



## BUSINESS START-UPS AMID COVID-19

*Mrs. Sunita Sherifani*

*20/B-1204, Acasia, Regency Estate, Kalyan Shill Road*

*Dombivali (East)- 421201*

### **Abstract:**

*Everyone have a dream of becoming successful and getting a stable lifestyle. Some are job person and some are business person. A business person needs to start from somewhere to reach at the heights of success basically he has to do a start-ups. Every year thousands of start-ups get registered. Start-ups usually needs a lot of planning and funds for proper execution.*

*Starting-up is itself a challenging task which got even more difficult amid covid so this research paper focuses on the loans schemes provided by banks for supporting a start-ups and the challenges faced by them amid covid.*

**Keywords:** *start-ups, covid-19, loan schemes, challenges.*



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As we all know last two years the whole world was highly affected due the Covid 19 pandemics. No sectors of service was left untouched. The pandemic did not only affect the big companies/industries but it also adversely affected the start-ups. Every year many people think of a start-ups and even a huge number of them execute their plans and put up their own start-ups. A start-ups can be small as well as big amid covid many faced various issues with their start-ups. The problems faced by people were belonged to various categories.

The basic thing required for a start-ups is funds, Indian government has many schemes to support the newcomers. If the newcomer is a women then the government has various schemes which is solely allocated for female entrepreneurs for empowering women of our country.

## Objectives of the study

- To study the difficulties faced in different stages of business start-ups units due to pandemic.
- To study about various Government loan schemes available for business start-ups.

## Methodology

All the data collected was secondary with reference of various magazines, websites and newspapers.

## Types of business start-ups

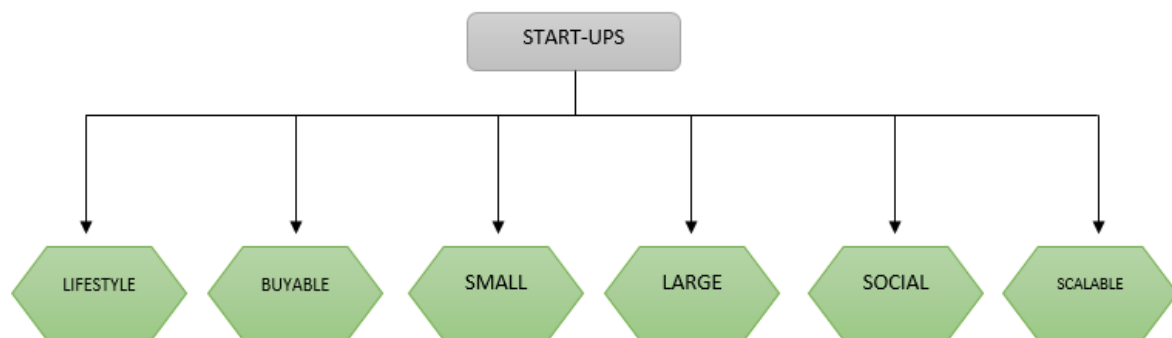


Fig 1 Types of business start ups

### 1. Lifestyle Start-ups

A lifestyle business is one that is geared toward supporting the owner's income and personal requirements rather than maximizing revenue.

The goal of a lifestyle business is to create a sustainable and pleasant work/life balance. The business should be lucrative enough to allow the lifestyle the owner desires without having to sacrifice a personal life. The type of business may also be selected on the basis of personal interest, so that time spent working is enjoyable.

### 2. Buyable start-ups

Buyable start-ups are companies that were born to be sold i.e. flip to other larger companies in the niche. In the last decade, there have been numerous web and mobile app start-ups that were bought off, often by internet

### 3. Small start-ups

Essentially these are just small businesses, but as they are often treading new ground for their owners and because they are new, they are still start-ups.

### 4. Large start-ups

These start-ups become self-reliant in all kinds of software, web and **mobility development**. It's one of their core competencies and thus continues to adapt and grow

as the demand and trends of technology change.

### **5. Social Start-ups**

Companies started by socially ambitious and passionate entrepreneurs driven to make a difference in the world around them, are termed social start-ups. These start-ups can be organized as a for-profit, non-profit or hybrid. Social start-ups, more often than not, need donations to fund their projects. Other than donations, charities thrive on a community of likeminded people interacting to make difference i.e. online forums.

### **6. Scalable Start-ups**

The most typical vision of what we like to think a start-ups is. These are companies that like to think big. Like Google or Facebook, scalable doesn't just mean getting bigger, it means world domination.

### **Business Loans for Start-ups under various schemes**

1. Bank Credit Facilitation Scheme
2. Pradhan Mantri Mudra Yojana (PMMY)
3. Credit Guarantee Scheme (CGS)
4. Stand-up India
5. Sustainable Finance Scheme
6. Psbloansin59minutes.com

### **Business loans for start -ups especially for women**

1. Mahila Udyam Nidhi Scheme
2. Annapurna Scheme
3. Stree Shakti Package
4. Bhartiya Mahila Business Bank (BMB) Loan
5. Dena Shakti Scheme
6. Udyogini Scheme
7. Cent Kalyani Scheme

### **Problems faced by start-ups at various levels**

#### **1. 0 level**

Many youth were on plans to start something of their own as now a day's Government of India has started many loan schemes to support various categories of businesses. With help of which anybody can start his or her own start-ups. Approximately around 50,000 start-ups of different levels are registered every year in India. In the same manner some people might have plans for starting up their own business in the year

2020. But as the corona virus pandemic paused the world all of a sudden all the plans needed to be kept on hold and some had to even come to end before they could start.

The various problems faced in this level amid covid were:

- a. Market was facing a high rate of recession.
- b. Were the business idea thought was still in demand.
- c. The planning needed to be changed according to the situation.
- d. Taking a loan for starting up something new was at a big risk.

## **2. Mid-Level**

This level of start-ups included the individuals which had already started up their business quite some time ago and the lockdown had paused them. In this scenario people were stressed as they had no income but expenses. As the world was hanged but the area rent, wages of labours and other expenses were still on so, for a beginner it was getting difficult to manage as the situation was that the entrepreneurs were spending more compared to what they have earned from their start-ups in this small period of time.

The various problems faced in this level amid covid were:

- a. Expenses were more than earnings.
- b. EMI of the start-ups was getting a burden.
- c. In this short period of time it was difficult to make regular customer relation.

## **3. Higher level**

This level of start-ups included the businesses which were set-up 1-2 years earlier. This level of entrepreneurs faced huge problems amid covid as recent they had hold on the market and were building the customers' relation stronger. It sudden hold back in flow of their business. The main thing was the graph of business which recently was maintaining a stability in the market started to fall.

The various problems faced in this level amid covid were:

- a. The profit earned was slowly had steadily getting into losses.
- b. The hold on market was getting weak.
- c. The rolling of the material was stuck as every business man was facing some or the other financial issues.

## **Conclusion**

As every successful entrepreneur started a career from 0 level and reached on heights of success in the same way, many young people with a dream of becoming a successful,

thought of a start-ups or some even implemented their thoughts and started up with the help of aids provided by government through various schemes but unfortunately the period of start-ups was not in favour of them. Even though the pandemic gave a tough time to many beginners many of them fought and moulded according to the situation and sustained but some even suffered huge losses and aborted their plans.

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