



Entrepreneurship and Sustainable Development In The Light Of Startups and Standup India: An Empirical Study

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Abstract: entrepreneurship is always linked to the creativity and innovation, trying to fill the gaps in products and services. In 2016 India is standup with many new startup wave in which people are making their presence by providing new and innovative services and products to serve the need of customer. The vast customer base if India is always the market from old times. Technology is being the new front for innovation and creativity and becoming the base for entrepreneurship. In this paper the author is going to explore through a set of questionnaire for new startups and supporting agencies what are the pre requisites for setting up startup at what stage of startup and what support they need and in which industry spectrum they want to work and how they are changing the shape of the market by utilizing the technology and funds to bring India to a sustainable development.

Keywords: Entrepreneurship ,Sustainable Development ,Startups , Make in India, Funding Agencies, seed funding, crowd funding ,gap analysis,

I. INTRODUCTION

Entrepreneurship is the process in which a person starts his own venture by designing and launching a product to the market after accessing the market need and understanding the gaps in services or products. Entrepreneur tries to identify those areas in the market which has business potential and serve them. If we talk about Startups, they are usually those enterprises which are promoted by first timer entrepreneurs and are relatively have a fresh beginning. In this kind of setup the entrepreneur or a team of similar thought process having expertise/experience, knowledge or idea are usually the driving force behind such ventures involving a high degree of entrepreneurial skills and risk taking capacity. Such start-ups need support and encouragement from various perspectives during the initial phase and subsequently the growth phase till establishment on firm-footing. There are several examples in world market like in advanced countries and also in India where successful start-ups have grown into large companies. Startups came into the picture where traditional sense of doing business like opening up another general grocery store in the locality where there are already stores like it, the new thing in startup is innovation and how the things are being delivered to the customers in terms of product or services. Startup is later on turning into a business like any other with different flavor and going to satisfying the market need.

In the techno savvy world environment startups based on technology are having more success rates like in telecom/mobile app development and continue to play significant roles in the growth, development and industrialization of many economies all over the world. Globally, technology based start-up companies are registering in higher number than non-high tech companies because of their growing importance in the new knowledge economy. Since the rate of generation and innovation in knowledge has become very fast, the rate of obsolescence of technology has also become fast and consequently, the rate of mortality of start-up companies have also gone up. Hence, it is important that appropriate strategies are framed for their long term survival. Sustainability of any venture is most important the existence and adaptability of the venture either startups or traditional business is must.

II. ENTREPRENEURSHIP

Entrepreneurship is the process of designing, launching, and running a new business, i.e. a startup company offering a product, process or service It has been defined as the "...capacity and willingness to develop, organize, and manage a business venture along with any of its risks in order to make a profit." The entrepreneur is "a person who organizes and manages any enterprise, especially a business, usually with considerable initiative and risk." "Rather than working as an employee, [an entrepreneur] runs a small business and assumes all the risk and reward of a given business venture, idea, or good or service offered for sale. The entrepreneur is commonly seen as a business leader and innovator of new ideas and business processes." Entrepreneurs perceive new business opportunities and they often exhibit positive biases in their perception (i.e., a bias towards finding new possibilities and unmet market needs) and a pro-risk-taking attitude that makes them more likely to exploit the opportunity. "Entrepreneurial spirit is characterized by innovation and risk-taking." [1]

III. STARTUPS AND MAKE IN INDIA MOVEMENT

Nirmala Sitharaman, Minister of State (MoS) for Commerce and Industry said, "We want start-ups to come to India, operate in India and stay in India. We as government have to see how best we can remove the clutter in doing business." She said, "Last year there has been a 50% increase in financing for start-ups in India". There have also been several angel investors that have come forward to fund these start-ups. She further added that the government is making it also easy for start-ups to exit. Onno Ruhl, Country Director, World Bank said that India needs to create jobs in big way and innovation is the key. "We will



support the government in any way possible. The potential is in the innovators,"[2]

On 16th Jan 2016, Prime Minister Mr. Narendra Modi announced bunch of benefits and schemes to promote start-up ecosystem in India. The event was called 'Startup India, Stand up India'. It has immense importance because, for starters, it was the first of its kind dialogue between India's startup community and the government.

Startup India is a flagship initiative of the Government of India, intended to build a strong ecosystem for nurturing innovation and Startups in the country. This will drive sustainable economic growth and generate large scale employment opportunities. The Government, through this initiative aims to empower Startups to grow through innovation and design.

In order to meet the objectives of the initiative, Government of India announced an Action Plan that addresses all aspects of the Startup ecosystem. With this Action Plan, the Government hopes to accelerate spreading of the Startup movement from digital/ technology sector to a wide array of sectors including agriculture, manufacturing, social sector, healthcare, education, etc. and from The Action Plan is divided across the following areas:

- Simplification and Handholding
- Funding Support and Incentives
- Industry-Academia Partnership and Incubation

Since the day, the talk on "Start-up India" scheme has started, it's been a burning question in each entrepreneur's mind, whether their venture qualifies for these new schemes and benefits announced. Finally Department of Industrial Policy and Promotion (DIPP), Government of India has clarified which ventures will qualify as Start-up to claim the benefits. [3]

The new wave of startups and government initiatives to support the same is the burning topic and most of the young generation in India after seeing the successfully established players like Snapdeal, Flipkart, OYO and others, new ventures by many young players are trying hard to get the details of the various schemes of government to support startups in India, in India there is a big market and the need of the market is still not fulfilled and the growing population and employment is the basic root cause of the business ideas. People want to get value for money, today money is not a big issue to start any venture there are many schemes by government and banks along with other financiers who are ready to put their money in your venture if it is marketable and feasible, to bridge the gap of knowledge Indian government has come up with the idea of supporting and facilitating the startup movement and encouraging the budding entrepreneur to produce the product Make in India label. This will generate employment and encourage young people to put their ideas and skills into real product or services.


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वाणिज्य और उद्योग मंत्रालय
(औद्योगिक नीति एवं संस्धान विभाग)

MINISTRY OF COMMERCE AND INDUSTRY
(Department of Industrial Policy and Promotion)

NOTIFICATION
New Delhi, the 17th February, 2016

G.S.R. 180(E).—The Government of India has announced 'Startup India' initiative for creating a conducive environment for startups in India. The various Ministries of the Government of India have initiated a number of activities for the purpose. To bring uniformity in the identified enterprises, an entity shall be considered as a 'startup'.

- Up to five years from the date of its incorporation/registration,
- If its turnover for any of the financial years has not exceeded Rupees 25 crore, and
- It is working towards innovation, development, deployment or commercialization of new products, processes or services driven by technology or intellectual property;

Provided that any such entity formed by splitting up or reconstruction of a business already in existence shall not be considered a 'startup'.

Provided further that in order to obtain tax benefits a startup so identified under the above definition shall be required to obtain a certificate of an eligible business from the Inter-Ministerial Board of Certification consisting of:

- Joint Secretary, Department of Industrial Policy and Promotion,
- Representative of Department of Science and Technology, and
- Representative of Department of Biotechnology.

Fig.1 showing Gazette notification about startup India

Source http://startupindia.gov.in/Startups_Notification_17_02_16.pdf

From the above figures it is clear that the Indian government is seriously working on the startup movement and they have defined the guideline like the definition and conditions of what is a startup, like upto 5 years from the date of incorporation of a firm or company and in any financial year the turnover should not exceeds from 25 cores and the company should work on innovative ideas, deployment of new products, process or services driven by technology. They have made incubation cells in various IIT and NIT to bridge the gap of industry – academic interaction, education is the backbone of any industry, any industry get its workforce from the education sector and there is a vast gap what is being taught in colleges and universities and what is the demand of the market/ industries. This could be one of the reasons of unemployables, industry is seeking talented workforce to take care of their business and people coming from the colleges and universities do not have enough knowledge of latest technologies and process which are going on today with a simple reasons "out of syllabus". The government policies to cover up the gaps in education and industry and supporting young technocrats to generate more employment and fulfill the market demand.

IV. GOVERNMENT POLICIES AND SUPPORT



Fig.2 Showing Incubator cell

V. GOVERNMENT POLICY

Government policies is one of the major constraints faced by Startups. The various problems in government policies are, Lengthy Procedures & formalities , extensive paper work, High Import duty, Excise duty, Custom duty, Sales tax, Labour Laws, Wrong interpretation of laws & policies of the govt. by the enforcement agencies, Strict Environment & Pollution control Norms, Various Insurance Schemes, Frequent Raids & Checking by Vigilance Teams and taxation. From the above exhaustive list of various constraints it is very cumbersome for any young entrepreneur to overcome from all these hurdles and many people even do not know how to deal with it. Even a simple process of taking a loan from a bank for any project it becomes very difficult to complete all the formalities raised by the banks and other financial institutions.

Many recommendations are made within the context of various issues to deal with the above mention issues by the government to be generous in terms of startup projects in order to encourage the growth and competitiveness of such start startups.

The government's Start-up India initiative, the fund of funds' proposed Rs.10,000 crore (about \$1.5 billion) corpus will be deployed in tranches of Rs.2,500 crore over a period of four years. The funds are raised by the entrepreneurs recently are funded by mostly foreign investors and this time government is designed the process to stimulate the growth of the domestic venture capital industry, which is practically non-existent at present. The country's venture capital industry, which consists of foreign firms such as Sequoia Capital, Accel Partners and Matrix Partners, and home-grown firms such as Kalaari Capital, Nexus Venture Partners and Helion Venture Partners LIC, currently raise more than 90% of their capital from foreign institutional investors, commonly known as limited partners. Their investment policies are very much effected by the funding partner's home land, the dependence on foreign capital makes firms here vulnerable to the ups and downs of those markets.

VI. FUNDING AGENCIES

Accessibility to finance constitutes of overall constraints faced by the start-ups and has been recognized as the second major constraint for all startups which can seriously affect the ability of a Startup to survive, increase capacity, upgrade its technology and even expand markets, improve management or

raise productivity. Most financial assistance for Start-ups is offered as loans. However, lack of collateral, fear of excessive debt burdens and the low profitability for banks in lending to Start-ups impose definite limits on the levels of finance in the form of credit that Start-ups can expect to receive. Furthermore, it was found that Start-ups are undercapitalized and usually rely to a greater extent on loan capital or on retained earnings which are usually inadequate.

The various problems in access to finance are, Lengthy time taking procedure, High Interest Rates, Reluctance of Funding Institutions/Banks, Collateral Security, Lack of Information, Non Availability of Angel & VC's and Insufficient seed funding.

The following is the list of various funding agencies who are supporting startups like:

- Accel Partners – Anand Daniel, Prashanth Prakash, Subrata Mitra
- Bessemer Venture Partners – Vishal Gupta, Abhijeet Muzumdar
- Canaan Partners – Alok Mittal, Rahul Khanna
- Catamaran Ventures – Arjun N, Bani Bedi
- Draper Fischer Juverstien India – Mohanjit Jolly
- Helion Venture Partners – Ashish Gupta
- IDG Ventures – Sudhir Sethi, Manik Arora, TCM
- IndoUS Venture Partners – Vinod Dham
- Intel Capital – Pradeep Tagare
- Inventus – Kanwal Rekhi, Parag Dhol, Samir Kumar, Manu Rekhi, Rutvik Doshi
- IvyCap Ventures – Vikram Gupta
- Kleiner Perkins
- Lightspeed Venture Partners – Bejul Somaia, Dev Khare
- Matrix Partners – Avnish Bajaj, Tarun Davda, Rajinder Balaraman
- Mayfield Fund - Navin Chaddha, Vikram Godse, Nikhil Khattau
- Nadathur Holdings – N S Raghavan
- NEA – Vamesh Chovatia, Pradeep Srinivas, Bala Deshpande
- Nexus Venture Partners – Suvir Sujan, Sandeep Singhal, Anup Gupta
- Norwest Venture Partners – Sohil Chand, Mohan Kumar, Niren Shah, Sumer Juneja
- SAIF Partners – Ravi Adusumalli, Naiken Veerasamy
- Samaa Capital – Ash Lilani, Suresh Shanmugham
- Sequoia Capital – Gautam Mago, VT Bharadwaj, Mohit Bhatnagar, Shailesh Lakhani, Shailendra Singh, Abhay Pandey
- Sherpalo Ventures – Sandeep Murthy
- Tiger Global – Lee Fixel
- Unilazer Ventures – Ronnie Screwvala, Amit Banka, Abhishek Shah
- Ventureeast – Sarath Naru, Ramesh Alur



Early Stage

- Blue Sky Venture Fund – Geetha Bellu
- Blume Ventures – Karthik Reddy and Sanjay Nath
- Clearstone Venture Partners – Sumant Mandal
- Elephant Capital
- Epiphany Ventures – Gaurav Saraf
- The Habit Fund – Sunil Bhargava, Rohit Bhagat
- Ixora Ventures – Nikhil Mulchandani
- Kae Capital – Sasha Mirchandani
- Kalaari Capital – Vani Kola, Kumar Shiralagi, Rajesh Raju (Hands Free Networks, Lapis, Magzter, Mettl, Simplilearn, Urban Ladder, Vyome and Zivame)
- Nirvana Venture Advisors – Rajan Mehra
- Ojas Venture Partners – Raghu Batta, Gautam Balijepalli
- Orios Venture Partners - Rehan Yar Khan
- One97 Mobility Fund – Vijay Shekhar Sharma
- Seedfund – Mahesh Murthy
- Spice Global – Lokesh Gupta

Seed Funds

- Ah Ventures – Harshad Lahoti and Abhijeet Kumar
- India Quotient – Anand Lunia
- Jungle Ventures – Anurag Srivastava, Jayesh Parekh, Amit Anand
- Kyron – Lalit Ahuja, John Cook and Larry Glaeser
- Seed Surge – Rama Subramaniam

Angels

- Alok Kejriwal (Games2Win)
- AngelPrime – Sanjay Swamy
- Chennai Angels
- Haresh Chawla
- HBS Alumni Angels (India chapter)
- Hyderabad Angels
- Indian Angel Network – Rehan Yar Khan (Flora2000)
- Mumbai Angels
- Myfirstcheque.com – Gautam Sinha, Monisha Advani, Prahlad Rao
- Rajan Anandan (Google India)
- Seeders.in – Abhishek Rungta
- Veddis Advisors – Vikrant Bhargava
- Vishal Gondal (Indiagames)
- YourNest – Sunil Goyal

Incubators

- 500 Startups – Dave McClure, Paul Singh, Pankaj Jain
- 5ideas.in – Pearl Uppal and Gaurav Kachru
- GSF India – Rajesh Sawhney
- Morpheus – Sameer Guglani and Nandini Hirianniah
- The Startup Centre
- Startup Village
- Venture Nursery – Ravi Kiran, Shravan Shroff

Source: <https://www.quora.com/Where-can-I-find-a-list-of-venture-capital-VC-funds-and-angel-investors-in-India>

VII. PROMOTED BY PUBLIC BANKS

These type of Venture Capitalist funds are promoted by Public Banks. SBI Capital Markets Ltd and Canbank Venture Capital Fund are some examples of these kinds of VC funds.

- SBI Capital Markets Ltd. (SBICAP) –

It is the country's largest domestic Investment Bank, which offers the entire gamut of corporate advisory and investment banking services.

- Canbank Venture Capital Fund Ltd. (CVCFL)

Founded on 21st October, 1989, CVCFL is a wholly owned subsidiary of Canara Bank. The bank is the first Public Sector Bank to set up a Venture Capital fund that is duly registered with SEBI.

VIII. PROMOTED BY THE CENTRAL GOVERNMENT CONTROLLED DEVELOPMENT FINANCE INSTITUTIONS

This group contains Venture Capital Funds that are promoted by development finance institutions that are controlled by the Central Government of the country. The examples are as follows –

- IFCI Venture Capital Funds Ltd. (IFCI Venture) –

IFCI Venture was promoted by the IFCI Ltd. as a Risk Capital Foundation in 1975. IFCI Venture Capital Funds Ltd. finally came into existence as a Venture Capital fund in February 2000. They have an expertise in providing corporate advisory services, leveraging thirty years of experience in undertaking investment. These advisory services aim to provide fair, independent and informed assessment for undertaking decisions through the Investment cycle from deal identification to exit planning.

- SIDBI Venture Capital Limited (SVCL) –

Incorporated in July 1999, SVCL is a wholly owned subsidiary of SIDBI. It has a mission of catalyzing entrepreneurship by providing capital and other strategic inputs for building growth opportunities and maximize returns on investment. SVCL has managed a lot of funds over the years.

IX. PROMOTED BY STATE GOVERNMENT CONTROLLED DEVELOPMENT FINANCE INSTITUTIONS

This group includes Venture Capital Funds which are promoted by development finance institutions controlled by state government. Some of the famous examples are:-

- Hyderabad Information Technology Venture Enterprises Limited (HITVEL)

It manages the HIVE Fund contributed by Small Industries Development Bank of India, A.P Industrial Development Corporation Ltd., and A.P Industrial Infrastructure Corporation Limited.

- Kerala Venture Capital Fund Private Limited –

The Kerala Venture Capital Fund Pvt. Ltd. is functioning as the asset managing company of the Kerala Venture Capital Fund. Its main function is to manage the venture capital. The fund which was registered on September 14th, 1999, has eight active Director/Partners. The fund is currently Strike off Status.

- Gujarat Venture Finance Limited (GVFL) –



Founded in 1990, GVFL is regarded as the pioneer of Venture Capital in India. It works as an independent, autonomous Board managed venture finance company in Gujarat. Founded at the initiative of World Bank, GVFL has encouraged and supported innovative ideas and entrepreneurs in the past.

• Punjab InfoTech Venture Fund –

Founded in 1999, this Chandigarh based Fund is a Venture Capital Fund managed by Punjab Venture Capital Limited. The fund provides startup, growth and seed capital to startups in India. The fund invests in small and medium enterprises, primarily in the Software and Information Technology Sectors. The size of the fund is estimated to be \$4 million.

X. OVERSEAS VENTURE CAPITAL FUNDS

This group comprises of Venture Capital funds from outside India. Some of the Examples are as follows –

• BTS India Private Equity Fund Ltd. –

This Switzerland based Private Equity fund specializes in buy outs, mid stage, late stage and expansion stage investments. Founded in 2006, the fund prefers to invest in companies based in India. It invests in small and medium sized businesses. The fund does not invest its resources in early stage enterprises as it prefers enterprises that have established themselves over a period of two to three years.

• Walden International Investment Group

It focuses its investments on opportunities in early stage and expansion stage companies. The group invests in companies across Emerging Technologies, Semiconductors, Software and IT services and Internet & Digital Media sectors. It helps companies in finding business resources, talent and market beyond their domestic terrain.

• SEAF India Investment and Growth Fund

SEAF started in the year 1989 as the CARE Small Business Assistance Corporation (CARESAC), a single member non-governmental organization owned by the international relief and development organization, CARE. CARESAC finally became SEAF in 1995 after it spun out of CARE. The fund has invested in a diversified range of India based companies with sustainable competitive advantages and high growth potential. It primarily invests in fast growing and dynamic sectors like media and entertainment, information & technology, life sciences and healthcare etc.

XI. PROMOTED BY PRIVATE SECTOR COMPANIES

This category consists of Venture Capital funds promoted by Private Sector Companies. Some Examples are:-

• Infinity Venture India Fund

The fund seeks to invest in technology and related companies. Founded in 1999, it is the country's first institutionalized fund that brought Indian entrepreneurs and overseas entrepreneur together. It closed fund raising in 2000 and has invested in about eighteen companies. Most of these investments have been in Series A or Seed fund. The Fund follows a research based methodology in order to identify potential investment areas and understand emerging markets/technologies.

• IL&FS Trust Company Limited (ITCL)

Founded in the year 1995, ITCL is a part of IL&FS Group. It holds a Debenture Trustee license from SEBI. It is one of the largest Independent corporate Trustees in the country which offers Fiduciary and Trusteeship services to Governments, Infrastructure and Financial Services sector, High net worth individuals and Families. As of March, 2014, ITCL has administered over INR 445,600 crores in assets under a gamut of Corporate and Family Office Trusteeship services from its offices in Mumbai, Delhi, Kolkata, and Bangalore. It clients include Financial Institutions, Governments and their agencies, Corporations and all other entities that access credit markets and debit capital.[4]

XII. NAME OF THE VENTURE CAPITAL FUND LISTED IN SEBI

- Aavishkaar India Micro Venture Capital Fund
- Aboyne India Trust
- Aditya Birla Private Equity Trust
- Anand Rathi Realty Fund
- APIDC
- Aditya Birla Real Estate Fund
- Ariston IET Fund
- ASK Real Estate Special Opportunities Fund
- Ativir Venture Capital Trust
- Aureos India Fund
- Avendus Ace Fund Trust
- Avigo India Private Equity Trust
- Axis Infrastructure Fund -1
- Axis Venture Capital Trust
- Blume Ventures Fund I
- BTS India Private Equity Fund
- Business Excellence Trust
- Business Excellence Trust II
- BYTS Growth Fund
- Canbank Venture Capital Fund
- Cheeko Tel Pvt Ltd
- CIG Realty Fund
- Cinema Capital Venture Fund
- DHFL Venture Capital Fund
- Dhunn Carr Management and Research India Private Limited
- Edelweiss Investment Trust
- Emerging India Fund
- Enam India Infrastructure Fund
- Eureka Venture Fund
- Faering Capital India Evolving Fund
- Felicitas Venture Capital Trust
- FIRE Capital Fund
- Footprint Venture India Fund
- Forum Synergies India Trust
- Gaja Capital India Fund- I
- Green India Venture Fund
- Growth Plus Real Estate Fund
- Gujarat Bio technology Fund
- Gujarat Information Tech Fund
- Gujarat Infrastructure Development Fund
- Gujarat VCF - 1990
- GVFL Venture Capital Fund

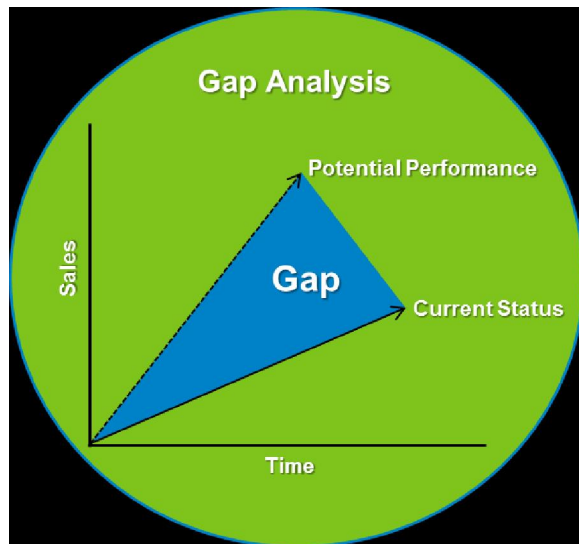


- Halcyon Opportunities Special Situations Rupee Fund
- HDFC Property Fund
- High Street Venture Capital Trust
- Hive Fund
- i3E Trust
- ICICI Econet Fund
- ICICI Emerging Sector Trust
- IDFC - India Infrastructure Fund - 3
- IDFC Infrastructure Fund
- IDFC Infrastructure Fund - 2
- IL&FS ORIX Trust
- IL&FS Private Equity Trust
- IL&FS Special Opportunities Fund
- iLabs Venture Capital Fund
- India Advantage Fund 1
- India Advantage Fund -III
- India Advantage Fund IV
- India Advantage Fund RE S2
- India Advantage Fund S3 I (earlier known as India Advantage Fund VIII)
- India Advantage Fund V
- India Alternatives Pvt Equity Fund
- India Automotive Component Manufacturers Private Equity Fund-1
- India Development and Construction Fund
- India Education Fund
- India Enterprise Development Fund
- India Infoline Venture capital Fund
- Indian Infrastructure Advantage Fund
- India Infrastructure Fund
- India Innovation Fund
- India Japan Fund
- India Plus Trust
- India Property Fund
- India Relaty Fund I
- India Realty Venture capital Fund
- India Rizing Fund
- India Value Fund (previously known as India Human Capital Fund)
- India Value Fund III
- India Value Fund III - A
- India Value Fund IV
- India Infrastructure Development Fund
- Indian Enterprise Fund
- INDIAREIT FUND
- IndiaVenture Trust
- Industrial Venture Capital Limited
- Infinity Venture India Fund
- Information Technology Fund
- INFRAINDIA Trust
- Intelligroup Venture Fund
- iPro Capital Private Equity Trust
- JM Financial India Fund
- JM Financial Property Fund
- Kaizen Trust
- Kaizen Venture Capital Pvt. Ltd. (Previously known as Nilanchal Capitals Pvt Ltd)
- Karnataka Information technology Venture Capital Fund
- Karnataka Information Technology Venture Capital Fund-2
- Kerala Venture Capital Fund
- Kotak India Growth Fund II
- Kotak India Venture Fund I
- Kotak Mahindra realty fund
- Kotak SEAF India Fund
- Kshitij Venture Fund
- Landmark Real Estate Fund - I
- Leapstart Trust
- LICHFL Fund
- Marigold Mezzanine Investment Fund
- Mcap Growth Fund
- Milestone Private Equity Fund
- Milestone Real Estate Fund (Formerly known as Indian Real Opportunity Venture Capital Fund)
- Morpheus Media Fund
- Multiples Private Equity Fund
- Nagarjuna Venture Capital Fund
- National Venture Fund for Software and IT industry
- Network Enterprise Fund
- Nine Rivers Capital Trust - 1
- NV India Trust
- Oman India Joint Investment Fund
- Opulent Venture Capital Trust
- Peninsula Realty Fund
- Phi CapitalTrust
- PI Opportunities Fund I
- PI Opportunities Fund II
- Punjab Infotech Venture Fund
- Quest India Fund
- Rajasthan Venture Capital Fund
- RE Capital India Fund
- Realty Excellence Trust
- Realty India Trust
- Red Fort India Realty Fund
- Reliance Alternative Investments Funds (Formerly known as Reliance Venture Capital Fund)
- Reliance India Power Fund
- RVCF Trust - II
- Sashi Reddi Investment Capital Fund
- SBI Macquarie Infrastructure Trust
- SEAF India Investment Trust
- Secura India Real Estate Fund
- SGR Achievers Fund
- SICOM Venture Capital Fund
- SIDBI SME Venture Fund
- Small is Beautiful
- Solitaire Capital India
- Sourabh Venture Trust
- South Asian Regional Apex Fund
- Special Opportunities Fund
- Spice Capital Fund
- Spring Healthcare India Trust
- SREI Venture Capital Limited
- SREI Venture Capital Trust
- Subhkam Growth Fund
- Systematix Venture Capital Turst



- Tamil Nadu Infotech Fund
- Tara India Fund III Trust
- TaraIndia Fund III Domestic Trust
- Tata Capital Growth Fund-1
- Tata Capital Healthcare Fund I
- Tata Capital Innovations Fund
- Tata Capital Special Situation Fund-Trust
- TCG India Fund
- Teepee Venture Capital Trust
- Terrafirma Realty Fund
- The India Seed Investment Trust
- The Technology Venture Fund
- The Ventureeast Funds
- TVS Shriram Growth Fund
- Urban Infrastructure VCF
- Urjankur Nidhi Trust
- UTI - India Technology Venture unit scheme
- UVF Private Equity Trust
- Ventureeast Telnat India Fund
- Vistaar Religare Media Fund
- vKarma Capital
- Volrado Venture Partners
- Wallford India Infrastructure & Realty Fund
- West Bengal VCF
- Zephyr Peacock India II Trust [5]

XIII. GAP ANALYSIS AND GAP FILLING



A technique that businesses use to determine what steps need to be taken in order to move from its current state to its desired, future state. Also called need-gap analysis, needs analysis, and needs assessment.

For sustainability of the venture we need to understand where we stand at the specific point where do we really need to invest only funding will not server the purpose, when a venture starts growing it faces with many problems and challenges in the market the initial idea of doing business or setting up a startup project is way behind many curtains of challenges this is the

time for analysis, an analysis of current stage and potential stage where we should be in the certain time frame in terms of sales and revenue. The payback time is also started the venture should generate enough money to sustain and repay the debts.

Gap analysis consists of listing of characteristic factors (such as attributes, competencies, performance levels) of the present situation ("what is"), listing factors needed to achieve future objectives ("what should be"), and then highlighting the gaps that exist and need to be filled. Gap analysis forces a company to reflect on who it is and ask who they want to be in the future.

Many organizations lack a comprehensive understanding of the gaps in their marketing performance. A gap analysis can help them diagnose and understand what's working, what's not working, and what it'll take to get where they want to be.

By analyzing the right data effectively and acting on the findings, you can add real value and develop best-in-class marketing strategies and plans for each of your clients.

The gap analysis will help you cover all possible bases so you can use a full spectrum of techniques and tools to run a variety of well-balanced, robust, successful marketing campaigns that raise the bottom line. And, when your clients are happy with the results, they might just stick around for more – with customer retention being yet another benefit to you.

XIV. SUSTAINABILITY OF ENTREPRENEURIAL VENTURE

Sustainability innovation and entrepreneurship seeks to optimize performance across economic, social, and ecological business dimensions. Applied broadly across countries, this effort will evolve a design of commerce aligned and compatible with human and ecosystem health. A growing number of firms are applying creative practices demonstrating the compatibility of profit, community health, and viable natural systems. This discussion provides an introduction to some of the most important approaches used by firms to guide firms.

Sustainability, innovation, and entrepreneurship are terms used to represent a wide range of ideas, depending on the context. However, just because they have come into common use and have been interpreted broadly does not mean they cannot be defined in focused and practical ways to help guide entrepreneurial individuals in business. Individuals and companies are, in fact, implementing sustainability designs and strategies through the use of innovative initiatives. At the present time, these three terms—sustainability, innovation, and entrepreneurship—are our best and most accurate descriptors of what is happening in the marketplace. No one term covers all the ground required. In the following sections, we examine entrepreneurial process and then discuss sustainability concepts to explain how the necessary parts merge to create a holistic picture.



Entrepreneurial activity can seem mysterious for those not familiar with the phenomenon. US culture has created heroic myths around its most famous entrepreneurs, reinforcing the idea that entrepreneurship is about individuals. As a consequence, many people believe those individuals are born entrepreneurs. In fact, it is more accurate to talk about entrepreneurship as a process. More frequently than not, a person becomes an entrepreneur because she or he is compelled to pursue a market opportunity. Through that activity—that process—entrepreneurship unfolds. A typical story of entrepreneurship is one in which the entrepreneur is influenced by his or her engagement with favorable conditions, circumstances in which an idea comes together successfully with a market opportunity. An individual has an idea or sees a problem needing a solution and generates a way to meet that need. A new venture is initiated and, if successful, an ongoing business created. Thus entrepreneurship—the creation of new ventures as either new companies or initiatives within larger organizations—is about the process of individuals coming together with opportunities, resulting in specific customers being provided with new goods and services.

Entrepreneurship as a mind-set, or kind of behavior, lends itself well to sustainable business practices. For sustainable business practice, entrepreneurship is about constantly looking for innovative ways to protect the environment or improve societal conditions by providing new goods, services, or methods that reduce detrimental activities while also generating profits for the entrepreneur. By always thinking about doing things in new and better ways, entrepreneurship is highly relevant to individuals and organizations interested in sustainability.

XV. ROLE OF CREATIVITY AND INNOVATION

The importance of innovation in entrepreneurship is shown by coming up with new way to produce a product or a solution. A service industry can expand with another type of service to fulfill the ever changing needs of their clients. Producers can come up with another product from the raw materials and by-products.

The importance of innovation in entrepreneurship is another key value for the longevity of a business. Entrepreneurs and businesses began with a need. They saw the need within the community and among themselves that they have come up with a solution. They seize the opportunity to innovate to make the lives more comfortable. And these solutions kept evolving to make it better, easier and more useful. Entrepreneurs must keep themselves abreast with the current trends and demands. Manufacturers are constantly innovating to produce more without sacrificing the quality.

Innovation is defined as adding something new to an existing product or process.

The key words are adding and existing. The product or process has already been created from scratch and has worked reasonably well. When it is changed so that it works better or

fulfills a different need, then there is innovation on what already exists. Innovation is the successful exploitation of new ideas.

Creativity is marked by the ability to create, bring into existence, to invent into a new form, to produce through imaginative skill, to make to bring into existence something new. Creativity is not ability to create out of nothing (only God can do that), but the ability to generate new ideas by combining, changing, or reapplying existing ideas. Some creative ideas are astonishing and brilliant, while others are just simple, good practical ideas that no one seems to have thought, of yet.

XVI. PROTECTION OF INTELLECTUAL PROPERTY

Startups have been recognized as power houses of innate power of innovation, creativity, technology and ideas. The government of India launched the ambitious scheme “startup India, Standup India” by announcing action plans and initiatives to support early stage startups.

As part of this policy, the government of India has approved and started the “Scheme for Facilitating Startups Intellectual Property Rights (SIPP)” to nurture their innovation and creativity and promote awareness and encourage IPR protection amongst startups. The scheme envisages to nurture and mentor innovative and emerging technologies among startups and assist them in protecting and commercialized it by providing them access to high quality IP services and resources.

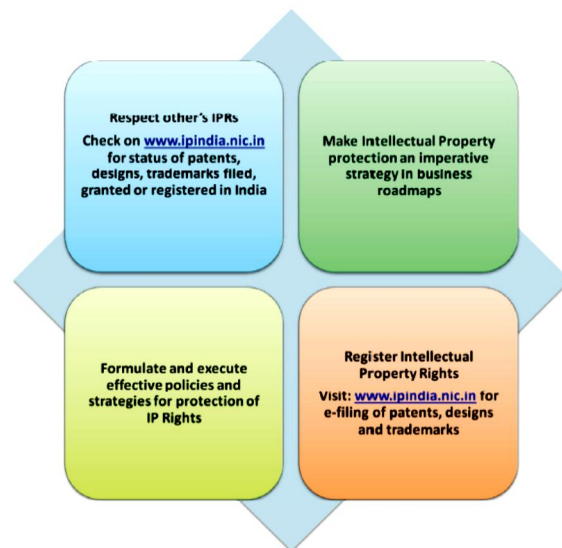


Fig.3 graphical representation of how a startup can protect its IPR
Source: http://ipindia.nic.in/Whats_New/startups_IPRFacilitation_22April2016.pdf

XVII. DATA INTERPRETATION AND ANALYSIS



The analysis of data as a feedback of questions floated to know the mindset of entrepreneur for startups and basic know how about the startups. The online link for submitting responses for the questionnaire is https://eSurv.org?s=LBLMNG_c4a92f33 [6]

As per the data received for questionnaire the respondents are from the age group of 25-29 and 30 – 34 years, maximum are young having bachelor degree, few of them are having Post graduation and professional degree too. The industry spectrum of their choice were social media, e-com, education, food and brewages along with tour and travel, software development, media/ entertainment. The choice reflects technology based startup choice and having low cost in comparison to media and others.

In terms of current business state the respondents varies from the idea / concept phase to the beta phase some of them are at early revenue phase.

In terms of employees the respondent choose 2-3, this indicates that there are group of friends who are working together on the idea and concept

In response of the question sources of funding option most chosen are friends and family , personal saving , VC and bank loan this response directly relate to the response of above question of employee.

The response to the next question why corporates be involved in startups, the option chosen by the respondents is startups can assist big corporations and product and service diversification and next to it is fulfillment of internal innovation needs for the origination.

In the response to the question of support for a startup we have got mixed responses like mentoring, investor - startup matchmaking, education/ training, market support etc. this indicates there is lack of knowledge in terms of getting support they think they can do the initial setup and some other technical things but for playing to the longer duration they will need support.

Telecom, E-com, mobile applications are industry's favorite sectors as per the respondents, if we look at the market and the companies exploring the same are these sectors only.

Attraction of other companies to the startup for this question the response were majorly for the early revenue phase then beta phase and after that at the idea / concept phase

Startup need to have a product, market presence, sales potential, protection of rights, and return on investments.

In case of core strengths of any startups are idea generation, product, technical skills, ability to adapt changes, if we look at the responses these are the ingredients which fuels any startup and motivates the founder to work upon it.

reasons of failure, as all the startups do not flourish and there has to some reasons for it, in this case the respondents choose

lack of financial planning, lack of risk perception, lack of branding, exploring new markets etc. as the new startups give max. attention on technical skills, as they are required too for development of product but after making the product you have to make it sellable/ marketable and there has to be contingency planning.

XVIII. CONCLUSION AND SUGGESTIONS

To conclude the article there are many facts came up from the data analysis and research to gather data to support the startup India movement. People are doing research to put their products, ideas or concepts to fulfill the market need. Most of the young generation is involved, the funding related part is they are strictly adhering to their personal savings and support from friends and relatives and next best option is bank loan, many of them lack the information and proceedings and pre-requisites for getting an investor involved. They have a good idea about the industry's spectrum in which they wish to work.

They are good in developing idea/ concept and in technical skills to make a working prototype but they need support to market the product, they need funding options and there is an exhaustive list given both government and private players they lack the interaction between funding agencies and founders of startups.

There is a strong need to promote appropriate support programmes that would offer training of staff of financial institutions to evaluate small borrowers quickly and monitor them in addition to training entrepreneurs to keep good financial records.

Long term loan facility should be provided to start-ups, lack of information on the operations of banks on the part of start-ups was identified as one of the factor hindering start-ups from accessing financial support services.

There are some other things that should be ponder like Get your product in the market, make it accessible to the people, make it marketable, Think big think global – expand your market place, Have confidence in your product / services that you are the best options available in the industry, Fundraising is the most difficult part this can be done by having confidence in your product, Research what assistance is available in market like any other support available other than only money by investors like mentoring or guidance etc., Get corporates involved, corporates do support startups if they find beneficial to them or new startup is helping the bridging the gap, Don't just focus on ICT it is necessary to use technical things but do not bank upon them entirely. Increase communication and branding be in the eye of the people and corporates investors and funding agencies will follow your startup for funding.

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[6.] https://eSurv.org?s=LBLMNG_c4a92f33



Appendix –I Questionnaire

Entrepreneurship and Sustainable Development In The Light Of Startups and Standup India: An Empirical Study

Age group

- 20-24 25-29 30-34 35-39

Education Qualification

- Diploma Bachelor Post Graduate Professional Qualification

Gender

- Male Female

As a Startup entrepreneur which industry spectrum would you like to choose?

- | | | |
|--|---|--|
| <input type="checkbox"/> Hardware | <input type="checkbox"/> Equipment | <input type="checkbox"/> Education |
| <input type="checkbox"/> Food and beverages | <input type="checkbox"/> Data warehousing | <input type="checkbox"/> E-commerce |
| <input type="checkbox"/> Digital / Electronic payment gateways | <input type="checkbox"/> Social media | <input type="checkbox"/> Software development |
| <input type="checkbox"/> Transportation | <input type="checkbox"/> Travel and tourism | <input type="checkbox"/> Media / entertainment |
| <input type="checkbox"/> Telecom industry | | |

What is your present business state?

- Idea / concept Beta phase / prototype
 Early revenue Growing revenue
 Expanding to the new market Product not ready

How many employees do you wish to have for a startup project/ or already had?

- Zero 2-3 4-9 More than 10

Sources of funding to the startup project you will opt for

- Personal savings Angel investors Friends and family Venture capitalist Bank loan Crowd funding others

Why do you think corporates show their interest in startup projects?

- Talent attraction Startups can assist big corporation Fulfillment of internal innovation needs
 Investments Product / services diversification Marketing / Personal relation
 Corporate social responsibility Others

In your view what support should a startup seeks?

- | | | |
|---|---|--|
| <input type="checkbox"/> Mentoring | <input type="checkbox"/> Investor – startup matchmaking | <input type="checkbox"/> Education/ training |
| <input type="checkbox"/> Strategy development | <input type="checkbox"/> Business networking | <input type="checkbox"/> Marketing support |
| <input type="checkbox"/> Tax and legal support | <input type="checkbox"/> Free / discounted office space | <input type="checkbox"/> Financial support |
| <input type="checkbox"/> Recruitment of team members/ employees | <input type="checkbox"/> R&D facility | <input type="checkbox"/> Distribution channels |

In your opinion which sector from the industry spectrum attracts corporates for startups / assisting startups?

- | | |
|---|---|
| <input type="checkbox"/> Telecom | <input type="checkbox"/> Mobile applications |
| <input type="checkbox"/> Data warehousing | <input type="checkbox"/> Software development |
| <input type="checkbox"/> E-commerce | <input type="checkbox"/> Media |
| <input type="checkbox"/> Financial services | |



In your opinion at what stage of startups other companies get attracted?

- Idea / concept
- Early revenue
- Expanding to the new market s
- Beta phase
- Growing revenue
- Mature stage

In your opinion what does a startup needs to have

- Quality team members
- Product
- Brand / reputation of founder
- Return of investment
- Sales potential
- Market presence
- Patents / copyright

In your opinion startups core strengths are

- Technical skills
- Idea generation
- Product
- Founder's personal branding
- Ability to adapt
- Team/ crew members
- Networking skills
- Identifying the gaps in services / products

In your opinion perceived reasons for failure of any startups are

- Lack of Financial planning
- Lack of Risk perception
- Lack of Mentoring
- Lack of Expansion to the new markets
- Lack of Branding
- Insufficient support from public authorities
- Lack of proper Fundraising
- Lack of Leadership skills

Appendix –II Response of Questionnaire

1) Age group

		Response (%)	Responses
20-24		5.56	1
25-29		72.22	13
30-34		11.11	2
35-39		11.11	2
Answered Question			18
Skipped Question			0

2) Education Qualification

		Response (%)	Responses
Diploma		0.00	0
Bachelor		72.22	13
Post Graduate		22.22	4
Professional Qualification		5.56	1
Answered Question			18
Skipped Question			0

3) Gender

		Response (%)	Responses
Male		50.00	8
Female		50.00	8
Answered Question			16
Skipped Question			2



4) As a Startup entrepreneur which industry spectrum would you like to choose?

		Response (%)	Responses
Hardware		0.00	0
Equipment		7.14	5
Education		14.29	10
Food and beverages		12.86	9
Data warehousing		2.86	2
E-commerce		18.57	13
Digital / Electronic payment gateways		2.86	2
Social media		22.86	16
Software development		7.14	5
Transportation		0.00	0
Travel and tourism		4.29	3
Media / entertainment		2.86	2
Telecom industry		4.29	3
Answered Question			18

5) What is your present business state?

		Response (%)	Responses
Idea / concept		22.22	4
Beta phase / prototype		44.44	8
Early revenue		22.22	4
Growing revenue		5.56	1
Expanding to the new market		0.00	0
Product not ready		5.56	1
Answered Question			18
Skipped Question			0

6) How many employees do you wish to have for a startup project/ or already had?

		Response (%)	Responses
Zero		11.11	2
2-3		83.33	15
4-9		0.00	0
More than 10		5.56	1
Answered Question			18
Skipped Question			0



7) Sources of funding to the startup project you will opt for

		Response (%)	Responses
Personal savings		22.22	4
Angle investors		0.00	0
Friends and family		44.44	8
Venture capitalist		16.67	3
Bank loan		16.67	3
Crowd funding		0.00	0
others		0.00	0
Answered Question			18
Skipped Question			0

8) Why do you think corporates show their interest in startup projects?

		Response (%)	Responses
Talent attraction		5.56	1
Startups can assist big corporation		50.00	9
Fulfillment of internal innovation needs		16.67	3
Investments		0.00	0
Product / services diversification		27.78	5
Marketing / Personal relation		0.00	0
Corporate social responsibility		0.00	0
Others		0.00	0
Answered Question			18
Skipped Question			0

9) In your view what support should a startup seeks?

		Response (%)	Responses
Mentoring		15.85	13
Investor – startup matchmaking		13.41	11
Education/ training		12.20	10
Strategy development		4.88	4
Business networking		7.32	6
Marketing support		10.98	9
Tax and legal support		12.20	10
Free / discounted office space		7.32	6
Financial support		4.88	4
Recruitment of team members/ employees		1.22	1
R&D facility		8.54	7
Distribution channels		1.22	1
Answered Question			18
Skipped Question			0



10) In your opinion which sector from the industry spectrum attracts corporates for startups / assisting startups?

		Response (%)	Responses
Telecom		19.70	13
Mobile applications		22.73	15
Data warehousing		6.06	4
Software development		13.64	9
E-commerce		24.24	16
Media		9.09	6
Financial services		4.55	3
		Answered Question	18
		Skipped Question	0

11) In your opinion at what stage of startups other companies get attracted?

		Response (%)	Responses
Idea / concept		22.22	4
Beta phase		16.67	3
Early revenue		50.00	9
Growing revenue		11.11	2
Expanding to the new market s		0.00	0
Mature stage		0.00	0
		Answered Question	18
		Skipped Question	0

12) In your opinion what does a startup needs to have

		Response (%)	Responses
Quality team members		1.59	1
Sales potential		15.87	10
Product		25.40	16
Market presence		20.63	13
Brand / reputation of founder		14.29	9
Patents / copyright		12.70	8
Return of investment		9.52	6
		Answered Question	18

13) In your opinion startups core strengths are

		Response (%)	Responses
Technical skills		11.11	7
Ability to adapt		12.70	8
Idea generation		23.81	15
Team/ crew members		11.11	7
Product		19.05	12
Networking skills		9.52	6
Founder's personal branding		0.00	0
Identifying the gaps in services / products		12.70	8
		Answered Question	18
		Skipped Question	0



14) In your opinion perceived reasons for failure of any startups are

		Response (%)	Responses
Lack of Financial planning		20.31	13
Lack of Expansion to the new markets		12.50	8
Lack of proper Fundraising		6.25	4
Lack of Risk perception		20.31	13
Lack of Branding		18.75	12
Lack of Leadership skills		4.69	3
Lack of Mentoring		7.81	5
Insufficient support from public authorities		9.38	6
		Answered Question	18
		Skipped Question	0