

**BUILDING A SUCCESSFUL STARTUPS IN INDIA**  
**(A STUDY WITH THE SPECIAL REFERENCE TO COIMBATORE DISTRICT)**

**Dr. P. Archanaa** Assistant Professor, PG Department of Commerce with Computer Applications  
Nallamuthu Gounder Mahalingam College, Pollachi.

**D.Soundharika** Research Assistant, Minor Project, PG Department of Commerce with Computer Applications (This article is being published in the amount sanctioned for Minor Project (Ref. No.: 02/41/2021-2022/ICSSR/RP/MN)) Nallamuthu Gounder Mahalingam College, Pollachi.

### **Abstract**

Startups is an initiative taken by the Government of India for developing the younger generation who opt for doing business with innovative ideas. It plays an important role in economic growth of a nation. These startups not only concentrate on generating jobs, but also they focus on smarter, solutions by bringing in innovation and spurring competition. Gujarat, owing to its inherent strength of widespread entrepreneurial spirit has gained a significant spot in the national startup ecosystem in the country. Startups are similar to Small Scale Industries (SSI) which manufactures, produces and render services on a small or on a micro scale. These industries make a investment in machinery, plant and equipment but it does not exceed Rs.10 crore and annual turnover does not exceed Rs.50 crore. It involves less manpower. Most probably it will be a sole proprietorship. SSI's are the lifeline of the economy of developing countries. India, being a developing country depends on SSI which is one of the main reason for the growth and strengthening of the economy. This article paves a way for analyzing the awareness level of startups among the SSI.

### **1.1 Introduction**

The economic growth is a big challenge for India with the second largest in the world in population. The nation is in a position to create large number of employment opportunities for the people. Government of India is taking necessary steps to engage the public with employment opportunities. Startup India is a Government of India flagship initiative to build Startups and nurture innovation. Through this initiative, the Government plans to empower Startup ventures to boost entrepreneurship, economic growth and employment across India. The Government's Action Plan will help accelerate the growth of Startups throughout India, across all important sectors – in Tier 1, 2 and 3 cities, including semi-urban and rural areas and includes promoting entrepreneurship among SCs/STs and women communities. Startup India is about creating prosperity in India. Many enterprising people who dream of starting their own business lack the resources to do so. As a result, their ideas, talent and capabilities remain untapped and the country loses out on wealth creation, economic growth and employment. Startup India will help in boosting entrepreneurship and economic development by ensuring that people who have the potential to innovate and start their own business are encouraged with proactive support and incentives at multiple levels.

Unlike large scale industries, SSI's are more adaptable to their changing business environment. So in case of amendments or unexpected developments, they are flexible enough to adapt and carry on the business. They are being run, covering certain zone of operations. They meet their local and regional demand. Also they play a major source of employment for developing countries. Ministry of Micro Small & Medium Enterprise envision a vibrant MSME sector by promoting growth and development of MSME sector like Khadi, Village and Coir Industries in co-operation with concerned ministries / Departments, State Governments and other stake holders, through providing support to existing enterprise and encouraging creation of new enterprise. Start-up India is a flagship initiative of the Government of India, intended to build a strong eco-system for nurturing innovation and start-ups in the country that will drive sustainable growth and generate large scale employment opportunities. The Government through this initiative aims to empower Start-ups to grow through innovation and design.

## 1.2 Review of Literature

1. Dr. S. Manikandan, in “A Study on start up and its impact on MSME in India with special reference to Maharashtra State”, found out that emergence of various SMEs and start ups in the Indian market have created environment both at the National & state level for entrepreneurs to start the various enterprises. 2. Dr. Varsha Agarwal “A Study on Challenges Faced By SMEs in India” , found that there is a lack of skilled labours and availability of labours, Lack of infrastructure facilities , Unstable Government policies, No proper clarity in business tax rates. 3. Subhamoy Banik (2018), found that the furtherance and advancement of SSIs is essential for the development of Indian economy to achieve impartial distribution of income and wealth, economic self-dependence and economic sustainable developments. 4. Dr. Ashish Gupta (2018) in stated that SSI’s are lacking with finance assistance, couldn’t buy raw materials in bulk and lacking in competing with large scale industries. 5. A Bharadwaj (2018) , “Basic Problems faced by the Small Scale Industry Sector” found that there were problems in production, due to the absence of regular work force, machinery faults and errors and inadequate space for storage. 6

## 1.3 Objective of the Study

The objective of the study is:

To examine the awareness level of start-ups among SSI

## 1.4 Methodology

The present study is based on primary data. The data was collected by distributing the questionnaire. The first part of the questionnaire includes questions about the awareness level of respondents about the start-ups.

## 1.5 Framework Analysis

The main intention of the study is to find out the awareness level of start-ups among small scale industries. The primary data collected were reformulated and consolidated into master table. Simple percentage method is applied to process the data.

## 1.6 Analysis and Interpretation of Data

### 1.6.1 Demographic profile

The table shows the classification of Respondents based on their age.

**Table No.1 Demographic profile of the respondents**

Age (Years)	Number of Respondents	Percentage
Below 30	40	26.66
30-40	60	40
Above 40	50	33.33
<b>Total</b>	<b>150</b>	<b>100</b>
Area of Residence	Number of respondents	Percentage
Rural	130	86.66
Urban	20	13.33
<b>Total</b>	<b>150</b>	<b>100</b>
Gender	Number of Respondents	Percentage
Male	100	66.66
Female	50	33.33
<b>Total</b>	<b>150</b>	<b>100</b>
Marital Status	Number of Respondents	Percentage
Married	90	60
Unmarried	60	40
<b>Total</b>	<b>150</b>	<b>100</b>
Educational	Number of Respondents	Percentage
Illiterate	20	13.33
Below HSC	70	46.66

Under Graduate	60	40
Post Graduate	0	0
<b>Total</b>	<b>150</b>	<b>100</b>
<b>Members in the</b>	<b>Number of Respondents</b>	<b>Percentage</b>
2	30	20
3-4	80	53.33
Above 4	40	26.66
<b>Total</b>	<b>150</b>	<b>100</b>
<b>Earning members</b>	<b>Number of Respondents</b>	<b>Percentage</b>
1-2	140	93.33
3-4	10	6.66
Above 4	0	0
<b>Total</b>	<b>150</b>	<b>100</b>
<b>Family Income</b>	<b>Number of respondents</b>	<b>Percentage</b>
Rs.50.000	120	80
Rs.50.000-Rs.1.00.000	20	13.33
Above Rs.1.00.000	10	6.66
<b>Total</b>	<b>150</b>	<b>100</b>

### 1.6.2 Classification of respondents based on Annual Turnover

The respondents are classified on the basis of Annual Turnover

**Table No.2 Annual Turnover**

Annual Turnover	Number of respondents	Percentage
Below 10 lakhs	140	93.33
10 lakhs-50 lakhs	10	6.66
Above 50 lakhs	0	0
<b>Total</b>	<b>150</b>	<b>100</b>

Out of the total 150 respondents, 140(93.33%) respondent's annual turnover is below 10 lakhs, 10(6.66%) respondents annual turnover is between Rs 10 lakhs -50 lakhs, and there is no one in above Rs 50 lakhs.

### 1.6.3 Use / Registered in Udyog Aadhaar

The Respondents are classified on the basis of their registration in Udyog Aadhaar

**Table No.3 Use / Registered in Udyog Aadhaar**

Registered	Number of Respondents	Percentage
Yes	40	26.66
No	110	73.33
<b>Total</b>	<b>150</b>	<b>100</b>

Out of 150 Respondents, 40(26.66%) respondents have registered in Udyog and remaining 110(73.33%) respondents have not registered in Udyog Aadhar.

### 1.6.4 Awareness towards various schemes for SSI

**Table.4 Awareness**

Schemes	Yes	No
Prime Minister Employment Generation Programme(PMEGP)	135 (90%)	15 (10%)
National Economic Empowerment and Development Strategy(NEEDS)	110 (73.33%)	40 (26.66%)
Un-employment Youth Employment Generation Programme(UYEGP)	115 (76.66%)	35 (23.33%)
Others	120	30

	(80%)	(20%)
--	-------	-------

Out of 150 respondents 135(90%) respondents are aware of prime minister employment generation programme (PMEGP).

Hence majority of the respondents are aware of prime minister employment generation programme (PMEGP).

### 1.6.5 Classification of Level of awareness towards startups

Entrepreneurs of SSI are classified on the basis of their awareness level towards startups

**Table.5**

Government offering the scheme	Highly Agree	Agree	Neutral	Highly Disagree	Disagree
Central Government	48 (32%)	55 (36.66%)	28 (18.66%)	75 (50%)	56 (37.33%)
State Government	98 (65.33%)	30 (20%)	25 (16.66%)	15 (10%)	18 (12%)

Out of 150 respondents, most of 98(65.35%) respondents highly agree that startup is offered by state government and most of 55(36.66%) respondents agree that startups is offered by central government.

Hence it can be said that the awareness level towards startups is low.

### 1.6.6 Classification of Respondents based on types of manufacturing industry

The table shows the classification of respondents based on types of manufacturing industry

**Table No.6 Classification of respondents in manufacturing industry**

Industry	Number of Respondents	Percentage
Capital Goods	30	20
Consumer Goods	120	80
<b>Total</b>	<b>150</b>	<b>100</b>

Out of the total 150 consumers, 30(20%) are Capital Goods and the remaining 120(80%) are Consumer Goods. Hence, it can be said that majority of the respondents says that Consumer Goods.

### 1.6.7 Classification of respondents based on years of doing business

The respondents are classified on the basis on years of doing business

**Table No.7 Classification of respondents based on years of doing business**

Years	Number of respondents	Percentage
Below 5 years	65	43.33
5-10 years	55	36.66
10-25 years	20	13.33
Above 25 years	10	6.66
<b>Total</b>	<b>150</b>	<b>100</b>

Out of the total 150 respondents, most of 65(43.33%) respondents are doing their business is below 5 years , 55(36.66%) respondents are doing their business 5-10 years, 20(13.33%) above 25 years.

Hence, it can be said that majority of the respondents are doing their business is below 5 years.

### Findings:

- Majority of 140(93.33%) respondent's annual turnover is below 10 lakhs
- Majority of 110(73.33%) respondents have not registered in Udyog Aadhar.

- Majority of 135(90%) respondents are aware of prime minister employment generation programme (PMEGP).
- Majority of 98(65.35%) respondents awareness level towards startups is low.
- Majority of 120(80%) respondents type of manufacturing is Consumer Goods.
- majority of 65(43.33%) respondents are doing their business is below 5 years.

**Suggestions:**

The Technology has revolutionized the way companies conduct business by enabling small businesses to level the playing field with larger organizations by the way of different small startups. Small businesses use an array of tech everything from servers to mobile devices to develop competitive advantages in the economic marketplace. Small start-up business owners should consider implementing technology in their planning process for streamlined integration and to make room for future expansion which enable sustainable growth of business. This allows owners to create operations using the most effective technology available for the future expansion of business.

**Conclusion:**

Startups provide many schemes for new entrepreneurs and those who are willing to start business without the investment of own money. Startup gives financial facilities for new entrepreneur if he/she have good proposal of his/her business plan. Startup schemes and policies are easily applicable and convenient for people nowadays.

**References:**

1. <https://startup.gujarat.gov.in/startup-lifecycle>