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Unicorn Start-ups in India: A Brief Study

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Abstract

Unprecedented levels of innovation and disruption are taking place today, fuelled by the explosion of start-up businesses that are ready to take on the world with ground-breaking goods, business strategies, and funding. India became the global "software centre" around the turn of the century. It sparked a technological revolution that led to several Indian start-ups developing cutting-edge technology. These start-ups quickly developed into Unicorns in several cases. In terms of the number of unicorns, India is currently third, only after the USA and China. A confluence of factors, such as its enormous market, growing economic position, shifting consumer preferences, and technological capabilities, shapes hyperlocal inventions that are also computationally efficient.

We shall briefly explore the "unicorn revolution", the growth of new businesses in India, contribution in employment and GDP of India by Unicorns and the initiatives taken by government for start-ups in this paper.

Keywords: Start-Ups, Minicorn, Soonicorns, Unicorn, Decacorns, Hectocorn, COVID-19, Internet adoption, employment generation, GDP and Government Initiatives.

INTRODUCTION

The Start-up India Initiative was introduced by the Indian Prime Minister on January 16, 2016. Giving entrepreneurial spirits wings can help people become more prosperous and employable. This effort is being maintained by the Department of Industrial Policy and Promotion, who is considering it as a long-term undertaking.

Up till May 2, 2022, more than 69,000 start-ups in the nation have received recognition since the start-up India programme was launched on January 16, 2016. Innovation in India is not simply restricted to certain industries; we have identified 56 different start-ups tackling challenges, with 13% coming from the IT services industry, 9% from the healthcare and life sciences industry, 5% from professional and commercial services, 5% from agriculture, and 5% from the food and beverage industry.

Start-ups: The Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India has developed a definition for an entity to be classified as a start-up in order to bring consistency in the designated enterprises:

- If a company is established as a private limited company, registered as a partnership firm, or registered as a limited liability partnership in India, it will be regarded as a start-up for a period of up to ten years after the date of formation.
- The entity's annual revenue has never exceeded 100 crore rupees in any of the financial years since formation or registration.

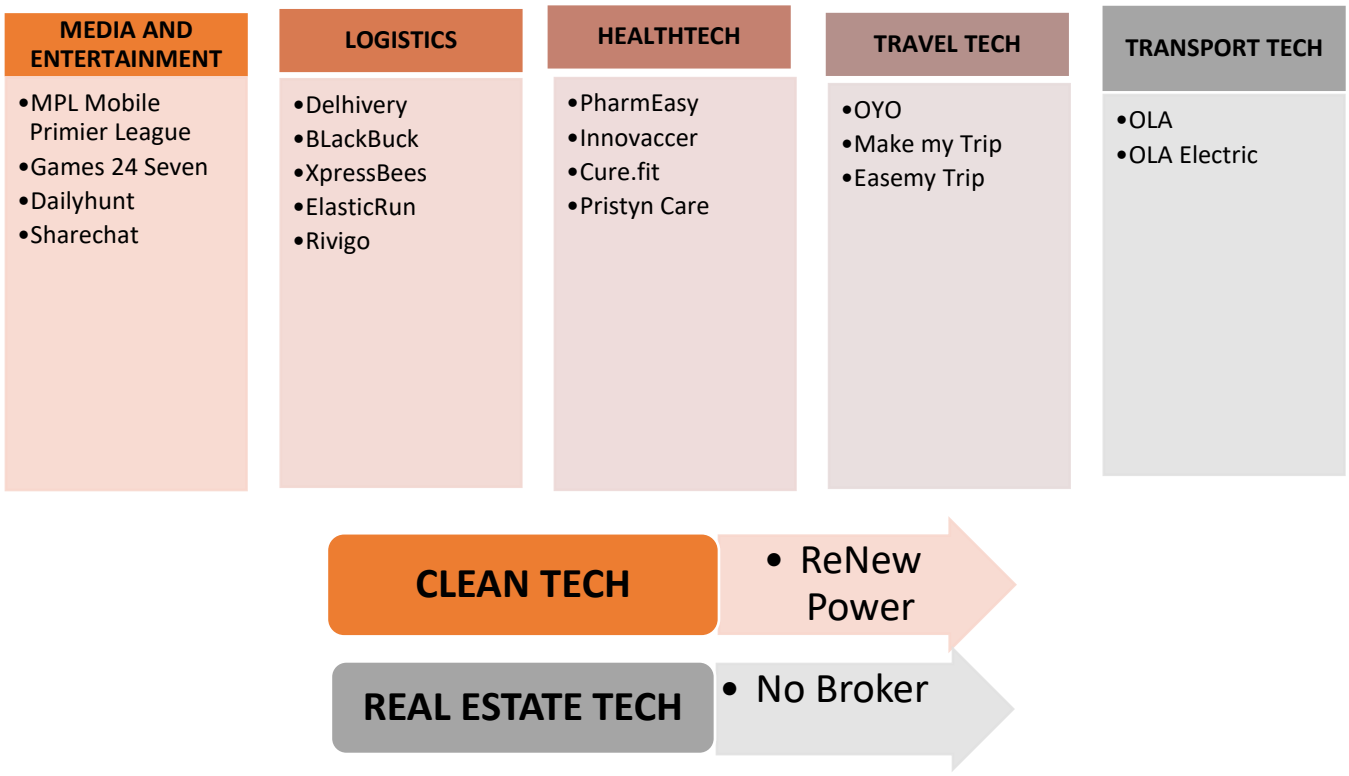
- The organisation is trying to innovate, create, or enhance goods, processes, or services, or if it is a scalable business model with a strong potential for creating money or jobs.

Minicorn: Start-ups valued at $1 million or more are considered minicorns. Despite being relatively new to the market, these businesses still have considerable worth, which supports the idea that they might one day become unicorns.

Unicorn: The phrase "unicorn" was originally used by Aileen Lee, the owner of Cowboy ventures, when she termed to the 39 start-ups with a valuation of more above $1 billion as "unicorns." The goal of any tech start-up is to create a unicorn company, which is defined as a company valued at $1 billion without being listed on a stock exchange. **The most valuable unicorns in India are as following:**

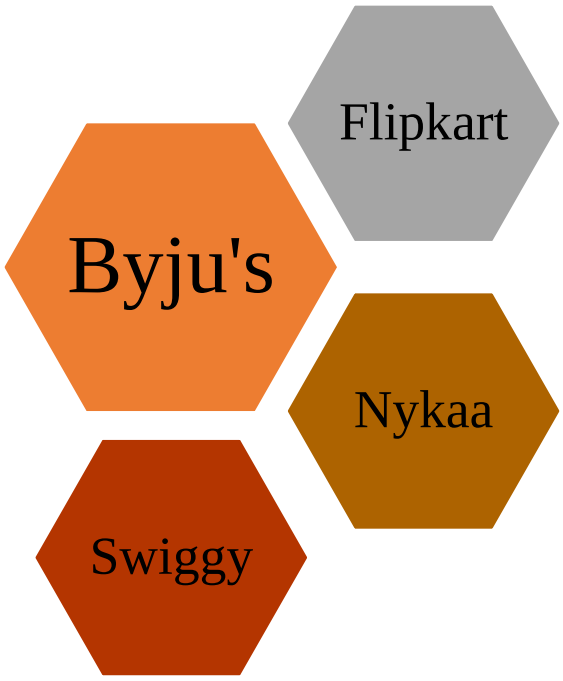
E-COMMERCE	FINTECH	ENTERPRISETECH	CONSUMER SERVICES	EDTECH
• Flipkart	• Paytm	• BrowserStack	• Swiggy	• Byju's
• Nykaa	• Razorpay	• Postman	• Zomato	• Lead
• Droom	• Phonepe	• Icertis	• Infoedge	• Upgrad
• Lenskart	• Policy bazaar	• Freshworks	• Cardekho	• Unacademy
• Moglix	• CoinDCX	• Zenoti	• Grofers	• Eruditus
• Udaan	• Groww	• Uniphore	• Rebel	• Vedantu
• Spinny	• Cred	• Amagi	• Urban Company	
• GlobalBees	• CoinSwitch Kuber	• Mapmy India	• BigBasket	
• Cars24	• Slice	• Druva		
• Paytm Mall	• Zeta	• Drawinbox		
• DealShare	• Digit	• Gupshup		
• Mensa	• Billdesk	• Inmobi		
• The Good Glamm Group	• Oxyzo	• Apna		
• Firstcry.com	• Zerodha	• Mu Sigma- Do the Math		
• Ofbusiness	• Pine Labs	• Fractal		
• Meesho	• CredAvenue	• Zetwerk		
• Licious	• Open	• Mindtickle		
• Mamaearth	• Mobikwik	• Zoho		
• Infra.market	• Chargebee			
• Livspace	• BharatPe			
• Purplle	• Acko			
• Shopclues				
• Snapdeal				

SOURCE: Inc42's 100 Unicorn Report 2022.



SOURCE: Inc42's 100 Unicorn Report 2022.

Decacorns: A "decacorn" start-up is one that has a valuation of over $10 billion. The decacorn designation has been attained by 46 firms as of July 27, 2022, worldwide. **Four companies from India have been included in the decacorn cohort:**



Hectocorn: Start-ups valued at over $100 billion are referred to as "Hectocorns."

FEATURES OF A UNICORN START-UPS

- Innovative disruption: In their respective fields, most unicorns have caused a disruption. For instance, Uber transformed commuter culture. Travellers' lodging arrangements were altered by Airbnb, and social media usage was upended by Snapchat, among other things.
- Consumer-focused: B2C enterprises account for 62% of the unicorns. They want to be a part of customers' daily lives by making things simpler and easier for them. The fact that these businesses keep expenses down is another important advantage. For instance, Spotify made music streaming more accessible to people worldwide.
- High on tech: A further feature shared by unicorns is the reliance on technology for their business models. Uber created a user-friendly app to get acceptance for their model. By utilising the internet to its fullest potential, Airbnb reduced distances between people. According to a recent research, software makes up 87% of unicorns' products, followed by hardware at 7% and other goods and services at 6%.
- Private ownership: Since the majority of unicorns are owned privately, an established company's investment in one increases their value.

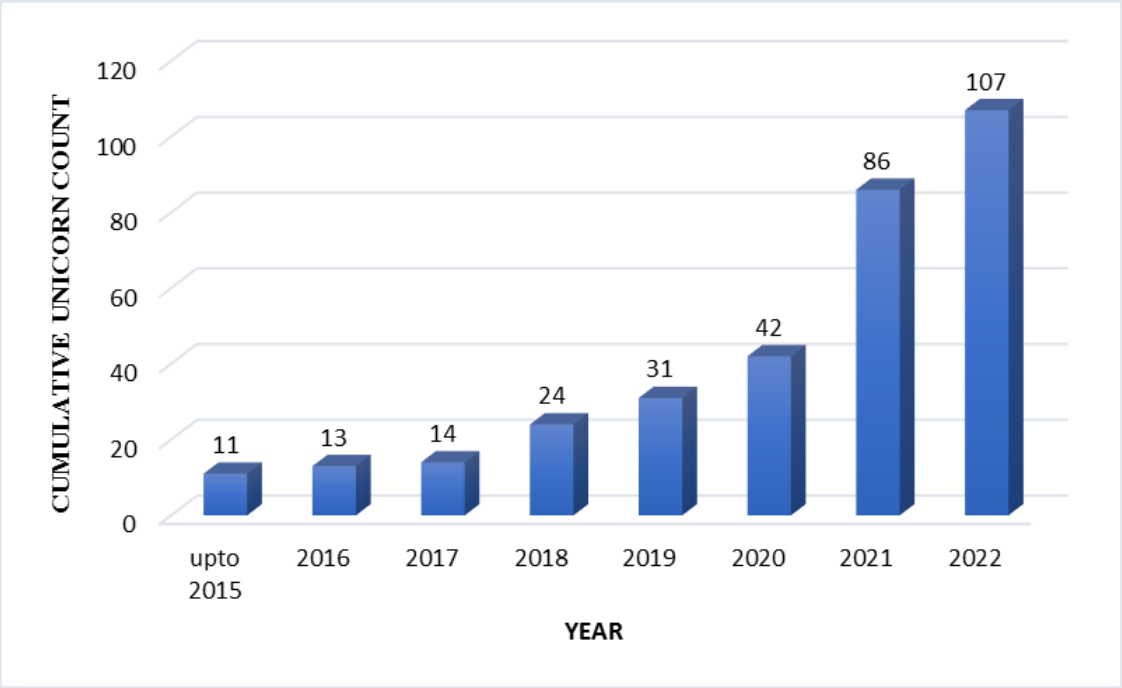
UNICORNS IN INDIA

In today's quick-paced and dynamic market, Indian unicorns are thriving. Not only do these businesses create cutting-edge products and technology, but they also create a significant number of jobs.

In 2011, **In Mobi** was the first business in India to achieve unicorn status. After then, numerous firms hit a valuation of $1 billion. A significant uptick in the start-up environment may be attributed to the time immediately after 2016, when, helped by widespread digitalization, more than 50% of Indian firms achieved unicorn status within five years of their founding.

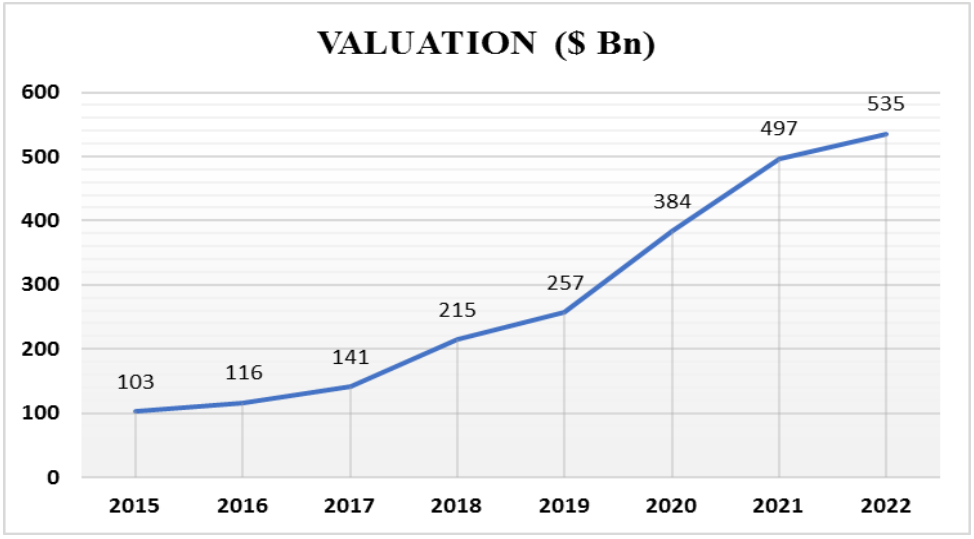
In India, there were 11 unicorns when the count began, but by the year 2022, there were 100 unicorns, a huge increase. **Open, a neo bank platform located in Bengaluru, has become India's 100th unicorn.** Up to the fiscal year 2016–17, one new unicorn was added yearly on average. Since FY 2017–18, this figure has been rising rapidly, with a staggering 66% Year-on-Year increase in the number of new unicorns introduced each year. **India is host to 107 unicorns, valued at a total of $ 340.79 billion as of September 7, 2022. Out of the whole unicorn population, 21 unicorns and 44 unicorns, valued at a combined $26.99 billion and $93.00 billion, respectively, were born in 2022 and 2021, respectively.**

UNICORNS IN INDIA



SOURCE: Inc42's 100 Unicorn Report 2022; Invest India.

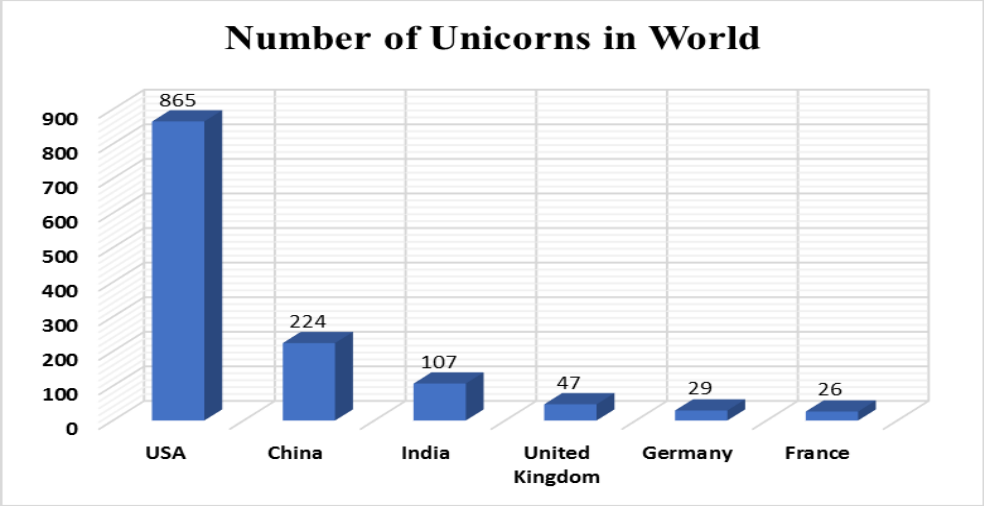
A survey named "India Tech Trends" projects that the total value of Indian unicorns would reach $535 billion in 2022, a significant increase from US$103 billion in 2015. In the same analysis, an upbeat scenario for India's unicorn development narrative is envisioned, with estimates of the country's unicorn population increasing to 250 by 2025.



SOURCE: Iron Pillar India Tech Trends, Volume-IV, March 2022

GLOBAL UNICORNS BY COUNTRY

After China and the United States, India now boasts the third-largest start-up ecosystem globally. The total number of unicorn start-ups in India increased to 44 in 2021, bringing the total to 86, with the majority of them operating in the service industry.

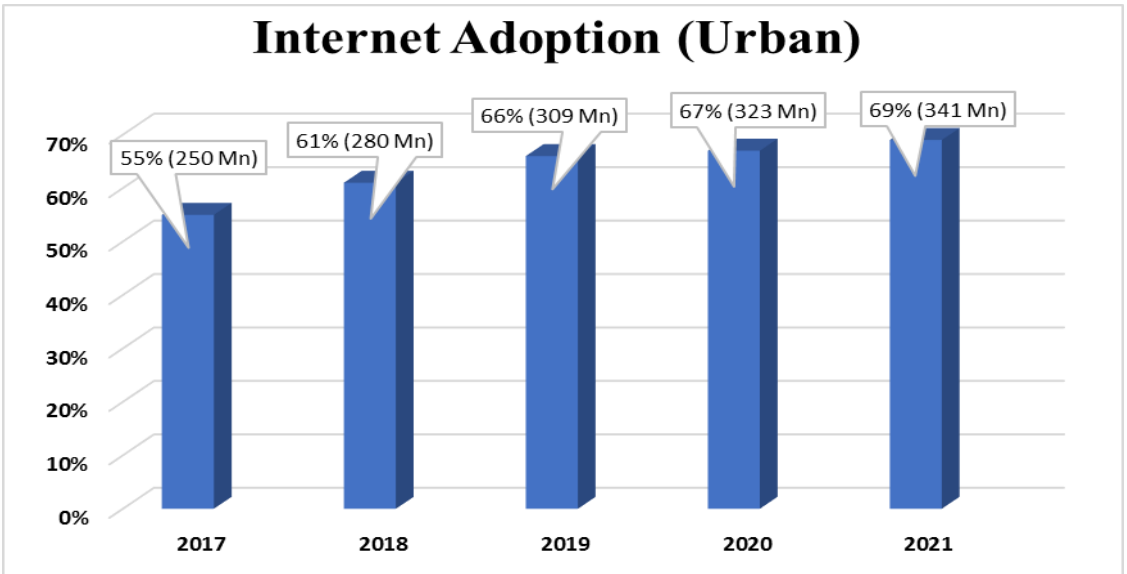


SOURCE: Start-up talky; Invest India.

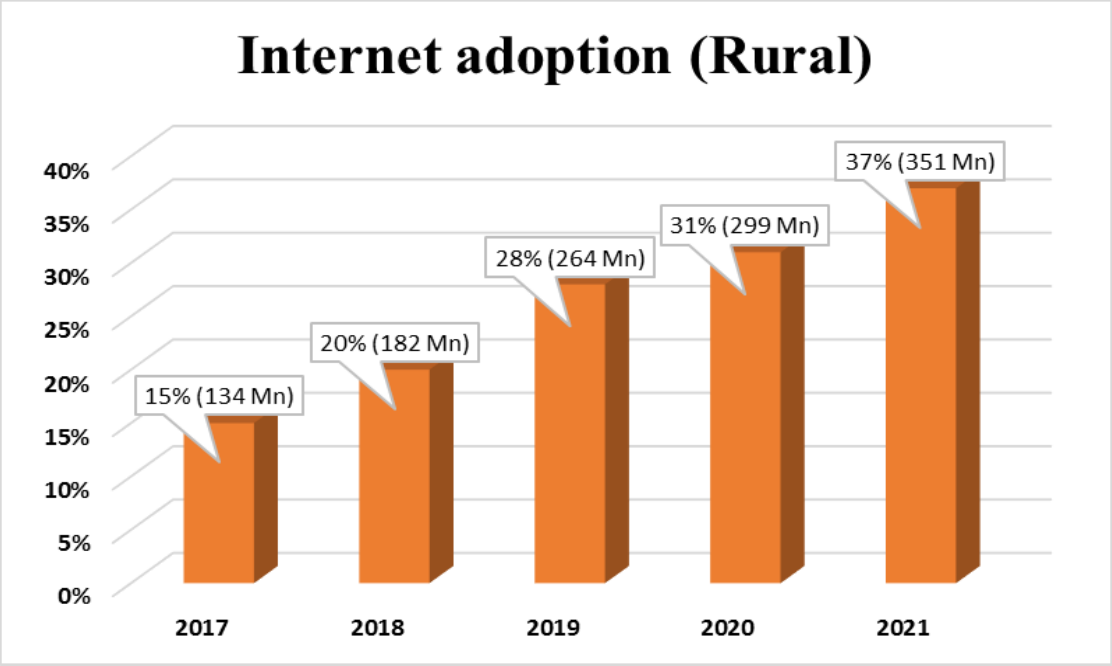
INTERNET ADOPTION IN INDIA

The IAMAI (Internet and Mobile Association of India) KANTAR report, "Internet in India," which was just released and is based on the ICUBE 2021 survey, shows a striking increase in internet users in rural India.

India's rural areas now have 351 million active internet users, up 37% year over year (YoY). According to the ICUBE 2021 survey, which was carried out by IAMAI and KANTAR, internet usage in Indian metropolitan centres has, on the other hand, increased marginally at a measly 2% YoY to 341 Mn active users in the same time. More than 77,000 Indian homes, located in all states and Union Territories with the exception of Lakshadweep, were surveyed for the ICUBE 2021 study titled "Internet in India."



SOURCE: INCUBE Report 2021, "Internet in India".



SOURCE: INCUBE Report 2021, "Internet in India".

According to the survey, more than 346 million users of India's 692 million active internet users engaged in digital transactions like e-commerce and payments over the previous year than the total population of the United States (331 million) (2021). Due to the epidemic, digital transactions increased by 51% during the previous two years (2019 and 2020).

According to the research, the increase in rural internet users would cause the country's active internet user population to reach 900 million by 2025.

According to the research, Goa had the greatest rate of internet adoption among the Indian states in 2021, while Bihar had the lowest level.

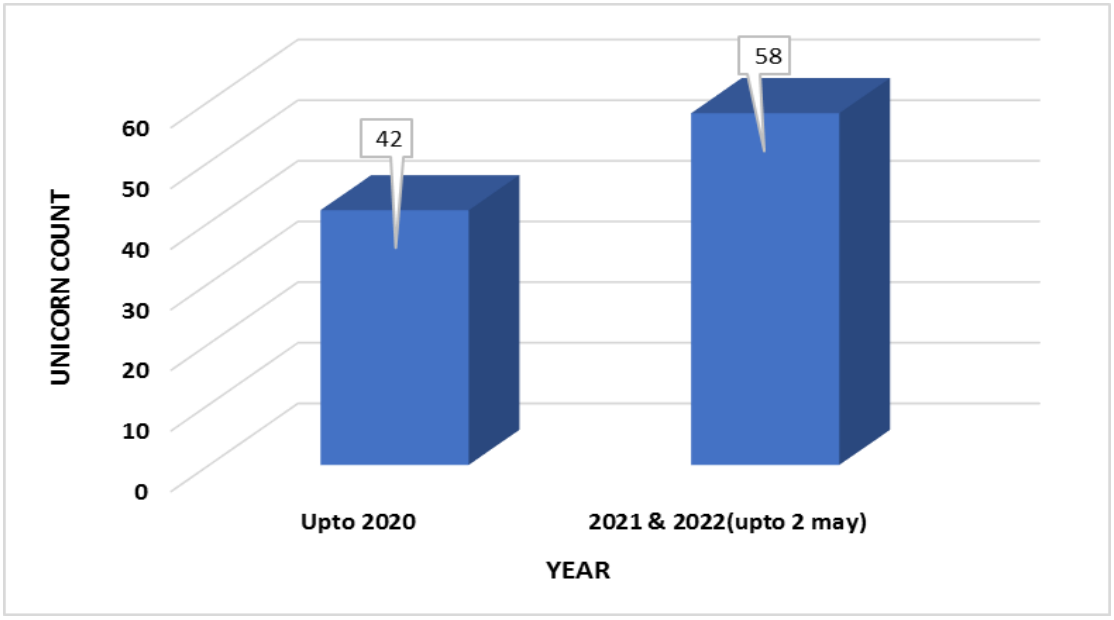
The number of internet users in India grew in 2021, yet 63% of the country's rural residents—or around 762 million people—still lack access to it.

UNICORNS AND COVID-19

While the epidemic encouraged remote labour, it also produced a large number of unicorns, which contributed to the expansion of digital firms in India. Investors have been drawn in primarily by three factors: a strong ecosystem for digital payments, a sizable user base for smartphones, and business strategies that prioritise the digital world. Due to the rapid growth of smartphones and the digitalization of commerce in all spheres of life during the pandemic, tech businesses, which have established themselves as household names, are a major factor in India's unicorn boom. The unicorn industry is primarily supported by participants in the e-commerce grocery, SaaS, and marketplace sectors.

Following the 11 Indian businesses that achieved unicorn status in 2020, the Indian start-up ecosystem saw 44 start-ups achieve unicorn status in 2021 as a result of increasing use of digital services, rising smartphone sales, and increased internet usage, which encouraged investors to back India's start-up narrative.

After 2020, 58% of Indian firms achieved unicorn status.



SOURCE: Inc42's 100 Unicorn Report 2022.

Maximum numbers of Indian unicorns were born in 2021, 2020, and 2019 with 44, 11, and 7 unicorns, respectively, born in each of those years. Globally, COVID-19 has brought about a great deal of socioeconomic distress, yet it is at this time that the tenacious Indian entrepreneurs have worked seamlessly to boost both the economy and COVID-19 relief operations. More than ten unicorns were born in 2020, as recorded. With 44 unicorns blasted into the environment and countless soonicorns in line, the phrase "It's raining unicorn" has been the catchphrase for 2021.

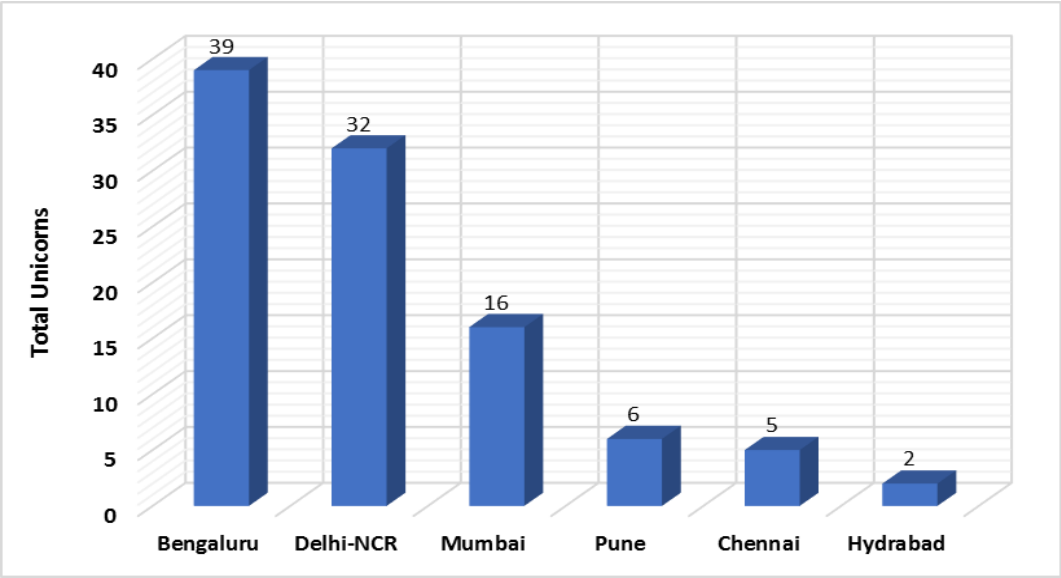
GEOGRAPHIC BREAKDOWN OF UNICORN STARTUPS IN INDIA

Geographically, Bengaluru is the hub of the high-tech sector in India, and it is also known as the "city of unicorns," having the most unicorn headquarters, followed by Mumbai and Delhi (NCR). Bengaluru, Delhi-NCR, and Mumbai are home to 87% of all unicorns in India. Yet 13% of all unicorns in India live in burgeoning centres like Pune, Chennai, and Hyderabad.

BREAKDOWN OF UNICORNS: GEOGRAPHICAL

Cities	Total unicorns	Combined Valuation ($ Bn)
Bengaluru	39	160
Delhi-NCR	32	95
Mumbai	16	52
Pune	6	11
Chennai	5	21
Hydrabad	2	3

SOURCE: Inc42's 100 Unicorn Report 2022.



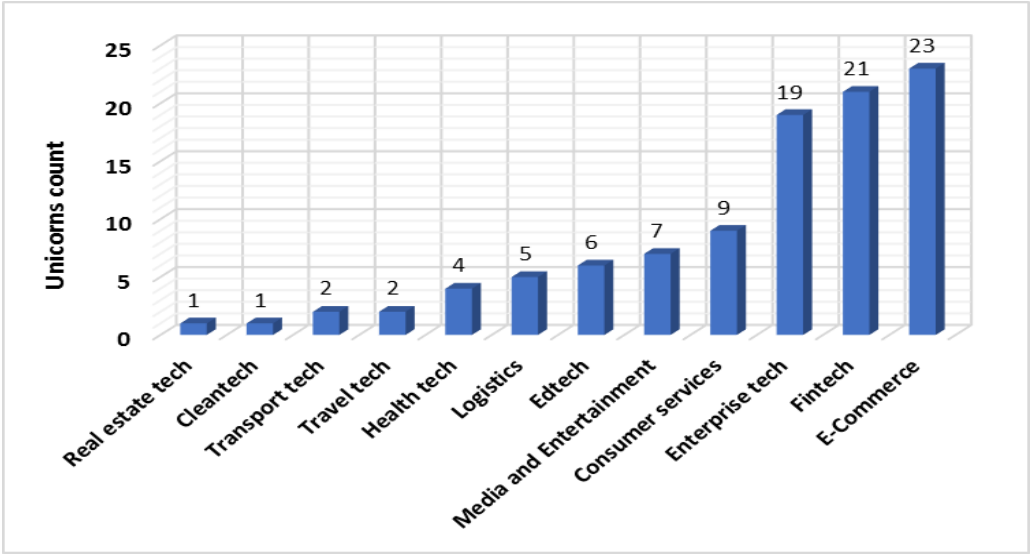
SOURCE: Inc42's 100 Unicorn Report 2022.

Bengaluru has had substantial development in start-ups in India and now holds the top spot with 39 unicorns, including Amagi, Apna, Byju's, CRED, Flipkart, Phonepe, Licious, Meesho, Mensa, Swiggy, OLA, Zerodha, and In Mobi, etc.

With 32 unicorns, Delhi-NCR is the second-largest city in India and home to companies like MakeMyTrip, CARS24, Shop clues, Paytm, Zomato, etc.

Mumbai, the third-largest city in India, is home to 16 unicorn firms, including Games24, Upgrade, Pharm Easy, Bill Desk, Acko, and CoinDCX, among others. Pune has six unicorns, Chennai has five unicorns, and Hyderabad has two unicorns, among other cities.

SECTORWISE UNICORN COUNT IN INDIA



SOURCE: Inc42's 100 Unicorn Report 2022.

FASTEST UNICORN IN INDIA

The least and utmost times it takes for a start-up in India to become a unicorn are 6 months and 26 years, respectively. However, every start-up has a unique road toward becoming a unicorn.

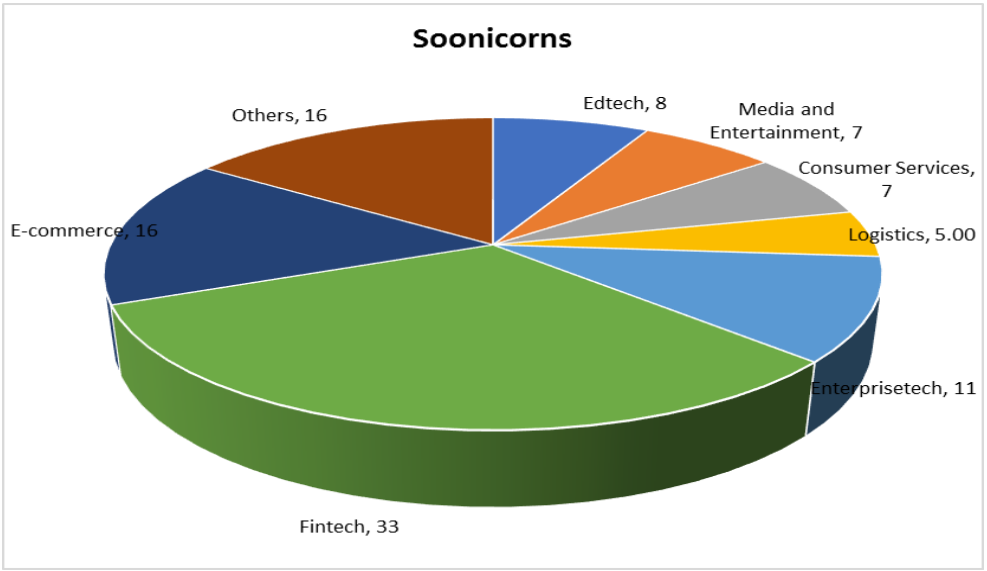
Mensa Brands became the **first Indian firm** to attain unicorn status in the quickest time possible in November 2021 after raising $135 million at a valuation of approximately $1.2 billion, when D2C roll-up start-ups were making news every other day in by announcing brand acquisitions. Mensa Brands declared profitability in June 2022, estimating 1,500 crore in sales during the first year of business. It has grown to be the biggest direct-to-consumer (D2C) tech-driven brand house in India. Approximately 20 fashion, beauty, and lifestyle businesses are supported by Mensa at this time. And women manage over 80% of them.

The **second-place finisher** in the competition was the D2C brand aggregator **Global Bees**, which became a unicorn in just seven months after its launch and did so one month later than Mensa Brands.

With a 1.5-year turnaround time, the fintech business **CredAvenue** was the **third-quickest Indian unicorn.**

FUTURE UNICORN IN INDIA

Fintech is the second-highest producer of unicorns after ecommerce in India, with 21 of the country's 107 unicorns working there. The financial industry is anticipated to produce the majority of future unicorns in India during the following few years, according to Inc42's "The State of Indian Start-up Ecosystem Report, 2022" with 33 soonicorns.



SOURCE: Inc42's State of Indian Start-up Ecosystem Report 2022

With a $1 billion valuation in 2015, Paytm became India's first fintech unicorn. Since then, the ecosystem for fintech has gained 21 additional unicorns, with 11 more heading in 2021. Four financial unicorns have been identified so far this year, with One Card, a credit card business, being the newest in July 2022.

FACTORS INFLUENCING THE TRANSFORMATION OF START-UPS INTO UNICORNS

Due to a number of situational and strategic factors, unicorn populations in India have grown so quickly:

- Consumers' use of digital services was expedited by the pandemic, assisting start-ups and new age firms in creating customer-focused tech businesses.

- A large number of Indians have shifted to using online services, investigating a variety of offerings including food delivery, e-groceries, and Edu-tech.
- Increased user bases, accelerated corporate development plans, and investor attraction were all facilitated by the work-from-home culture for start-ups.
- Another factor that greatly benefited the unicorn was the development of digital payments.
- A number of investors are pushing the GBF (Get Big Fast) approach, which encourages companies to grow swiftly by raising substantial sums of cash and slashing prices in order to surpass rival companies in the market.
- Due to purchases by large public firms, who favour this strategy over investing in internal growth, many start-ups end up becoming unicorns.

OBJECTIVES

1. Analyse the employment created by start-ups at the state level in an economy.
2. To establish a relationship between the creation of jobs and business ventures inside an economy.
3. The economic impact of start-ups in India.
4. Government programmes introduced as part of the start-up effort.

LIMITATION

In the assessment of employment generation, only the top start-up states in India were selected as the observations for the correlation and regression analysis.

RESEARCH METHODOLOGY

Secondary data such as published articles, Ministry of Commerce and Industry report on start-ups, The IAMAI (Internet and Mobile Association of India) KANTAR report, Iron Pillar India Tech Trends, Volume-IV, March 2022, Inc42's State of Indian Start-up Ecosystem Report 2022, Inc42's 100 Unicorn Report 2022, etc has been used in the research study.

HYPOTHESIS

H_0: No significant employment opportunities has been generated by start-ups.
H_1: Significant employment opportunities has been generated by start-ups.
H_0: There is no significant economic impact of Start-ups on GDP growth rate.
H_1: There is significant economic impact of Start-ups on GDP growth rate.

INITIATIVES BY GOVERNMENT FOR START-UPS

* **Aatmanirbhar Bharat App Innovation Challenge**

The inauguration of the "Aatmanirbhar Bharat App Innovation Challenge" by India's Prime Minister, Narendra Modi, coincided with the 4th of July 2020, making that day a momentous one for Indian companies and the resources they acquired afterward. In conjunction with this event, Prime Minister Modi asked Indian start-ups to collaborate and create "Made in India" solutions that will benefit not just the individuals of India but also the rest of the globe. The competition was jointly announced as part of the Digital India mission by the Ministry of Electronics and IT and the Atal Innovation Initiative (AIM), a Niti Aayog programme. "Let us Code for an Aatmanirbhar Bharat," said the challenge's tagline, which was provided by the PM.

* **SAMRIDH Scheme**

On August 25, 2021, Start-up Accelerators of MeitY for Product Innovation, Development, and Growth was established. The SAMRIDH programme aims to support businesses financially while also assisting in the coordination of skill sets that will enable their growth and success. By providing them with possibilities for worldwide expansion over the next three years, the recently formed SAMRIDH initiative seeks to accelerate the growth of some 300 start-up businesses.

* **Pradhan Mantri Mudra Yojana (PMMY)**

To improve lending opportunities and spur the expansion of small companies in rural regions, Micro Units Development Refinance Agency (MUDRA) banks have been established. This programme was established by the government to help small Indian companies. To encourage the start-up culture in the nation in 2015, the government set out INR 10,000 crores. Small firms and businesses that are neither corporate or agricultural are eligible for starting loans from MUDRA banks of a maximum of INR 10 lakhs. MUDRA is a part of the 8 April 2015-launched Pradhan Mantri Mudra Yojana (PMMY). The loans were divided into three categories: Tarun, Kishore, and Shishu. There is no collateral security; instead, the assets are funded by the bank.

* **Prarambh:**

Prarambh is anticipated to unite leading policymakers, business, academics, investors, entrepreneurs, and all other stakeholders from all over the world. The Summit's sessions are intended to highlight the breadth and depth of innovation-based entrepreneurship in India in addition to discussing best practises from leading ecosystems across the world. The goal is to get foreign investors interested in Indian entrepreneurs, mobilise local funding, provide them opportunities to sell their products abroad, and develop supportive governmental frameworks.

* **NIDHI:**

The Science & Technology department (DST) of the Indian government launched NIDHI, or the National Initiative for Development and Harnessing Innovations, in 2016. It is an umbrella initiative for nurturing knowledge-based innovations and ideas propelled by technology into successful start-ups. Beginning with the ideation phase and continuing through the marketing phase, NIDHI assists new businesses.

EMPLOYMENT GENERATION

The fastest-growing economy in the world is in India. The sixth-largest economy in the world is benefiting from the country's youthful population and many government development initiatives. A successful economy, however, is one that produces both growth rates and employment, to use real-world terminology. Because of its enormous commercial potential for start-ups, India is frequently referred to as "the poster child of developing markets." In recent years, start-ups have drawn more attention than in many other regions of the world, including India. Their numbers are increasing, and they are now universally acknowledged as vital engines for generating growth and jobs.

The unicorn surge in India has been so devastating under Prime Minister Narendra Modi's leadership that the nation has quickly emerged as a magnet for foreign investors looking to pour money into the nation in quest of greater profits.

The number of employment produced by new-age businesses increased from 0.19 million in 2021 to 0.23 million in 2022. Future predictions indicated that will rise much more. From 2017 to 22 there was a 78%

CAGR in the number of employment produced by start-ups, and from 2022 to 2027 there would be a predicted 24% CAGR.

The Ministry of Commerce and Industry reports that during the past six years, start-ups have created 7,67,754 employment in India while also registering 72,993 new enterprises.

TOP START—UP STATES IN INDIA

STATE/UNION TERRITORY	NUMBER OF START-UP JOBS CREATED (As on 30 June 2022)	NUMBER OF START-UPS REGISETRED (As on 30 June 2022)	TOTAL START-UPS SINCE 2016 (2016-2022)
MAHARASHTRA	1,46,132	2,220	13,519
KARNATAKA	1,03,541	1,236	8,881
DELHI	87,643	1,345	8,636
UTTAR PRADESH	67,694	1,233	6,654
GUJARAT	51,193	973	4,920
HARYANA	48,843	651	3,985
TELANGANA	44,649	657	3,875
TAMIL NADU	39,832	730	3,953
KERALA	28,451	487	3,277
RAJASTHAN	24,599	442	2,299
MADHYA PRADESH	23,198	409	2,119

SOURCE: Ministry of Commerce and Industry.

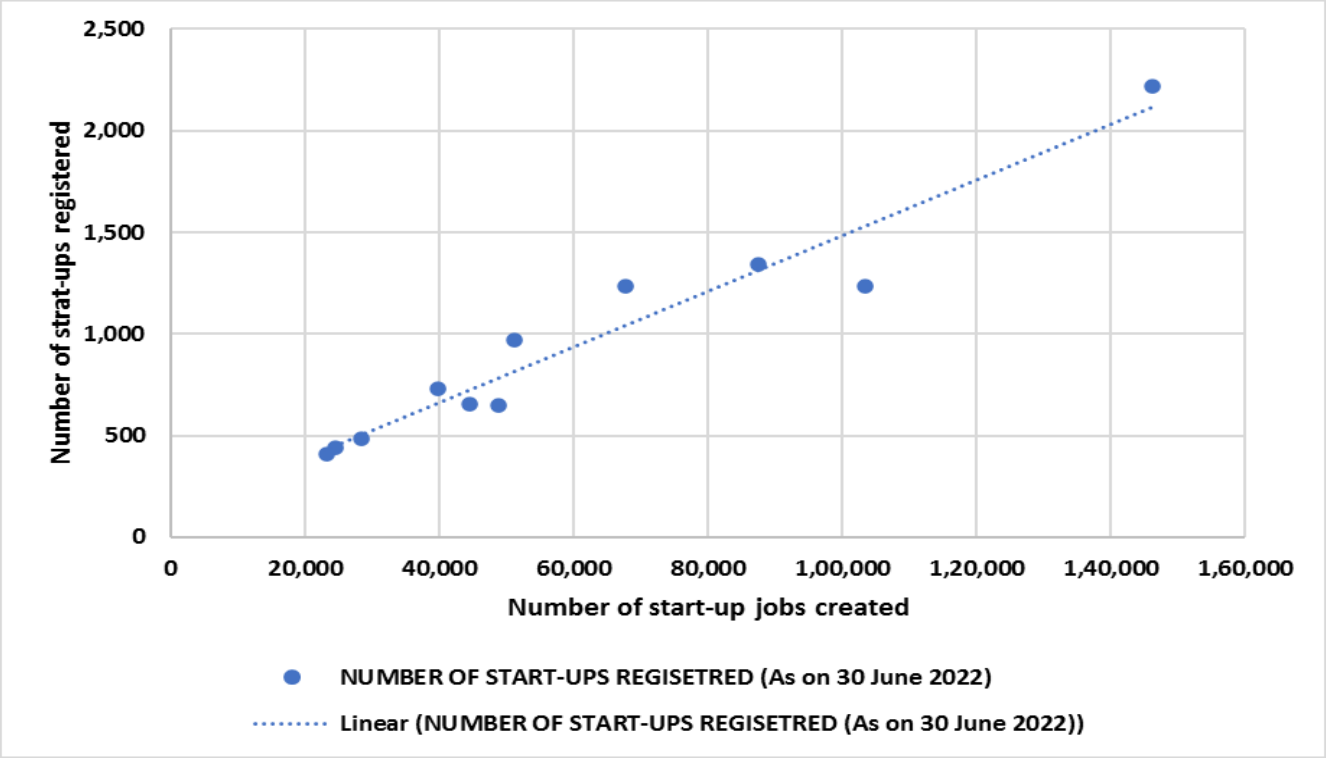
Maharashtra tops the list with more than 1.46 lakh employment, according to statistics provided by the ministry of commerce and industry, from January 2016 when the Start-up India programme was introduced until June 30, 2022. With more than 1.03 lakh employment, Karnataka, which is home to Bengaluru's IT hub, comes in second place. With 87,643 jobs, Delhi comes in third, followed by Uttar Pradesh with 67,694 jobs.

With 13,519 start-ups registered in the previous six years, Maharashtra once again leads the pack, followed by Karnataka (8,881), Delhi (8636), and Uttar Pradesh (6654).

CORRELATION

	NUMBER OF START-UP JOBS CREATED	NUMBER OF START-UPS REGISETRED
NUMBER OF START-UP JOBS CREATED	1	
NUMBER OF START-UPS REGISETRED	0.96705465	1

SOURCE: Calculated by Author on the basis of data collected.



SOURCE: Prepared by Author on the basis of data.

The connection between the number of start-ups that are officially registered and the number of jobs such start-ups generate is r = 0.967, indicating a very significant positive link between the two. An increase in job prospects will result from a rise in the number of start-up businesses in India.

REGRESSION ANLAYSIS

SUMMARY OUTPUT								
Regression Statistics								
Multiple R	0.96705465							
R Square	0.935194695							
Adjusted R Square	0.927994106							
Standard Error	10246.98677							
Observations	11							
ANOVA								
	df	*SS*	*MS*	*F*	*ignificance F*			
Regression	1	13637235404	13637235404	129.878	1.19E-06			
Residual	9	945006640.4	105000737.8					
Total	10	14582242044						
	Coefficients	*Standard Error*	*t Stat*	*P-value*	*Lower 95%*	*Upper 95%*	*ower 95.0%*	*pper 95.0%*
Intercept	-3984.63746	6448.81361	-0.617886902	0.55196	-18572.87	10603.6	-18572.9	10603.59
NUMBER OF START-UPS REGISI	68.34306193	5.996908729	11.39638187	1.2E-06	54.77711	81.909	54.77711	81.90901

SOURCE: Prepared by the author on the basis of the data collected.

As, P-value = 1.2E-06 < 0.05 level of significance, we reject the null hypothesis that no significant employment opportunities has been generated by start-ups, hence accept the alternate hypothesis.
R^2 = 0.93 indicates that the number of start-ups account for 93% variability in the employment generation. The creation of job prospects in an economy, however, is greatly influenced by start-ups.
In conclusion, India is paddling a canoe of start-ups with the added benefit of creating jobs for the nation.

ECONOMIC IMPACT OF START-UPS

Start-ups are frequently seen as vehicles for wealth accumulation. And to some extent, it is accurate, since they do produce wealth and value, although on a wider scale. In order to make up for their lack of resources and expertise as a company, they rethink tactics and procedures, generate employment, drive innovation, and push the limits of creativity. All people benefit from start-ups because they provide people a chance to express their creativity and curiosities and enjoy the freedom that MNCs rarely provide.
As a result, in this study, we link India's booming star-tup environment to the country's economic development.

YEAR	NUMBER OF START-UPS	GDP GROWTH RATE (%)
2016	471	8.26
2017	5,233	6.8
2018	8,775	6.45
2019	11,417	3.74
2020	14,596	-6.6
2021	20,160	8.95

SOURCE: Ministry of Commerce and Industry and Macrotrends

REGRESSION ANALYSIS

SUMMARY OUTPUT								
Regression Statistics								
Multiple R	0.279795251							
R Square	0.078285382							
Adjusted R Square	-0.152143272							
Standard Error	6.198897362							
Observations	6							
ANOVA								
	df	*SS*	*MS*	*F*	*Significance F*			
Regression	1	13.054886	13.054886	0.339738052	0.591259063			
Residual	4	153.705314	38.4263285					
Total	5	166.7602						
	Coefficients	*Standard Error*	*t Stat*	*P-value*	*Lower 95%*	*Upper 95%*	*Lower 95.0%*	*Upper 95.0%*
Intercept	6.95120453	4.76195618	1.459737189	0.218137287	-6.270105397	20.17251446	-6.270105397	20.17251446
NUMBER OF START-UPS	-0.000232593	0.000399047	-0.582870528	0.591259063	-0.001340526	0.00087534	-0.001340526	0.00087534

Source: Calculated by author on the basis of data collected.

The independent variable in the above regression is the number of start-ups (X) and the dependent variable is GDP Growth rate (Y). $R^2 = 0.07$ indicates that the number of start-ups account for 7% variability in the GDP growth rate. However, the impact of Start-ups in India on GDP growth rate of an economy is not significant.

Also, P-value = 0.59 > 0.05 significance level, indicates that the null hypothesis has been accepted, there is no significant economic impact of Start-ups on GDP growth rate.

Conclusion

Through their continually growing roots, the emerging unicorns in India are contributing to the third-largest ecosystem in the world. The aim of Prime Minister Narendra Modi to turn people into employment suppliers rather than job seekers has resulted in India falling behind the US and China in terms of the number of unicorns.

We infer from the facts above that start-ups are essential for creating job opportunities in India. However, there is insufficient evidence that new businesses have a large influence on an economy's rise in gross domestic product.

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