

**Semester-VIII**

**Discipline Specific Elective-DSE- II 8.4**

**Title of the Paper: Economics of Startups**  
Offered by Economics Department, College of Vocational Studies

**CREDIT DISTRIBUTION, ELIGIBILITY AND PRE-REQUISITES OF THE COURSE**

Semester	Course title & Code	Credits	Duration (per week)			Eligibility Criteria	Prerequisite
			Lecture	Tutorial	Practical/ Practice		
VIII	Economics of Startups	4	3	-	1	Class XII	Nil

**Learning Objectives:**

The learning objectives of this paper are to understand and analyse the economics of startups. The paper also intends to apply economic concepts to market price and output determination. Startups and entrepreneurship culture will help to reduce problems associated with economy. The aim of this paper is to inspire the current learners to create new startups by providing them the ability to generate new ideas.

**Learning Outcomes:**

The students will be able to:

- Develop a start-up Enterprise with Big Idea Generation.
- Analyse start-up capital requirement by analysing legal factors.
- Interpret feasibility Analysis towards funding issues.
- Access growth stages in new venture and reasons for scaling ventures.

**Unit I:** Market imperfection concepts and problems in macroeconomics – Nature of the firm, price and output determination in monopoly, oligopoly and monopolistic competition; problems of inequality, poverty, unemployment and inflation in a economy.

**(10 hours)**

**Unit II:** Startups- overview, structure, concepts and terminologies, Startups as an economic tool, Need of startups for reducing inequality, poverty, unemployment and inflation; new ideas and thinking about doing business, factors affecting startups, removing obstacles to entrepreneurship.

**(13 hours)**

**Unit III:** Indian startups ecosystem – drivers, challenges and pillars; financing of startups in India; entrepreneurship and startups culture in India; needs and opportunities of startups in Indian economy.

**(11 hours)**

**Unit IV:** Startup action plan in India, Initiatives and government policies to encourage startups in India; status of startups in India in past one decade.

**(11 hours)**

**Practical Exercises:**

The learner will analyse one startup and accordingly make the plan to set up a new startup with his new ideas.

**Suggested Readings:**

- Case, Karl E. & Ray C. Fair: Principles of Economics, Pearson Education, Inc., latest edition; page no. 269-328, 367-387, 441-456.
- Coase, R.H. (1937), The Nature of the Firm, *Economica*, vol. 4 (16), page 386-405.
- World Bank Group, Doing Business 2020, comparing business regulations in 190 economies (chapter 1 &3).
- Lambert, T., Ralcheva, A. & Roosenboom, P. (2018), The crowd- entrepreneur relationship in startup financing. Chapter in book edited by Cumming, D. & Hornuf, L. (2018), *The Economics of Crowdfunding- Startups, Portals, and Investor Behaviour*, Palgrave macmillan Publication, Page no. 57-78.
- Mehmeti, V. & Musabelli, E. (2024), Start-ups: Importance and Role in the Economy, *Interdisciplinary Journal of Research and Development*, vol. 11, page 60-65.
- Bilan, I. & Apostoaie, M. (2023), Unemployment benefits, entrepreneurship policies, and new business creation, *Small Bus Econ*, Springer publication, vol. 61, page no. 1411-1436.
- Startup India, Draft Compendium of startup- specific initiatives, under central ministries, Government of India, Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, GOI.
- Korreck, S. (2019), *The Indian Startup Ecosystem: Drivers, Challenges and Pillars of Support*, ORF Occasional Paper, Observer Research Foundation.
- Singh, Vijay K. (2020), Policy and Regulatory changes for a successful Startup revolution: Experiences from the Startup Action Plan in India, ADBI working paper series 1146, Asian Development Bank Institute.
- Nine Years of Startup India (2025), Research Unit, Press Information Bureau, Government of India, Ministry of Commerce and Industry, GOI.
- Singh, P. (2022), *Entrepreneurship and Startups Culture in India*, Bharti Publication New Delhi, (Edited book).

**Notes:**

- 1. Reference readings shall be updated and uploaded on the college website from time to time.**
- 2. Examination scheme and mode shall be prescribed by the Examination branch, University of Delhi from time to time.**