#startupindia

STATES' STARTUP RANKING 2019

Draft

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STARTUP INDIA
Department for Promotion of Industry and Internal Trade

States' Startup Ranking 2019

General Principles

1. The framework would evaluate progress made from 1st May 2018 to 30th June 2019.
2. Scoring shall be done on the basis of feedback unless mentioned otherwise.
3. Documentary evidence of compliance on action points shall be a pre-requisite for collection of feedback.
4. For the purposes of evaluation, all States and UTs have been divided into two categories – Category X and Category Y.

Scoring in Action Points with Feedback

1. Registered Startups with the Department for Promotion of Industries and Internal Trade (DPIIT) and/or States/UTs will be considered as "Registered Startups" for feedback.
2. State/UT to provide contact details of beneficiaries in respective action points as per the format provided by DPIIT.
3. In general, a sample of fifty (50) respondents shall be selected randomly from claimed beneficiaries for feedback. A 70% positive feedback will result in acceptance of the number of claimed beneficiaries. Where positive feedback is less than 70%, claimed beneficiaries will be considered to be zero and no score shall be awarded.
4. For Category X States, in general, where the number of beneficiaries is less than 50, no feedback will be taken and zero score shall be awarded unless it is specifically mentioned in the action point that there is no minimum beneficiary criterion.
5. For Category Y States/UTs, the criteria of at-least 50 beneficiaries will not be insisted upon.
6. In case of action point where there is no minimum beneficiary criterion, all claimed beneficiaries up to maximum of 50 shall be selected for feedback. A 70% positive feedback will result in acceptance of claimed beneficiaries. Where positive feedback is less than 70%, claimed beneficiaries will be considered to be zero and no scores shall be awarded.
7. For each action point, the State/UT with maximum number of accepted beneficiaries will be awarded full score. Other States/UTs will be awarded score in proportion to their accepted beneficiary vis-à-vis maximum number of accepted beneficiaries for any State/UT.

Scoring in Action Points without Feedback

8. Where scores are assigned on the basis of documentary evidence, full score shall be awarded on complete compliance. Zero score shall be awarded for partial or no compliance.
9. Where outcome has been indicated as a metric in any action point, State/UT with maximum accepted value of metric will be awarded full score. Other States/UTs will be awarded score in proportion to their performance vis-à-vis maximum value of metric for any State/UT.

Combining the Overall Scores

10. Based on scores on all action points, overall scores for each State/UT shall be calculated.
11. Within each category, States and UTs will be graded based on their relative performance into 3-5 grades.
12. Best performing States/UTs shall also be graded in each framework pillar to recognize their performance.
13. In addition, individual officers shall also be awarded for their significant contribution to strengthen Startup ecosystem under their jurisdiction.

Illustration: Maximum score 2.

S. No.	Category X States	Claimed Beneficiaries	Feedback calls	Positive Responses	Accepted Beneficiaries	Relative Score
1	State 1	156	50	40	156	1.56
2	State 2	45	0	0	0	0.00
3	State 3	60	50	30	0	0.00
4	State 4	108	50	35	108	1.08
5	State 5	200	50	38	200	2.00 (Max)
6	State 6	180	50	37	180	1.8
7	State 7	55	40	0	0	0.00
8	State 8	85	50	38	85	0.85
9	State 9	135	50	43	135	1.35
10	State 10	50	50	40	50	0.50

Process of feedback scoring:

1. **Case 1:** In case of 'State 2', since the number of claimed beneficiaries are less than 50, the feedback shall not be collected.
2. **Case 2:** For 'State 7', the number of claimed beneficiaries are greater than 50. However, the number of successful calls to respondents are less than 50 (i.e. 40 calls), the State has not been considered for feedback.
3. **Case 3:** In case of 'State 3', positive response was received only from 30 respondents (out of 50) which is less than 70%. Hence zero score is awarded.
4. All States **except State 2, State 3 and State 7** have qualified for assigning scores since positive feedback is received from at-least 70% respondents. For all these States, the **claimed beneficiaries** have been accepted.
5. Thus, **State 5** with maximum number of **accepted beneficiaries** i.e. 200 Startups has been assigned **maximum score (2 score).**
6. Rest of the **States** will be assigned scores in proportion to their accepted beneficiaries.

State and UT Categories

Classification of States/UTs	Category X		Category Y
List of States/ UTs	1. Assam 2. Andhra Pradesh 3. Bihar 4. Chhattisgarh 5. Delhi 6. Goa 7. Gujarat 8. Haryana 9. Himachal Pradesh 10. Jammu & Kashmir 11. Jharkhand 12. Karnataka	13. Kerala 14. Madhya Pradesh 15. Maharashtra 16. Odisha 17. Punjab 18. Rajasthan 19. Tamil Nadu 20. Telangana 21. Uttar Pradesh 22. Uttarakhand 23. West Bengal	**Note: All north-eastern States except Assam and all Union Territories except NCT of Delhi** 1. Arunachal Pradesh 2. Andaman and Nicobar Islands 3. Chandigarh 4. Dadra and Nagar 5. Daman and Diu 6. Lakshadweep 7. Manipur 8. Meghalaya 9. Mizoram 10. Nagaland 11. Puducherry 12. Sikkim 13. Tripura

Ranking Framework Overview

Pillar#	Framework Pillar	Number of action points	Scores
1	Institutional Support	8	24
2	Simplifying Regulations	3	12
3	Easing Public Procurement	6	14
4	Incubation Support	4	23
5	Seed Funding Support	3	11
6	Venture Funding Support	2	8
7	Awareness and Outreach	4	8
	Total	**30**	**100**

Pillar 1: Institutional support

#	Action points for States	Norms	Supporting Documents	Feedback Respondents	Feedback Questions	Score
1	**Startup policy:** State to provide: a. Clear definition of a 'Startup' b. Sector agnostic support c. Policy in public domain d. Details of the process for registration of a Startup e. Details of the process for availing incentives (*Note: All the above elements are mandatory to proceed to feedback section)	Policy document(s) should be available online	URL and screenshot of notified policy/ guidelines/ documents	All registered Startups	Does the State provide:	**Maximum score – 3**
					a. State's Startup Policy online? (Yes/No)	1
					b. Details of the process for registration of a Startup online? (Yes/No)	1
					c. Details of the process for availing incentives online? (Yes/No)	1
2	**Nodal department, officer and team:** State to clearly designate: a. **Nodal Department** With responsibility of Startup ecosystem development in the State b. **Nodal officer** With specific responsibility of Startup ecosystem development in the State. c. **Dedicated Team** For supporting Startups	a. Nodal Department should be a Department within the State Government b. Nodal officer to be nominated by the State Government c. Each team member (minimum 3) should have at least 5 years' experience in startup ecosystem development, innovation or	URL and screenshot	All registered Startups	Is there a Nodal Officer or a Single Point of Contact available from the State to respond to your queries? (Yes/No)	**Total score – 1**

#	Action points for States	Norms	Supporting Documents	Feedback Respondents	Feedback Questions	Score
	(*Note: All the above elements are mandatory to proceed to feedback section)	Startups.				
3	**Online implementation system:** Online registration and related activities	Online delivery of related services				**Maximum score – 4**
	a. Online system for Startups to get registered		URL and screenshot	All registered Startups	Is there an online system for registration of startups? (Yes/No)	0.5
	b. Online tracking of application status		URL and screenshot	All registered Startups	Is there a facility to track status of application online? (Yes/No)	0.5
	c. Online issue of registration certificate		URL and screenshot	All registered Startups	Are registration certificates to startups issued online? (Yes/No)	0.5
	d. Receipt and resolution of queries online		URL and screenshot	All registered Startups	Are queries answered by helpline or online by State authorities? (Yes/No)	0.5
	e. Call center to answer Startup queries		URL and screenshot	All registered Startups	Are Startup queries answered real time by the call center?	0.5
	f. List of Incubators and Mentors available online		URL and screenshot	All registered Startups	Are incubators and mentors' details available online? (Yes/No)	0.5
	g. A Dashboard detailing 1. No. of Startups registered, 2. Seed funded Startups, 3. Venture funded	State to provide Month to date (MTD) and Year to Date (YTD) figures on its dashboard.	URL and screenshot	None	None	1

#	Action points for States	Norms	Supporting Documents	Feedback Respondents	Feedback Questions	Score
	Startups, 4. incubators supported, 5. No. of incubatees, 6. Purchase order awarded					
4	**Mentor Network:** State to establish mechanism to connect mentors with startups	a. Mentors to be registered and listed on the State Startup portal b. Startups to be connected with listed mentors through State mechanism	1. URL and snapshot 2. List of unique Startups connected with mentors through State mechanism	a. Beneficiary Startups	Were you connected to mentors through State mechanism? a. Yes b. No	**Maximum score – 2** **No. of unique Startups connected with mentors through State mechanism**
5	**Intellectual Property (IP) Support:** State to provide: Incentives such as subsidies, fee waiver, reimbursement for filing patent/ trademark, facilitators, or IP support centers over and above what Government of India has provided	a. Scheme/ Policy/ Guidelines available online	1. URL and snapshot 2. List of unique Startups provided IP support	Beneficiary Startups **(No minimum threshold)**	Have you availed benefits such as reimbursement for filing patent, or through State supported IP centers? a. Yes b. No	**Maximum score – 1**
6	**Partnerships:** State to establish partnerships with institutions or business enterprises for	a. List of partners along with the details about their offerings to be listed on Startup	1. URL and snapshot 2. List of unique startups receiving support from such	Beneficiary Startups	Have you received support from partners associated with State? a. Yes	**Maximum score – 2** **No. of unique startups receiving support from**

#	Action points for States	Norms	Supporting Documents	Feedback Respondents	Feedback Questions	Score
	supporting Startups.	portal. b. Partnerships with Indian or International companies, institutions or organizations including PSUs c. Partners to not include mentors, State supported incubators and IP support centers.	partnerships		b. No	**such partnerships**
7	**Women Entrepreneurship:** Special incentives for women-led Startups (a Startup with woman as a Founder or Co-founder)	Notify special incentives for women-led Startups, which may be in the form of : a. Seed funding b. Venture funding c. Procurement d. Incubation support e. Mentorship	a. Policy or scheme documents covering incentives for women led Startups b. List of unique women-led Startups supported by State	Women-led beneficiary Startups **(No minimum threshold)**	Have you availed any special benefit from the State? a. Yes b. No	**Maximum score – 6** **No. of unique women led startups receiving support**
8	**Support from various departments:** State Government departments, other than Nodal department, providing institutional support to Startups	Number of State Government Departments supporting Startups through sustainable programs: grand challenges, hackathons, incubation,	a. List of departments b. Orders detailing schemes of each department	None	None	**Maximum score – 5** **1 score for each department** (*5 departments=5 score)

#	Action points for States	Norms	Supporting Documents	Feedback Respondents	Feedback Questions	Score
	*Departments concerned • Agriculture • Home • Public Work Department • Health & Family Welfare • Industries & Commerce • Education • Information Technology • Pollution Control • Power • Disaster Management • Science & Technology • Social Welfare • Sports & Youth • Skill Development • Transport • Tourism • Urban Development	seed funding, angel and venture funding, open data APIs, public procurement, etc. Some activities pertaining to abovementioned programs should have been carried out during the period of assessment with outcomes reported.				

Pillar 2: Simplifying Regulation

#	Action points for States	Norms	Supporting documents	Feedback target	Feedback Questions	Score
1	**Business Compliance Information System (BCIS):** State to provide details of all State level approvals and clearances required for registering and operating a business or Startup online?	All approvals required for startups across different sectors to be available online in an interactive mechanism, not just static FAQs.	URL and screenshot	All registered Startups	Is information related to all business approvals available online? a. Yes b. No	**Total score – 4**
2	**Invite or identify regulatory issues:** Mechanism in the State to invite or identify regulatory issues facing disruptive or new Startups	Institutional online mechanism to connect with disruptive Startups and to understand their regulatory issues.	URL and screenshot	All registered Startups	Is there an online mechanism in the State to identify regulatory issues faced by the Startups? a. Yes b. No	**Total score- 2**
3	**Amendments in rules, regulation or acts for supporting Startups:** Number of rules, regulations, acts introduced or amended to support Startups ***Sectors concerned may include** • Transport/ Urban mobility/ E-Vehicle • Healthcare/ E-Pharmacy • Civil Aviation/ Drones • Tourism/	The amendments and their details to be provided on State Startup portal.	a. List of rules, regulations or acts amended or introduced by State b. URL and Snapshot of portal having details of such amendments	None	None	**Total score – 6** **Number of rules, regulations and acts amended or introduced to support Startups**

#	Action points for States	Norms	Supporting documents	Feedback target	Feedback Questions	Score
	Accommodation marketplace • Labour laws • State Pollution Control norms					

Pillar 3: Easing public procurement

#	Action points for States	Norms	Supporting documents	Feedback target	Feedback Questions	Score
1	**Relaxation in 'Prior experience' criteria:** Has the State relaxed 'prior experience' criteria for Startups for public procurement	'Prior experience' criteria to be relaxed to 100% for Startups	a. Government order exempting 'Prior experience' criteria for Startups b. Sample RFPs where exemptions are provided c. List of registered Startups	All registered Startups	Are you aware that State has exempted Startups from 'prior experience' criteria for public procurement? a. Yes b. No	**Total score – 1**
2	**Relaxation in 'Prior turnover' criteria:** Has the State relaxed 'prior turnover' criteria for Startups for public procurement.	'Prior turnover' criteria to be relaxed to 100% for Startups	a. Government order exempting 'Prior turnover' criteria for Startups b. Sample RFPs where exemptions are provided c. List of registered Startups	All registered Startups	Are you aware that State has exempted Startups from 'prior turnover' criteria for public procurement? a. Yes b. No	**Total score – 1**
3	**Relaxation in 'Submission of EMD' criteria:** Has the State relaxed 'submission of EMD' criteria for Startups for public procurement.	'Submission of EMD' criteria to be relaxed 100% to Startups	a. Government order exempting 'submission of EMD' criteria for Startups b. Sample RFPs where exemptions are	All registered Startups	Are you aware that State has exempted Startups from 'submission of EMD' criteria for public procurement? a. Yes b. No	**Total score – 1**

#	Action points for States	Norms	Supporting documents	Feedback target	Feedback Questions	Score
			provided c. List of registered Startups			
4	**Preference in public procurement:** Has the State provided preference to Startups in public procurement	Preference to Startups for public procurement of goods and/ or services	a. Government order providing preference to Startups in public procurement b. List of registered Startups	All registered Startups	Are you aware that State has provided preference to Startups in public procurement? a. Yes b. No	**Total score – 1**
5	**Number of Startups awarded work orders:** Number of Startups awarded Government purchase orders or work orders across the State	Work orders or purchase orders can be through any transparent mechanism	a. List of unique Startups awarded purchase or work orders b. Copies of purchase or work orders	None	None	**Total score – 8** **No. of unique Startups awarded purchase or work orders**
7	**Grievance redressal mechanism:** Develop a mechanism for resolving grievances of Startups related to public procurement.	a. Assign a dedicated officer to resolve the grievance b. Develop online mechanism for receiving grievances and communicating resolution	List of Startups using grievance redressal mechanism	Beneficiary Startups **(No minimum threshold)**	Did you receive any help resolving issues related to State public procurement? a. Yes b. No	**Total score – 2**

Pillar 4: Incubation support

#	Action points for States	Norms	Supporting documents	Feedback target	Feedback questions	Score
1	**Setting up of new and upgrading existing incubators:** State to assist setting up of new incubators and upgrading existing incubators in the State	Support to the incubators to be in the form of capital expenditure or operational expenditure	a. List of incubators supported by the State b. Proof of release of funds c. Utilization letter or acknowledgement letter certifying support provided by State	Beneficiary Incubators **(no minimum threshold)**	Did you receive claimed support from the State Government? a. Yes b. No	**Maximum score – 12** **Number of incubators supported**
2	**Number of Seats:** Number of seats allocated to Startups in operational incubators	Allocation of seats to Startups in operational Incubators	a. Incubator-wise list of Startups with number of seats allocated to each Startup in the incubator b. Acknowledgement Letter or Certificate from incubators specifying the number of seats allocated to Startups	Beneficiary startups	Were you allocated seats in the incubator? a. Yes b. No	**Total score – 3** **Number of seats allocated to Startups**
3	**Subsidized incubation:** Mechanism to assist Startups with subsidized incubation	Provision of subsidy or rebate for startups (*Support provided as Capex and Opex to Incubators shall not be included here)	a. Official document providing details of policy/ guidelines b. List of unique startups provided subsidy through incubators c. List of Startups provided direct	Beneficiary Startups	Were you provided subsidy in incubation? a. Yes b. No	**Total score – 4** **Number of unique Startups provided subsidized incubation**

#	Action points for States	Norms	Supporting documents	Feedback target	Feedback questions	Score
			subsidy in rental fee of the incubator			
4	**Acceleration Program:** State to support acceleration programs in partnership with industry	Actual Acceleration programs conducted in association with industry (Only MoUs with accelerator partners will not qualify. Support provided under corporate partnership or Incubator will not be considered)	a. URL and screenshots b. Sanction letters to accelerators c. Acceleration program wise list of unique Startups enrolled in acceleration program d. Details of each acceleration program	Beneficiary Startups **(no minimum threshold)**	Did you attend the acceleration program? a. Yes b. No	**Total score – 4** **Number of unique Startups enrolled in acceleration program**

Pillar 5: Seed Funding support

#	Action points for the State	Norms	Supporting documents	Feedback target	Feedback Questions	Score
1	**Seed Funding Guidelines:** State to establish mechanism to provide seed funding. Guidelines to clearly lay down: 1. Eligibility criteria 2. Extent of seed funding 3. Application procedure (*Note: All of the above elements are mandatory to proceed to the feedback section)	Seed funding may be in the form of: • Direct Government grant • Subsidized loan • Equity seed funding • Product development and marketing financial assistance • Monthly sustenance allowance	a. Guidelines document b. List of registered Startups	All registered Startups	Are you aware of the seed funding provided by the State to support Startups? c. Yes d. No	**Total score – 2**
2	**Online system for seed funding:** Provision for online facility to avail seed funding	Online delivery of related services			Are you aware of the following:	**Total score – 2**
	a. Online application system for Startups to avail seed funding		a. URL and Screenshots b. List of registered Startups	All registered Startups	Is there an online system to apply for seed funding? (Yes/No)	1
	b. Online tracking of application status		a. URL and Screenshots b. List of registered Startups	Beneficiary Startups **(no minimum threshold)**	Is there a facility to track status of application online? (Yes/No)	**0.5**
	c. Online communication of approvals		a. URL and Screenshots b. List of registered Startups	Beneficiary Startups **(no minimum threshold)**	Are approvals to startups communicated online? (Yes/No)	**0.5**
3	**Seed funding beneficiaries:** Number of Startups provided	Seed funding provided to Startups	List of unique Startups provided seed funding	Beneficiary Startups **(no	Have you received any seed funding?	**Total score – 7**

#	Action points for the State	Norms	Supporting documents	Feedback target	Feedback Questions	Score
	with seed funding		support	**minimum threshold)**	a. Yes b. No	**Number of unique Startups receiving seed funding support**

Pillar 6: Venture Funding Support

#	Action points for States	Norms	Supporting documents	Feedback target	Feedback Questions	Score
1	**Support to Venture Funds:** State to establish Venture Fund or Fund of Funds for Startups	Following milestones to be reported. a. Operating guidelines for venture fund designed and approved b. MoU with Fund manager (public/ private) to manage the fund operations c. Independent venture funds (Category I -Alternative Investment Fund (AIF)) to be approached to participate with State/UT Fund of Funds (optional) d. Budget allocated	a. Guidelines document b. MoUs c. Budget allocation Note: All the supporting documents are necessary to secure full score. In absence of even one document, State will not qualify for marking.	None	None	**Total score – 2**
2	**Startups funded from Venture funds** Number of Startups funded from venture fund(s) or Fund of Funds supported by State	Venture funds or Fund of funds supported by the State Government only	Fund wise list of unique Startups committed venture funding	Beneficiary Startups **(no minimum threshold)**	Have you been committed funding from State supported fund? a. Yes b. No	**Total score – 6** **No. of unique startups committed venture funding from state supported funds**

Pillar 7: Awareness and outreach

#	Action points for States	Norms	Supporting documents	Feedback target	Feedback questions	Score
1	**Bootcamps:** Number of bootcamps supported by the State	Each Bootcamp to fulfill the following: a. Ideation workshop to tell them about idea validation, pitch deck creation etc., AND b. Mentor workshop by a successful entrepreneur, AND c. Startup India Session on benefits and incentives, AND d. Pitching session, AND e. At least 100 students participants, AND f. Conducted for at least 8 hour duration	List of boot camps with : a. Event report with details such as Boot camp name, Date, Venue and duration of the event, students participated, activities performed b. District wise list of students participated in bootcamps c. List of districts in the State	None	None	**Total score – 2** **No. of bootcamps conducted as a percentage of number of districts in the State/UT**
2	**Hackathons or Grand Challenges:** Number of Hackathons or grand challenges conducted or supported by the State	Each hackathon or grand challenge to fulfill the following: a. At least one problem statement posed to Startups, AND b. At least 100 Startups/ students participants, AND c. Conducted for at least 24 hour duration for a hackathon or 7 days for grand challenge	List of hackathons with: a. Event report with details such as Event name, Dates, venue and duration of the event, problem statements posed, Startup participants and brief description of the event b. Event wise list of participating Startups/ students	Participating Startups	Did you participate in hackathon or grand challenge event organized by State? a. Yes b. No	**Total score – 2** **Number of hackathons supported**

#	Action points for States	Norms	Supporting documents	Feedback target	Feedback questions	Score
3	**Angel Investment Workshops:** Number of workshops or networking events conducted for connecting startups with angel investors	Workshops or networking events to provide a platform to connect Angel investors/HNIs/Angel network with Startups (*At least 50 Startups and two angel investors should participate each event)	a. Event Reports, List of attendees (angels, HNIs, Angel network, Startups, Government representatives) b. Event-wise list of Startups	Beneficiary Startups	Did you get a chance to pitch to angel investors in events conducted by State? a. Yes b. No	**Total score – 2** **Number of angel investment workshops**
4	**National or International events:** Support to Startups for participation in national or international events	Each event should have a. Knowledge exchange seminar or workshops, exhibition and/or pitching sessions b. Participation of startups from more than 5 States or Countries	a. Event report with details such as event name, Date and Venue of the event, Startups supported, sessions organized/ participated, sanction order and brief description of event b. Event wise list of Startups participated in the event	Beneficiary Startups	Did you participate in National or international event supported by Government? a. Yes b. No	**Total score – 2** **Number of unique Startups supported for participation in national or international events**