

# “Golden Startup” – A New Business HUB Proposal

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**Abstract:** Business is a technology based driven in this era. Fast development in the technologies leads to the automation of design, operation and manufacturing process. New generation are filled with technologies and bring more competition among the industries. Skilled man powers are involved in creative development using technologies in the companies and educational institutions. To increase the job opportunity, Government introduces a startup scheme to generate new entrepreneur by supporting finance and it provide a platform to reach market easily. These businesses are short term goal or achievement which is easily funded by private funding agencies. Here, Authors introduce a new business proposal to support creative idea which can produce a profit in a long term basis and getting fund needs more time and patient for the creator of product idea. Based on the experience, two cases have been studied in marine industry company and importance of “Golden Startup” is explained and can be taken for next level.

**Keywords:** business model, new approach, startup, micro model, young entrepreneur

## I. INTRODUCTION

“Startup” is category of new company to bring the idea or imaginary thought into a reality by innovation and development. This Government scheme supports validating a reliable product, improving process or services, and it can be a scalable business model with high potential of employment generation. This is a new business model to meet the market needs with minimum investment and creates an opportunity to become young entrepreneur without business background. Startup India was initiated by Government of India on 15<sup>th</sup> August 2015, and this action plan for this initiative is based on i). Simplification and hand handling ii). Funding support and incentives and iii). Industry-academic partnership and Incubations. Based on certain conditions, “Startup” certificate is issued by the Department of Industrial Policy and Promotion (DIPP) for the registered company, and this certificate helps to get income tax exemption, trademark and patent application filing, public procurement, credit limit guarantee and self-certification compliance for the period of seven years.

Central government has initiated many incubation centers and encouraged private sector to establish a incubation centre to motivate a startup companies who are in need of infrastructure to place a team and need recognition in the market to reach customer. In most of the state, separate startup centre is created to provide an opportunity from the college students to young entrepreneur in terms of financial support in development of product and reaching the market with good support from an incubation centre.

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There are many private companies formed as funding companies, which takes fund from various individuals and companies and this amount is provided to a potential company who has strong innovative ideas and thoughts for the development of product/service. Presently, most of the incubation centre and funding agency/companies are extended their support to multimedia companies, Internet-based development for online shopping & market. Government has taken joined approach with different countries on development of agriculture, medical treatment and rural development field as seed funding for the development of innovative ideas to reach people and improve their standard of life. When it comes to marine industry, authors do not find companies coming forward to encourage this kind of initiative. Marine industry is a unique field which does not connect directly to human life and marine indirectly supports human society in transportation and petroleum products development. When compare to other industries, marine industry needs more development to use latest technology like cloud, the Internet of things and artificial intelligence from design to operation of ship. Similar study can be extended for other domain so that needy development can be identified.

## II. STARTUP IN INDIA

This startup is promoted for the easy start of companies with less investment which encourage non business background people can do business. It is possible to get an foreign investment and it creates job creation and skill development. Government of India has created a platform to communicate among startup companies, incubators, mentors, corporate and investors as “Startup HUB”. Under this startup umbrella, financial support is split into different channel/stages based on the entrepreneur idea/product status.

### A. Incubator(s)

Incubator is a company who support in providing space to setup an office and to execute minimum services at the initial period for the startup companies. Some incubator can support in financially but depends on the future of that business. In addition to that support is offered for marketing, material preparation for services, helping in strategy to grow the business by providing free consultancies. This business incubator help for the period of maximum three years and after the development, separate office will be provided outside the incubation centre.

### B. Mentor(s)

Mentor is an expert in particular domain who is ready to support start-up companies for the development. Incubator companies request for registration of mentor from different domain expert and are used for the consultancy to offer start-up companies business meeting. Getting a mentor is difficult task for start-up companies and that has been taken care by incubator by adding as a mentor. Mentor can be anywhere from India and outside India also.



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Maximum support is assured that start-up companies reaching to the targeted business growth.

#### C. Corporate(s)

Corporate have been linked with start-up platform to have easy communication among all stakeholder. Recently many corporate have come out with an requirements to improve the corporate business technology development using start-up companies talent. Business development talks are provided from corporate to enrich the startup companies in business development and supporting in critical issue during the development.

#### D. Accelerator(s)

This is another kind of support for the startup companies who has the product ready at the initial stage. In that case accelerator helps from marketing material preparation to reaching the market and achieving the set target.

#### E. Pitching

This is a program organized by the investor to support financially for the selected start-up companies. Invitation is sent to all start-up who are all willing to take financial support for the development of their products or services. Here investor comes with an expert in different domain and based on the idea or innovation of the product, considering the need in market, start-up are selected to provide a financial support. Many state government also organizing similar program to create a job opportunity and economic development to the society.

### III. NEED OF GOLDEN STARTUP

It is observed that many startup companies are started in recent years and many startups are given financial & space support by incubation centre. Many projects are supported because of the return period to get revenue. It is expected to get the revenue in three to six months which does not involve in any research period. In some cases, it is necessary to validate the concept by adopting different technologies. There are some concept needs more development time in which the revenue comes after one or two years. This kind of projects are not supported or given some reason to improve the concept to next level of completion to proceed further. Recently, observed that most of the research works are done using the software and this software is purchased from other country. Our companies/institutions are ready buy and not ready to develop by our-self. Is it not possible to develop in India. Yes it is possible but it cannot work in India because of immediate revenue is expected after the investment. Indian investor is looking for quick return of money. Though, the product/software is good for long term. It is observed in many domain, same situation exists and this needs to be eradicated by our country. Otherwise each and every product or software, India needs to depends on other country. In marine industry, all software are purchased from other country paying few lakhs dollar every year. Same way, development of idea into product. To support this kind of long term based development, Government can take initiative to support. Two companies were studied on this need and observed that without funding, there is development for last two years. Owner has invested for two years to run with minimum people expecting investor. Now that companies in a position to close that idea and look for some other business.

### IV. WORKING OF GOLDEN STARTUP

Presently each application is scrutinized by incubation centre and it is accepted if it is within their budget. All incubation centres are under control of central government department. When the proposal is based on long term and it surely competitive to the world, this can be recommended to government. Government can have another seed fund called as “Golden Startup”. This kind of project / proposal / idea / product can be supported from this fund which can be used for any domain.

### V. STARTUP IN MARINE INDUSTRY

Many scheme are introduced by government of India to support and encourage startup companies through different ministry and corporate. Most of the domains are related to information technology, internet of things, electronics, agriculture, technology hardware, automotive, renewable energy, non renewable energy, clean energy, green energy, telecommunication, health care, life science and rural development. In authors knowledge, very few companies are started in marine industry under start-up. Author had an opportunity to meet two marine start-up companies (i) GreenSHIP Research and Technology and (ii) Shallow waterways Shipping but the practical situation is different from the paper news. For other industry, there are many corporate support and incubator from big companies to utilize the new idea and innovation. Whereas for the marine industry, incubator and financial support needs to be improved in India.

#### A. Need of Marine Incubation Center

Recently, Indian Register of Shipping (IRCLASS) in partnership with Siemens and Ministry of Shipping, to build competency in the field of maritime & shipbuilding start-up is started as “Centre of Excellence in Maritime & Shipbuilding (CEMS)”. This start-up is mainly targeted to provide training in more than 24 labs under one roof and it is good opportunity to get trained for better quality experience in marine industry. Marine/shipping is an international business and small development can be utilized all over the world. When compare to other domain like satellite, telecommunication, system hardware and software development, marine industry development is less. There are opportunity to improve the design and operation using latest technology but it happens in locally with in company. It is not easy to accommodate all expert in one company for any development. Current world, everyday new technology or improvement which needs to be updated to get the full strength of development. To improve the marine design and operation, authors recommend to have incubation centre to accommodate start-up companies by providing space for office and easy to provide mentor service because of enormous experts in every companies. Technology is going to lead the world and by adopting the latest technologies in marine industry, marine services can be offer best price and whole world can get benefits.

## VI. CASE (I) GREENSHIP RESEARCH AND TECHNOLOGY

This company was started in 2015 to provide the ship operation solution to operate the ship more economically by providing trim curve services to operate the vessel with optimum trim and provide route optimization and speed optimization services. As the company has an expert on this services but financially not strong enough. They approached few corporate to offer a service and ask for financial support for the development of new products. Company is ready to accept the trim curve service because of technical competency and fuel saving from the solutions. At the end, services was not accepted because of insufficient network (Office) all over India in a short period.

As a startup company, it is not easy to have an office entire India. Though solution is useful and can be benefitted, startup company is not able to get that services from the big company. If that is under some marine incubation centre, this issue must have been resolved and company must have grown well. Having knowledge, does not fetch business in India but needs financial support and infrastructure to reach customer.

This company has prepared for the development of three products as (i) GeoFLEET (ii) GeoPMS and (iii) GeoTRACK and three trade mark has been registered.

### A. GeoFLEET

This product is aimed to reduce the operational cost of the ship. This product includes eight modules which are shown in Fig.1. This kind of services is provided only few companies internationally. Though this tool is more competitive, due to financial support, this has been kept idle now. If this is the situation for this kind of international product, how can expect more product in marine industry without support of corporate.

## GeoFLEET

- (i) Fleet Management
- (ii) Engine Performance
- (iii) Fuel Management
- (iv) Energy efficiency operational index (EEOI)
- (v) Hull Condition Monitoring
- (vi) Trim Optimisation
- (vii) EU MRV
- (viii) Reporting

Fig 1: GeoFLEET Product.

### B. GeoPMS

This is mainly used for maintenance purpose. Due to the development of technology, this product is easy to develop and same time, using the cloud, monitoring and maintenance is much easier than any tool. This product stake holders are ship owner, charterer and management company.



Fig 2: GeoPMS Product.

### C. GeoTRACK

This is product aimed to support fisherman community in India. More than 3 lakhs fishing boats are running in everyday in Indian coastal. Every year, due to natural disaster or international borer issue, few boats and fishers are disappearing. This is a loss for the country as we lost human and big loss for the fisherman family. India is well developed in technology but this happens every year. To over this issue, this product was imed to develop, but not completed due to financial issue. Though this product can be developed for fisherman community, need support from government or corporate which can benefit to company and society. Schematic is provided in Fig 3.

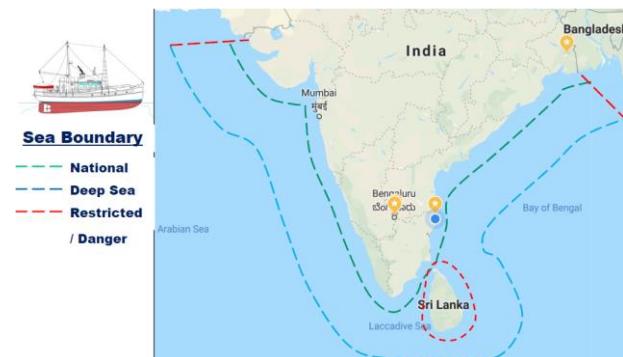


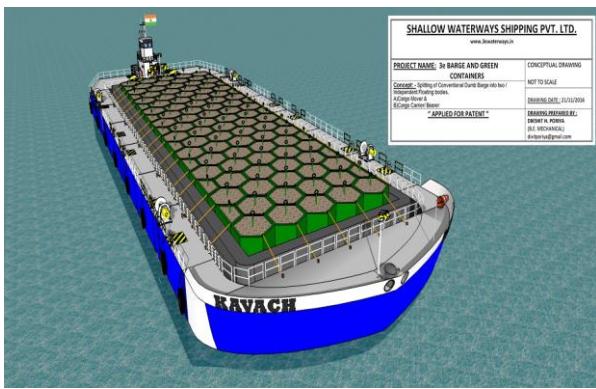
Fig 3: GeoTRACK Product.

## VII. CASE (II) SHALLOW WATERWAYS

This is also start-up company in marine industry. India has longest inland waterways and now there are many project from Central Government to utilize for commercial purpose to reduce the transportation. It has taken initiative to utilize the inland water ways for domestic transport as shipping transport is the cheapest mode of transport when compare other mode. Keeping the business opportunity in mind, eBarge has been designed by this company with Green container which can be used in shallow water ways. This design was patented “eBarge Green Container” and skeleton design was completed and showed fuel & cost saving for one voyage.

### A. EbARGE Green Container

As a startup company, able to reach many ship owner and big companies but it was asked for detail construction drawing which need minimum of 10 lakhs and need more man power. Due to various reason, this patent has been kept idle without financial support.



**Fig. 4: e Barge Green Container**

#### B. JUMPO Barge

This is another concept to move the large amount of cargo from one country to another country. In this project, engine power required for higher loading capacity does not proportional to cargo. Considering the international demand of shipping, this JUMPO barge is designed in a concept level. This company is trying to get an investor to make it practical. This JUMPO barge is anchored in inside the sea and small barge will be used to supply the cargo to local cities in that country through inland waterways.

### VIII.CONCLUSIONS

India has highest percentage of young generation and startup helps to some extend to register a company. Each company has started with a new idea targeting a group of customer. Medium level expense products and short term return projects are going well. To support the long term development and long term return idea/concepts are not supported by current market which was explained with two case studies. It is recommended that of “Golden Startup” needs to be formed to support long term development project. Presently, only marine industry this study was done and this needs to be done in other industry as well. Working on this new business model, can bring more startup companies to develop their product and brings more job opportunity for future generation.

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