***Do venture capitalists give rise to a vicious circle of debt?***

*How do you think the start-ups become unicorns and mark their success trends and patterns? How do they get the capital to meet the costs even before the revenue generations start? Why do some start-ups enter into the debt circles and loss much more than they earn?*

*So, some top venture capitalists are from the private lending firms meant specifically for the investments to support the start-ups. However, revelations are specifying the self-centered approaches that these venture capitalists opt to focus on the profits and benefits that they may receive. They lack in the sense of humanity, and incidents are stating how they never try to co-operate with these growing start-ups, and never consider any issue that might lead to the inability to repay.*

***How the unsuccessful start-ups do start repaying? When there is not much revenue initially, how are the costs met?***

*The vicious behaviors and tactics that the present-day venture capitalists opt for leads to the developing circle of debts. Due to their strict repayment norms, the start-ups start approaching other investors to get the capital for the repayment of the previous debts. And, this in turn increases the leverage of the firms and they enter the evil zones for their businesses by entering into the circle of debts. As the leverage increases, whatever the revenue they generate gets divided between all these capitalists, and the start-ups again get left with no other option to meet the costs other than going for the other investors.*

*Thus, the cycle continues, and only the ones with innovative and successful ideas survive and become the unicorns while the other ones go and file the bankruptcies!*