

INDIAN START-UP SCHEME AND EMPLOYMENT GENERATION

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ABSTRACT

The Government of India launched the flagship program Start-up India with the goal of fostering the start-up culture and creating a robust and inclusive ecosystem for innovation and entrepreneurship in India. Start-up India has released a number of initiatives with the goal of assisting entrepreneurs and changing India into a nation of job creators rather than job seekers. The primary objective of the Indian Start-up Scheme is to develop and innovate products and services and create more job opportunities in India. This would further lead to an increased employment rate and help strengthen the economy. The government of India has all set to implement the scheme and has provided all the basic infrastructure for the implementation of the scheme in right perspective. The State of Maharashtra is ranking first at the all-India level in generation of employment opportunities. According to the Economic Survey 2021–22, India has approximately 61,400 startups recognized by the Department for Promotion of Industry and Internal Trade (DPIIT), with at least 14,000 recognized for the fiscal year 2022. The State of Maharashtra is ranking first at the all-India level in generation of employment opportunities. The above statistics indicates that the initiatives taken by the Govt. of India and the State-Government to foster the growth of Start-Ups has yielded fruits. The number of Indian youths is coming up in greater number, with their innovative ideas and making it a commercial preposition. Startup is the latest buzzword in today's society. Startups are growing more rapidly than ever. Both men and women are starting their own businesses. Even women are contributing more ideas and taking the risk necessary to maintain their credibility. Indian startups make an effort to create a start-up environment with significant talent, education, and creativity as well as incubators and communication with financial organizations.

Keywords: Innovation, Skill, Start-up, Govt. Initiatives. Employment Generation.

Introduction Evolution of Start-Ups in India

The Government of India launched the flagship program Start-up India with the goal of fostering the start-up culture and creating a robust and inclusive ecosystem for innovation and entrepreneurship in India. Since the initiative's inception on January 16, 2016, Start-up India has released a number of initiatives with the goal of assisting entrepreneurs and changing India into a nation of job creators rather than job seekers. The Action Plan below outlines the extensive range of Start-up India's programs. A specialized Start-up India Team oversees them and reports to the Department for Industrial Policy and Promotion (DPIIT). The following types of support for start-ups are included in the 19-Point Action Plan, among others:

- Improved infrastructure, such as incubators
- Improved IPR facilitation, including simplified patent application
- A better regulatory environment with tax advantages, simpler compliance, easier company formation, quicker exit mechanisms, and more
- An economic stimulus consisting of a 10,000 crore INR Fund of Funds run by SIDBI with the intention of expanding funding options

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- This website, also known as the Start-up India Portal, provides entrepreneurs and other players in the Start-up ecosystem with a variety of helpful information and access to a sizable networking database.
- For start-ups, a toll-free helpline and speedy email query resolution

Objectives of Start-Ups

The primary objective of the Indian Start-up Scheme is to develop and innovate products and services and create more job opportunities in India. This would further lead to an increased employment rate and help strengthen the economy. Now it is more than five years the scheme is in operation it will be appropriate to take a stock of the implementation of the scheme over the five years period and to assess the performance of the scheme with set objectives while introducing the scheme.

The government of India has all set to implement the scheme and has provided all the basic infrastructure for the implementation of the scheme in right perspective. The government of India has embarked upon creating an environment conducive for smooth development of the scheme. The government of India has initiated several steps to improve the ease of doing business and has shown excellent progress over the years.

The table indicates the F.Y. wise and state-wise progress of the Start-Ups in India

State	2016	2017	2018	2019	2020	2021	2022	Total
Maharashtra	86	1058	1620	2129	2685	3721	2220	13519
Karnatak	61	842	1184	1675	1739	2144	1236	8881
Delhi	66	727	1158	1378	1771	2191	1345	8636
Uttar Pradesh	27	392	776	881	1377	1968	1233	6554
Gujarat	24	285	442	600	879	1717	973	4920
Total in India	471	5233	8775	11417	14596	20160	12341	72993

Source: Start-Ups registered with Department of Industrial Policy & Promotion

It can be seen from the above data that the State of Maharashtra is ranking first in the implementation of the Start-Up scheme followed by the State of Karnataka.

Here it will be worthwhile to take a stock of the number of jobs created by these Start-Up state wise. The below given data reveals the employment generated by various states since its implementation i.e., F.Y. 2016.

Sr. No.	State	Number of Employment Opportunities Created
1	Telangana	44649
2	Uttar Pradesh	67694
3	Delhi	87643
4	Karnatak	103541
5	Maharashtra	146132
	Total	767754

Source: Data published by the Industries and Trade Ministry Gol.

The above data indicates that the State of Maharashtra is ranking first at the all-India level in generation of employment opportunities.

According to the Economic Survey 2021–22, India has approximately 61,400 startups recognized by the Department for Promotion of Industry and Internal Trade (DPIIT), with at least 14,000 recognized for the fiscal year 2022. The survey is a yearly report card on the economy that analyses the performance of several sectors and makes recommendations for the future. A forecast for GDP growth is also presented.

On this score of generation of employment opportunities, it will be worthwhile to note here that this is just the beginning of the scheme. Now once the Start-Up gears up its operation the number of opportunities will certainly increase to a great extent. Some of the Start Ups have been appreciated by the Indian industrialists like Hon. Ratan Tata, Anand Mahindra and have now invested in these identified start-ups which will provide impetus for them to expand. (Goosebumps – energy distribution Start Up from Pune) There was a TV program on Shark Tank on Sony Chanel has also created an atmosphere and has indicated to the upcoming Start-Ups to present their ongoing projects wherein the industrialists of proven track record will assess their performance and will come forward to invest as well as guide them in their start-up activities.

The above statistics indicates that the initiatives taken by the Govt. of India and the State-Government to foster the growth of Start-Ups has yielded fruits. The number of Indian youths is coming up in greater number, with their innovative ideas and making it a commercial preposition. The banking industry is also keen in financing new start-ups. This will enable these entrepreneurs to go ahead with the expansion of their activity which in turn will lead to generation of employment opportunities. Thus, there is definitely a bright future for the Start-Ups and it is hoped that in times to come these start-ups will achieve newer heights in generation of employment. India has become the third-largest startup ecosystem in the world after the US and China, it said. A record 44 Indian startups achieved unicorn status in 2021, taking the overall tally of startup unicorns in India to 83, with most in the services sector, the survey showed.

Global Scenario

Pune ranks within 100 cities of the world in respect of Global Start-Ups Ecosystems.

Start-up Blink an organization from Israel has conducted a survey and published World Start-Up Ecosystem Index and prepared a list of 100 countries and 1000 cities where the favourable Ecosystem for Start-Ups is available. According to this survey India ranks 19th rank and so far as cities are concerned following Indian cities have figured in this list.

World Start-up Ecosystem Index Performance of Indian Cities			
City	National ranking	World ranking	Area of excellence
Bangaluru	1	8	EdTech
New Delhi	2	13	Transport
Mumbai	3	17	EdTech
Pune	4	90	Transport
Hyderabad	5	97	EdTech
Chennai	6	102	EdTech
Jaipur	7	212	E-Commerce & Retail

The first five countries having Favorable Ecosystem for Start-ups are: U.S.A. Britain, Israel, Canada and Sweden. San Francisco city in US ranks first.

Status of Start-Ups in Maharashtra

Every year in the state of Maharashtra with a view to focus on Skill development, employment, entrepreneurship development and innovative endeavours Innovative Society organizes a special event to give boost to the youth and ideas of the new entrepreneurs is organized as a Special Week. This year also it is to be celebrated from 15h June 2022. The main purpose of organizing such a week is to bring in innovative products and services to implement in the government administration. This year under this project there will be a special event for the 100 young innovators to present their products and services before the ministers, senior officers from the Government, investors, technical experts. Of these 100 youths the successful 24 start-ups will get government work orders amounting to Rs.15 lakhs. This includes, agriculture, education and skill development, health, administration and clean energy, water management and garbage management. So far 4 such Weeks have been celebrated. According to the latest prese3nted economic survey for 2021-22 there are 11,308 startups in the state of Maharashtra and it is leading in India. So also, in the year 2021-22 at all India level there were 44 start-ups Unicorn, 11 unicorns are from Maharashtra. In respect of start-up ecosystem Maharashtra state ranks number 1 in India. Unicorn means a company whose value is 7500 crores and 25 per cent of the unicorns in India are from Maharashtra.

As of 2021-22 there are 32,662 registered star-tups in the Maharashtra state of which 11705 start-ups are recognized. The district wise data of start-ups is as under:

Data relating Start-ups in the State of Maharashtra;

District	Registered Start-ups	Recognized Start-ups
Gadchiroli	30	9
Nandurbar	32	11
Mumbai Metropolitan city	14710	5938
Pune	8603	3375
Aurangabad	774	220
Sindhudurg	36	14
Total in the State	32662	11705

Post Covid-19 Pandemic Performance of Start Ups

Now the economic revival is in progress. According to the survey of Department of Promotion of Industries and Internal Trade (DPIIT) Pune ranks first in the state of Maharashtra in respect of number of Start-Ups.

Start-Ups in the State of Maharashtra

F.Y. 2019-20	2685
F.Y. 2020-21	3729

Prominent district's performance under Start-Ups over the past two financial years.

	Pune	Mumbai City	Thane	Mumbai City Inclusive of Suburbs	Nagpur
2019-20	775	749	350	245	124
2020-21	1022	1001	520	287	162

Reasons for Growth

- New ideas with the youths in the city.
- Access to new technology
- Higher number of consultants.
- Availability of Fundamental infrastructure.
- Organization of Workshops on Start-Ups.
- Large number of investors
- Availability of co-working spaces.

According to Dr. Anant Sirdeshmukh – Start-Up Consultant there are a greater number of IT companies and the number of start-ups is related to IT technology. So also, there are few large institutions which perform a greater role in the extending assistance to the youths to establish a start-up.

Governments Initiatives

- Start-up India action plan.
- Funds for Start-ups.
- Improvements in control.
- Security for artificial intelligence.
- Sops under Labor and Environment control regulations.
- For initial three years waiver of Income Tax.
- Start-up India hub.
- Start-up India showcase
- National Consultative Committee.
- India Seed Fund Scheme. (SISFM)

Challenges before the Start-Ups in India

Startups that operate online are constantly working to improve their reputation and brand image by promising a pleasant experience. It is difficult to meet client expectations in an era when experience is everything, and existing eCommerce behemoths take the online purchasing procedure to the proverbial 'next level' with anticipatory shipping methods. For Indian startups to compete with these behemoths while meeting the ever-changing client demands, is a significant problem.

To achieve the desired customer expectations for a positive user experience, startups should begin evaluating their eCommerce trends and concentrate on using this data to create individualized customer experiences. Customers must feel recognized and valued from the time they begin utilizing your service

Online startups continually attempt to strengthen their reputation and brand image by providing a good experience. In a time when customer satisfaction is paramount and established eCommerce behemoths push online shopping to the proverbial "next level" with anticipatory shipping techniques, it is challenging to meet customer expectations. It is a big challenge for Indian entrepreneurs to compete with these industry titans while also satisfying constantly shifting customer preferences.

Startups should start analyzing their eCommerce patterns and focus on using this data to build tailored customer experiences in order to meet the required customer expectations for a great user experience. Customers must have a sense of recognition and value as soon as they start using your service.

Most Common Questions for anyone to Become an entrepreneur:

What to do? - Problem related to creating a business idea, finding business opportunity or having a vision.

Why to do? - Issues related to reward/incentive analysis, risk evaluation or any other benefits -- How to do? - Issues related to legalities and requirements such as clearances, licenses, approvals required. Issues related to resource availability including finances, technology and manpower supply

Most people think that having a domain name, setting up a website, moving to social media are complex, costly and time consuming

People are conscious about risk and rewards, and India is referred to as a price sensitive market

People at large are unaware about how can they contribute to economic growth, generate employment, contribute to social development.

Conclusion

Startup is the latest buzzword in today's society. Startups are growing more rapidly than ever. Both men and women are starting their own businesses. Even women are contributing more ideas and taking the risk necessary to maintain their credibility. Indian startups make an effort to create a start-up environment with significant talent, education, and creativity as well as incubators and communication with financial organizations. The government is currently helping startups as well.

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