



START-UPS –CENTRAL GOVERNMENT AND TELANAGANA STATE INNOVATIVE FUNDING SCHEMES

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Abstract

Emerging small scale industries are also known as start-ups. There are numerous funding programs available, in recent times, entrepreneur's investment to suit the unique requirements of the society. There must be acceptable employed capital available to get the business to "breakeven" and beyond. Both Central and state governments have ease than brought various policies for encouragement and promotion of startups for economic sustainability and for employability of the youth. The Government of Telengana has taken up the following seven pillars for the rapid development and encouragement of start-ups in the state. Some significant and prominent procedures to increase funds for are Boot strapping, Crowd funding, Angel Investment, Venture Capital, Raising Money Through Bank Loans, Raising Funds By Attractive Competitions, Receiving Business Loans From Microfinance Providers or NBFCs and applying for government Programs that Offer Start-up Capital. T –hub has got recognition in the country. However some improvements are further required for the support and stability of start-us.

This study focuses on Central and Government of Telengana pillars for the emerging start-ups.

Key word: Start -ups, Entrepreneur, funding, Central and State Govt. schemes.

INTRODUCTION:

There are numerous funding programs available, in recent times, entrepreneur's investment to suit the unique requirements of the society. In General, entrepreneurs believe that sufficient capital is required to cover costs to start up the business and then the customers will keep their business profitable. However, A start up business entrepreneur has to focus "breakeven" with analysis of market for his new product. Therefore, it should be seen that the sale proceeds required for break- even point should be minimum so that the firm can reach it very easily in short span of time.



The emerging small scale industries are also known as start-ups. The entrepreneurs are facing innumerable problems while handling their preliminary funding to give them the startup required. Government policies have also been scrutinized and a conclusion has been reached as to how they affect such enterprises. Funding is essential for any start-up or a business venture and it is really problematic for any start-up to pitch the investors its ideas and convince them to invest in it. The central and state Governments have liberalized the economic policies for start-up companies.

There must be acceptable employed capital available to get the business to “breakeven” and beyond. Often that “breakeven point” is much further down the road than the owner get gaining and his or her resources are not sufficient to get him there. Providentially, today there are a variety of funding programs available to suit every entrepreneur’s unique funding. The important required for any business to be successful is nothing short of capital. This is because capital is the basic factor for any business to increase. Without acceptable finance, business startups tend to disintegrate, and this malignant obstacle often causes infant business startup owners to seek financial backing for their startups. After you must have directed the right market data study research for your startup, locating the required funding for your business.

OBJECTIVES:

To focus on the schemes introduced by central and Telengana S Governments to the budding entrepreneurs who would like to promote start-ups.

REVIEW AND LITERATURE: In cooperation of Central and state governments have ease than brought various policies for encouragement and promotion of startups for economic sustainability and for employability of the youth.

Start-ups- Central Government schemes

- International Patent Protection in Electronics & Information Technology (SIP-EIT)

This scheme provides financial support to MSMEs and Technology Startup units for international patent filing to encourage innovation and recognize the value and capabilities of global IP along with capturing growth opportunities in ICTE sector.

Eligibility:

1. The Applicant should be registered under the MSME Development Act 2006 of Government of India as amended from time to time as a MSME unit as per the criteria for such registration
2. The applicant should be a registered STP Unit and should fulfill the investment limits in plant and machinery or equipment as defined said MSME Act.
3. The applicant should be a technology development enterprise or a startup located in an development center/ park and registered as a company (a certification from the development



center/ park in this case is mandatory) and should fulfill the investment limits in plant and machinery or equipment as defined under Act.

- **Multiplier Grants Scheme (MGS)-Ministry of agriculture and farmers, Welfare scheme-**

Benefits:

- 1 .Helps in secondary agripreneurs to make investment in situation up agribusiness projects concluded financial participation.
2. Provides financial supports for preparation of bankable detailed projects through project development facility.

Eligibility: Farmers producers, partnership firms, self-help groups, units in agri-exports zones and agricultural graduates.

- **Single Point Registration Scheme**

Ministry of Micro Small & Medium Enterprises: The Administration is the single Oprevalent buyer of a variety of goods. The Firm that registers under Single Point Registration scheme is eligible for participation in Government Consumptions.

Benefits of Distinct Point Registration Scheme: Free tender cost information Exemption from earnest Money deposit , improvement in affectionate participation and procurement from Mincer small and medium enterprises.

Eligibility : Completely Micro & Small Enterprises)/ Udyog Aadhaar Memorandum (UAM) are eligible for registration with NSIC under its Single Point Registration) and Micro & Unimportant Enterprises who require previously commenced their commercial invention but not completed one year of existence.

Stand-Up India for Financing SC/ST and/or Women Entrepreneurs:

Eligibility criteria:

1. SC/ST and/or women entrepreneurs; above 18 Years of age.
2. Loans below the scheme are available for only undeveloped project. It signifies, that the leading time scheme of the recipient in the developed or services or exchange sector. In case of non-individual enterprises,51% of the shareholding and regulatory incentives should be held by either SC/ST and/or Women Entrepreneur
3. insolvent would not be in non-payment to any bank or financial institution

Funding to Start ups-

Small Industries Development Bank of India (SIDBI)

Standpoint Active India Scheme facilitate bank loans among 10 lakh and 1 core to at least one scheduled caste (SC) or ST, borrower and at minimum one women per bank branch for setting up a greenfield enterprise. This enterprise may be in industrial, services or the trading sector. In case of non-individual enterprises at least 51% of the shareholding and regulatory stake should be held by either an SC/ST or Woman entrepreneur.



Extra Mural Research or Core Research Grant: It provides support to core research investigators to assume enquiry and development in the field of Science and Engineering. This scheme facilitates funds to academic institutions, research laboratories and other R&D governments to transmit available basic research in all the areas of Science and Engineering for more than four decades since the commencement of SERC.

High Risk -High Reward Research: This scheme supports the suggestions that are conceptually new and risky. This is mainly formulating new hypothesis, or scientific breakthroughs which aid in emergence of new technologies.

Science and Engineering Research Board under Department of Science & Technology

High Risk and High Reward Research is a scheme supporting and inviting new proposals and ideas expected to have a standard instable inspiration on the Science and Technology

Start -ups in the State of Telengana

The state consumes created a exclusive model in the country for emerging a healthy Startup ecosystem. It consumes transported a complete Invention policy to support innovation in the State . It has brought a T-hub ideal is calculated as one of the best performs in the nation and realized the status of ‘Leader’ in Branch of Trade Strategy and Upgrade’s State Startup position implementation 2018. T-hub is the nodal activity executing Startup enterprises in the State controlled by Chief Administrator, ITE&C Branch.

The Administration has taken up the following seven pillars for the rapid development and encouragement of start-ups in the state:

- Incubation Support
- Simplified Regulations
- Easing Public Procurement
- Awareness and Outreach

The Government has done exceptionally well in ‘Incubation Support’ and ‘Awareness and Outreach’ pillars. T-hub model has become more popular the country. The seven pillars are Simplified as Regulations for ‘Startup Policy for implementation.

SPECIAL STRATEGIES

One of the significant effects for main-regulators is to escape preliminary out undercapitalized do this by valuing accurately for operational investment and by separation abundant of a protection to help with sudden expenses.

Taking into account all the costs needed to start a business, most possible business owners find they don’t have the cash resources to purchase a business or permit upfront without some sort of additional funding.



Loans from Banks : While the SBA loan process can be devastating and composite, there are phases you can take to eliminate difficulties and better guarantee approval. These funds are available at comparatively low rate of interest.

Investors: The people who are looking for and can assistance you relate only to the banks that would be the best suitable for your situation. This safeguards avoid the banks that have slight or no interest in your loan application, thereby increasing your chances of a quick and painless support. It also provides you with the opportunity to secure offers from multiple lenders so you can select the one with the best terms.

Other modes: Business loan, Equity investment, Assets investment, Invoice financing, Crowd funding, Long term Debt, Angel Investment, Public grants etc.

Combination of options: Several periods, using more than one subsidy selection could be your best policy

Conclusion:

Raising funds for the start-up is the most important step that follows once start-up plan is set. Some significant and well-known procedures to promotion resources for are Boot strapping, Crowd funding, Angel Investment, Venture Capital, Raising Money Through Bank Loans, Raising Funds By Appealing Competitions, Receiving Commercial Advances From Microfinance Workers or NBFCs and relating for administration Sequencers that Suggestion Start-up Money. Once a start-up has managed the initial investment, Both central and state managements are promoted various schemes to encourage the entrepreneurs under 'Make in India Concept' it may stabilize its business.

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