicable to start-ups that have already been notified.

In 2019, economic development slowed, and hundreds of business owners and startups in the manufacturing and service industries appealed to the central government in the hopes that it would take action to revive the economy.

## **2020**

India currently has the third-largest startup ecosystem in the world, with 38 unicorn companies valued at over \$1 billion. Despite the Covid-19 pandemic's impact on the economy, the nation stamped about 12 unicorns in 2020.

In order to support start-ups, the government has implemented a number of policies, including broadening the definition of start-ups, streamlining regulations, granting income tax exemptions, and creating a Rs 10,000 crore Fund of Funds for start-ups that is overseen by the Small Industries Development Bank of India (Sidbi).

It also noted that around 319 start-ups had been granted income tax exemptions till November 2020.

While companies in many industries are affected by COVID-19, start-ups have been particularly vulnerable and have faced numerous difficult issues from both a business and an operations standpoint. With the exception of those working in the delivery of "vital services," educational technology, gaming, or streaming services, the majority of start-ups have seen a fall in supply and demand. The start-up ecosystem, on the other hand, has consistently worked to adapt to the current circumstances as adaptably as possible by focusing on the need to innovate and diversify its business operations and procedures.

## **2021**

After the US and China, India has developed into the third-largest start-up ecosystem in the world. According to the survey, a record 44 Indian start-ups achieved unicorn status in 2021, bringing the country's total number of unicorn start-ups to 83, with the majority operating in the services industry.

The report also revealed the growth of start-ups in space technology in India. According to the report, there were 47 start-ups in the sector in 2021, up from 11 in 2019. Bengaluru has been supplanted as India's startup capital by Delhi in recent years. Through January, Indian startups attracted record investments totaling up to \$3.5 billion across 130 deals, marking a decade-high amid a slowdown in global markets and indicating persistent investor interest.

Additionally, a number of government agencies have started a variety of initiatives to support the start-up sector. Innovation and agri-preneurship are promoted by the Center's "Innovation and Agri-entrepreneur Development" initiative. Additionally, the defence ministry's Innovations for Defence Excellence (iDEX) programme aims to promote innovation and technological advancement in the defence and aerospace sectors and attain self-reliance.

Nevertheless, global supply chain disruptions that are driving a funding constraint have made things difficult for the industry as a whole. Indian start-ups, who rely significantly on outside finance, are taking the most hit. Employees have been let go by a number of startups, including unicorns like Unacademy, Byju's, Vedantu, and Cars24. More than 12,000 Indian start-up employees reportedly lost their jobs. At the same time, more than 22,000 employees working in the tech and startup industries are affected globally.

## **V. ACHIEVEMENT OF INDIA**

As in India Shri Narendra Modi sent off the Startup India drive on January 16, 2016. An Action

Plan with 19 activity focuses, zeroing in on rearrangements and hand-holding, subsidizing support and industry the scholarly world organization and brooding was laid out. The Department of Industrial Policy also Promotion has been effectively going to imperative lengths to energize business and advance development. The north of 14,600 Startups perceived under Startup India is spread across 479 regions, covering every one of the 29 States and 6 UTs. To give development state subsidizing to Startups, a Fund of Funds (FFS) of INR 10,000 Crore has been the arrangement. This is supporting pioneer and daring people towards the formation of a New India. the government has effectively dedicated INR 1,611.7 Crore to 32 Venture Capital Funds through FFS. The assets contributed by Government have empowered VC assets to raise a corpus of over INR 7,000 Crore, which is accessible for Startups. Whenever these serious assets complete the gathering pledges process, then, at that point, a sum of INR 13,888 Crore will be accessible to be utilized by Startups. Accordingly, Government commitment has catalyzed 8X financing for Startups.

### **ROLE OF START-UPS IN MAKING INDIA ATMANIRBHAR**

PM Narendra Modi has called for turning into an "Atmanirbhar" Bharat comes to support the neighbourhood business and business visionaries. The message was unmistakable. In all areas, be it fabricating, medical care, administration, and so forth, we want to search for neighbourhood choices rather than going for imports or choosing re-appropriating. Because of the Covid-19 spread, we saw a jerk in our development story. We want to make more than 10 million positions every year to renew. Worldwide explorers and specialists say that such a mammoth objective can be accomplished by having more new companies, as it were. The job of Start-ups in Making India "Atmanirbhar" is irrefutable. It isn't the enormous organizations and goliaths of the business who can set out such open doors; however, the youthful and cutting-edge business visionaries can get it done. New companies are the key to revitalizing the economy and making India an independent country. New companies are one more new business as well as they carry increased the value of society. It takes care of the issues that never tended to. It makes occupations request and runs the financial cycle. New businesses are the most potent monetary associations as they welcome more seriousness and cautiousness on the table.

### **SCHEMES ADOPTED BY INDIAN GOVT. TO SUPPORT START-UPS**

Today, India takes pride in having the third-largest startup environment worldwide. More than 60,000 companies are working nationwide, with over 100 unicorns. To support startups and MSMEs in India, the Indian government and the Ministry of MSME have introduced several innovative government programs and programs.

In addition to the programs listed below, several government initiatives and resources were available to help entrepreneurs with funding and working capital. For instance, the Startup India Action Plan entitles entrepreneurs to several perks, such as tax breaks and exemptions, loans with lower interest rates, skill-development initiatives, and priority consideration for public contracts.

In order to improve India, Micro, Small, and Medium-Sized Enterprises (MSMEs) and startups must be nurtured, protected, and encouraged, according to the Indian government. Consequently, the Indian government has put the following programmes into effect:

### **Pradhan Mantri Mudra Yojini**

Within two years of PM Modi's Pradhan Mantri Mudra Yojana's debut in 2015, more than 1.8 crore employment had been created due to the loans and new enterprises that were brought into existence. Micro Units Development and Refinance Agency Ltd. ("MUDRA"), a non-banking financial institution, is responsible for this program's support of the growth of the microenterprise market in India. With loan requirements MUDRA offers assistance with refinancing to banks or microfinance organisations up to INR 10 lakhs. Small businesses that are neither corporations nor farms are eligible to receive loans up to INR 10 lakhs without having to provide any type of collateral security. This loan is provided for a number of jobs- and income-producing activities. Loans for working capital, travel-related vehicles, and working capital are also available. As a result, it is a special plan created to support Indian business owners.

Three types of companies are eligible for financing under the MUDRA loan for startups programme:

**Category 1:** Shishu, which is for new companies, and loans up to Rs 50,000 can be helped.

**Category 2:** Kishor, a mid-aged business, and loans up to Rs 5 lakh can be helped.

**Category 3:** Tarun, an existing, experienced company, and loans up to Rs 10 lakh can be helped.

### **Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE)**

This government initiative offers eligible startups and MSMEs a collateral-free credit of up to Rs 1 crore. Startups, small businesses, and micro-level enterprises are all eligible for loans at considerably discounted rates with no collateral requirements. The SIDBI distributes the funds under the programme, which offers qualified borrowers fund- and non-fund-based credit facilities up to Rs. 200 lakhs. The project primarily targets manufacturing or service businesses,

and working capital or a term loan can be obtained.

### **Zero Defect Zero Effect(ZED) Scheme**

As the name implies, this objective aims to inspire producers to produce better goods with no flaws and excellent quality. The aim is to give manufacturers the resources they need to use cutting-edge production processes and technology to ensure that their products are the best in their respective categories. The program offers startups and MSMEs resources, technology, and financial support to ensure that their products have no faults. Additionally, ZED provides a comprehensive certification, evaluates businesses for ZED, and aids companies in moving along the maturity evaluation model of the program.

### **Design Clinic for Design Expertise**

All sectors depend on design and innovation, thus every startup and MSME should adopt a design-centric strategy to address the problems specific to its field. In order to encourage small firms to experiment with cutting-edge designs for their goods and to create a sustainable design ecosystem, the Ministry of MSME launched the Design Clinic programme. In accordance with this initiative, the government will pay up to INR 60,000 (Indian rupee 60,000) for design conference attendance and up to INR 3.75 lakhs, or 75% (seventy-five percent), of the seminar's cost when a startup or MSME organises it. In support of this initiative, it is hoped that business owners and executives will have the opportunity to gain knowledge of the most recent design trends and methodologies, connect with other designers and innovators, and, learn about design theories, and employ tactics to make their goods more competitive in their local markets.

### **Support for International Patent Protection in Electronics and Information Technology (SIP-EIT)**

The Department of Electronics and Information Technology ("DeiTY") established the SIP-EIT program to offer government support to Indian Micro, Small, and Medium-Sized Enterprises ("MSME") for the application of foreign patents. This program provides financial assistance to international filing in information communication technologies and electronics. The qualified entities may submit an application at any point during the procedure for submitting an international patent. The reimbursement cap is set at INR 15 (Indian rupee fifteen) lakh for each innovation, or 50% (fifty percent) of the total costs paid during the application's filing and processing, whichever is lower.

### **Multiplier Grant Scheme**

The Department of Electronics and Information Technology started the program to promote

cooperative Research & Development (R&D) between businesses and academic institutions to create products and packages. Under this plan, the government would offer money up to twice as much as that provided by the industry if the drive helps the R&D of items that can be commercialized. The maximum grant amount for each sector is 2 (two) crores per project, with a preferred project term of under 2 (two) years. The allowed limit for a group of industries is 4 (four) crores with 3 (three) years.

## **VI. CONCLUSION**

New companies can change the world, and before long, an ever-increasing number of new businesses will develop with development and imagination. Business is the best way to upgrade the financial growth of a country. What's more, a little thought can be named into a large imaginative arrangement which can change your future. So, assuming that you have an idea, don't impede your fantasies due to the dread of disappointment and taking hazard. Form your thought into the startup and add to the development of our country. Presently we can presume that new companies are significant for the economic development of a nation. We can assume that new companies are decidedly influencing the Indian economy. Anyway, the government needs to advance and make more new companies in India to assist with expanding the GDP of India. Since right now GDP of India is shallow and unfamiliar hold as well. The government is empowering individuals to begin carrying on with work and what steps are being taken, which is excellent for the splendid fate of the Indian startup industry.

So India is known to have the third-biggest startup biological system on the planet. India had around 50,000 new businesses in India in 2018; about 8,900 - 9,300 of these are innovation-driven new companies, 1300 new tech new companies were brought into the world in 2019 alone, suggesting there are 2-3 tech new companies conceived each day. In 2020, India joined the class of the top 50 imaginative economies. What's more, India is a residence homestead to 21 unicorns esteemed at \$ 73.2 billion. The startup environment in India is thriving at a fast speed, all gratitude to the development and progression of Indian IT organizations, capital accessibility, and improved extra pay of working-class Indians.

India is supporting and empowering new companies to ascend to improve our Nation. The youthful business visionary startup biological system executes numerous creative items and administrations. The Indian government has like this reported plan for advancing new companies. Startup India Scheme assists many sprouting businesses, people, to make their fantasies work out and make additional positions from new companies. So, assuming you have a startup-related arrangement, you ought to know about the most current plans, which will help

the innovative excursion.

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