AN OUTLOOK ABOUT THE OPPORTUNITIES AND CHALLENGES OF STARTUPS IN THE ERA OF NATIONAL CRISIS

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ABSTRACT:

In the words of Ali brown award-winning entrepreneur and business coach: the best way for personal development and enlightenment is to start your own business.

The third-largest startup ecosystem worldwide is now located in India. If India's aspiring young engage in business, the nation can rise even more quickly. In essence, mentality and expertise are the two key elements needed for the professional development and longevity of businesses. Potential may be assessed with the right mindset, and we can improve quality and performance with competence. We need to believe in our ability, and performance will show in our actions. Similar to how sustainability and scalability are necessary for talent growth, planning and execution are essential for ambitious business owners to succeed. If they want to convert their skill into a job, they should make a deliberate effort to consider entrepreneurship as a career choice. Being unfazed by setbacks is the key to entrepreneurship success, and this is the ultimate goal. An aspirant's enthusiasm inspires him to succeed in business and do the right thing.

In the post pandemic COVID-19 time , this research will emphasize the potential and difficulties associated with supporting the startup environment. The goal of the research is to identify the main forces or push factors that increase the number of startups and to provide some pertinent recommendations.

Keywords: Entrepreneur, Startups, Eco System, Opportunities, Challenges**.**

Introduction :

The Indian startup ecosystem has recently truly taken off and established itself, thanks to reasons including significant finance, merger and acquisition activity, developing technology, and a growing local market. The statistics speak for themselves: from 3,100 startups in 2014 to an estimated over 11,500 by 2020, it is clear that this is not a fad. This is a revolution. Additionally, it will alter the way Indian markets operate now.

The Central Government's initiatives take into consideration the common goals and entrepreneurship of the risk-taking Indian. Numerous unflappable and unwavering Indians are at the core of the success of Silicon Valley enterprises. India wants to contribute between 15 and 20% of the world's GDP. When the startup movement reaches a critical mass, it occurs. Startup India considers more than the claim that it is a better presentation of institutional

assistance already in place. The challenges of governing India's variety of ideas, systems, and people are well acknowledged. The goal of Startup Indians is to thrive amid a sea of mental and intellectual transformations. It is strengthening the Indian's uncontrollable wings. To avert a second global crisis, the globe is battling.

Startup India is all about defying expectations and inspiring a revolution of distinctive and compelling business concepts created by young people. It serves as a prelude to India assuming a central role in the new global order. According to the report, facilitating faster patent registration, providing credits for research and development, and facilitating entrance are all necessary for Startup India to succeed as a developing economy.

The Start-up concept is to "transform India into a country of employment creators from a nation of job seekers," in the words of Prime Minister Narendra Modi.

The kind of business that qualifies as a start-up is not limited by any set criteria. Entrepreneurs and politicians define the term "start-up" as "a culture and attitude of innovating on existing ideas to deliver answers," as opposed to "a state of mind." Since it is often considered that these enterprises would not exist without the crucial component of "technology," the word is more usually used to describe high-tech firms that are using cutting-edge technology to tackle pressing issues.

In the year 1550, the phrase "startup" was first used to describe a newly formed corporation. The word was originally used by Forbes magazine in 1976, and a Business Week piece published in 1977 linked startups to "high-technology sectors" and "fast-growing industries."

The emergence and growth of many internet-based businesses as well as the success of leading corporations like IBM, Apple, and Microsoft had an immediate effect on the value of respective stock exchanges and the economy. This led to a significant increase in companies, which attracted a lot of investors who chipped in to invest and help these firms go public with their first public offers. This had a good effect on entrepreneurial activity and inspired many others to launch additional successful startups. Since then, this has caused several startups to flourish all over the globe, whether they are universities that provide graduation and post-graduate courses, technical institutions, coffee shops, startup platforms, startup communities, large corporations, or the government. The number of young people in the rapidly expanding information economy suggests that there may be an increase in awareness and the desire to be an entrepreneur in life. There is a rising tendency of technology-based startup enterprises compared to non-high-tech startup companies as nations throughout the globe transition to knowledge economies owing to the necessity of offering radical answers to their socio-economic challenges. With the aid of modern technology, ideas have been generated quickly in knowledge economies. Additionally, it has been discovered that mortality rates are rising and high-tech startup businesses are failing even in developed economies like the United States. As a result, it is essential that the nations develop effective strategies for the expansion and long-term survival of these businesses.

The Indian startup ecosystem only recently began to take shape. After the Indian economy was liberalised in 1995–1996, more young people from India moved to the US and Europe to work as IT specialists, which helped India acquire a lot of experience and expertise. Since the turn of

the 2000, there has been a deliberate effort to launch new businesses. According to the NASSCOM Startup Report 2017, India, which was historically well-known as a location for IT outsourcing because of its cheap labour, had 5200 tech companies in 2017. Many more businesses were also prospering to be a part of startup hubs. According to the Economic Times report (2017), there are a number of startup companies in India that have gained notoriety in 2017. Examples include Paytm, FlipKart, Ola, and others that have persisted in inspiring the next generation to dream big and play a very important role in the economic development and growth with their creative solutions, bringing about radical changes, and disrupting the market. The most promising startup verticals, such as IoT, analytics, health-tech, and hyper-local ecommerce, are being driven by the Indian economy, which is characterised by an increased number of local and international investors, an expanded digital consumer base, a high number of mobile users, and an improved political environment .India has undergone significant technological and innovative transformation since 2010, ushering in a new generation of entrepreneurs and earning India the moniker "Startup Nation." Numerous encouraging signs suggest that the Indian ecosystem is growing quickly and becoming more appealing on a global scale. The many supportive programmes and policies of the federal and state governments contributed to the development of the fledgling businesses. In emerging nations like India, startups with cutting-edge technical solutions are tackling urgent issues like healthcare, education, poverty, and employment, which is simplifying and improving the way of life for its citizens.

The Indian government actively encourages entrepreneurship and has taken a number of steps to make sure that it offers the necessary assistance. Referring to the "Make in India" campaign, which the Indian government launched in September 2014 in an effort to draw in international investors and inspire local businesses to enter the manufacturing sector, is pertinent in this context. To boost startup confidence, the Indian government increased restrictions on foreign direct investment and reinforced the protection of intellectual property rights. The government of India launched the "Startup India" campaign in 2015 in an effort to make India the top tourist destination and to encourage and assist female entrepreneurs. Another prominent and significant programme called "Digital India" was launched in 2015 to ensure that government services were made more accessible to every citizen through an online platform. The government's 2020 "Aatmanirbhar Bharat" programme places a lot of emphasis on entrepreneurs being creative and independent.

Objectives of the Study:
1. To explore the constraint and challenges faced by the startups.
2. To identify various opportunities available for the startups in India.

Data Collection:
The study's main goals were to comprehend the difficulties and possibilities faced by startups as well as the many driving forces that influence entrepreneurs to launch theirbusinesses.

This paper is based on secondary datacollected from a variety of newspapers, websites, various govt press releases, research papers, peer-reviewed publications, books, reports on

entrepreneurship and startups.

Analysis and Interpretation:

The global startup ecosystem has recently been quite interested in India. Massive finance, consolidation, innovation, technology, and the existence of a large prospective market all contribute to the ecosystem's growth. Startups create money, jobs, and Possibilities for the future as well as pride. The brutal truth of contemporary business and its complexity has been acknowledged in India. The issues that young entrepreneurs encounter, whose willingness to take risks is admired across the world, were addressed by the federal government. Among the obstacles the entrepreneur encountered were policy gridlock and a lack of openness. In startups, technology played a specific, predefined function. Over the last several years, Indian markets have favoured startup entrepreneurship. Consequently, domestic unicorns proliferated all across the nation. The figures show that there will be more than 11500 startups by 2020, up from 3100 in 2014. The aforementioned is now possible because to massive investment from 2007 to 2017. According to investment trends, investors like to partner up and make investments before a firm even gets off the ground. The entire picture reveals a robust consumer market that is now experiencing exponential expansion.

At least today, the issues, such as a lack of clear and open policy efforts, a lack of infrastructure, a lack of exposure and expertise, difficulties in doing business, etc., are being recognised and addressed. The present paper placed a strong emphasis on analyzing the difficulties and future possibilities of chosen entrepreneurship as a path for the future in India.

Challenges:

Even though there are many investors in India, entrepreneurs often struggle to timely obtain the necessary funds, particularly the operational capital needed to operate their firm successfully. Additionally, startups were struggling to maintain their cost because the costs of the necessary resources have increased, low cost and high-quality goods and services are now available.

It is challenging to comprehend and address client demands that's why startups struggled to create their brands and compete locally. Maintaining client interactions has become difficult due to fragmented marketplaces. Creative market-fit products and services are becoming a crucial need to compete and capture the market, Startups are struggling to develop and maintain innovative concepts that can draw in clients.

Startups must invest enough time and money into training their staff, as it is difficult to keep them on after a while. Freshmen who had joined startups had a propensity to quit after obtaining expertise and join large corporations. Since they cannot afford to provide their workers the wage and theother perks that large businesses can, startups have a tough time competing with well-established firms.

Attracting overseas talent is another difficultly for startup entrepreneurs. This is because the bureaucratic climate in India is neither workable nor appealing to foreign professionals. International talent is being drawn to several Asian ecosystems because of their superior infrastructure and high level of life. In India to draw in talent and knowledge from across the world, the bureaucratic regulations need to be changed significantly.

Even though the government has made the registration procedure for startups simpler, the

majority of startup businesses have found it challenging to cope with obstacles related to corruption and inefficient bureaucracy. The GST problem, which was imposed in 2017, had to be dealt with by early-stage businesses since they had to pay 18% for obtaining specialized services from other nations. In 2018, startups had to deal with the angel tax, which required a lot of effort from business owners to file tax appeals and reply to notifications. This took up valuable time that they might have used to develop their goods and services.

The majority of aspiring entrepreneurs believed that the government's "Startup India" initiative did not add any value to the ecosystem, but many thought it was at least a step in the right direction and hoped that regulations would be simplified, bureaucratic barriers would be removed, and more research labs would be established where prototypes could be tested and innovations could flourish.

If the nation has strong infrastructure, inventions may flourish. R&D spending in India, however, is less than 1% of its GDP. There aren't enough high-quality investments in the ecosystem's R&D. Startups have a very tough time undertaking and upgrading the technology. It's quite challenging to create working prototypes, these businesses copied popular concepts from across the globe and attempted to localise them.

Startups must build a profitable company that adds value in order to either attract the proper strategic partners who can purchase these businesses or enable an IPO.Startups that have easy access to resources find it easier to expand their businesses and can more readily deal with obstacles. It becomes simpler to produce the correct items, sell them to the right clients, and compete with the competitors. However, the entrepreneurs believe that the company's inability to adhere to corrupt regulatory laws is the main problem.

The COVID-19 epidemic has had a significant negative influence on worldwide startups. Majority of startups have had a financial crisis and were unable to pay their suppliers and staff, while rest startups believe that their market has been disrupted, which has disturbed their company operations. It had become challenging for these companies to provide and sell their goods and services because to tight constraints on the one hand and cost- and health-conscious consumers on the other. Due to consumer behavior changes they faced a decline in demand for their goods and services and experienced the economic fragility brought on by the epidemic. Due to the government limitations resulting from the lock downstartups found it challenging to handle the new work environment for their employees. Startups are concerned about how the policy ambiguity might affect their operating procedures.

Opportunities:

Startups do not have trouble managing their teams and workers when it comes to HR difficulties.India has abundance of educational and research institutes, IT firms, and friendly locals.There is a diversified workforce and a growing trend of women getting positions in different firms.

Young people's attitudes regarding the startup culture have changed, and they are now willing to work in them at first to get experience. Even seasoned employees of large corporations are gravitating into entrepreneurship as a profession. This makes it simple for startups to recruit both experienced and new employees. The founding teams of startups often include three to

five employees with a variety of skill sets that may enhance the company's overall experience; these firms do not find it challenging to manage their team.

India is undergoing cultural and social development, and the number of women entering the workforce is on the rise. Young women now work in a variety of startups in addition to long-standing corporations. Compared to males, startup entrepreneurs had no trouble managing these female workers. This demonstrates that men and women are treated equally, which is encouraging for the development of a country. The majority of startups find it easy to register themselves since the process of legal incorporation has been made simpler by the "Startup India" platform, which allows business owners to self-certify and register.

As a multicultural center, India is home to individuals from many backgrounds. People in India are changing their tastes, inclinations, and way of life. Indian are technologically sophisticated, have switched to digital for all of their daily transactions, and engage in online purchasing. On the other hand, social media is playing a significant role, and teen usage of social networking sites has expanded significantly. This gave entrepreneurs the chance to use the power of social media to sell their goods and services to a wide audience;

India is now expanding educational demands and the rise of business schools and entrepreneurial organizations have made it possible for young people to embark on the entrepreneurial path.

Conclusion:

With so many stakeholders, Indian startup ecosystem has produced a suitable climate for startups. Young startupreneurs are interested in independence and have expertise about entrepreneurship. Positive changes have been made in people's attitudes about entrepreneurship as a vocation. Startups are having an influence on society by creating chances for the local community and raising people's living standards thanks to better technology and regional innovation mechanisms.

According to the report, entrepreneurs are facing a variety of difficulties, including problems keeping their personnel and dealing with bureaucratic restrictions. The startup's founders also lacked the necessary skills, so they relied on a strong team of people with complementary abilities. Startup business owners believe that adopting a digital strategy and developing an inventive mentality are the two most crucial elements in overcoming obstacles and seizing chances.

Startups believe that unrestricted access to financing and other resources is necessary for them to have enough cash to operate their businesses successfully and get through crises like the COVID-19. The majority of new business owners believed that by handling the crisis and changing with the times, limitless possibilities would arise. Due to changes in the behaviour of many stakeholders, including consumers, suppliers, investors, and others, the pandemic has brought about a number of changes that are evident in the way that organisations operate. In order to survive, companies must be fast to pivot as well as flexible. For the ecosystem to survive, there is a need to provide it more support, which may enable them form strategic partnerships and create an environment where everyone wins. Additionally, it is considered that government rules should be made simpler. State and federal governments should establish

world-class research centers and technical facilities while also streamlining the startup process.All entrepreneurs support the "Startup India" movement; however it is important to evaluate how it will affect startups. The key participants in the ecosystem, including the government, must raise public awareness of the potential accessible to entrepreneurs.

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