

**Department of Industrial Policy & Promotion**

**States Startup Ranking Framework**

**Last Date for filling responses: 30 April, 2018**

**Clarifications on Operational Guidelines for Evaluation**

S. No.	Action point	Name of State(s)	Issue Raised	Clarification
<b>Policy Support &amp; Implementation</b>				
1.	Action point no. 1	Gujarat	State Startup policy was launched before January 2016 and doesn't necessary fall in the consideration period.	<p>On this parameter, the interventions made by the State Government before the standard consideration period of 1<sup>st</sup> January 2016 to 31<sup>st</sup> March 2018 will also be considered.</p> <p>The period of consideration for evaluation against each action point has been prescribed at <i>Annexure</i>.</p>
2.	Action point no. 1	Tamil Nadu, Uttarakhand, Gujarat	Consideration to the existing MSME or Industrial Policy extending benefits and incentives to Startups during evaluation under the ranking exercise	<p>Benefits granted by any Department of the State Government to Startups shall be considered.</p> <p>However, the incentives and policy provisions specifically for Startups mentioned under the stated policy shall be carefully scrutinized.</p>
3.	Action point no. 2	Gujarat	Post commercialization, the startups are eligible to apply for Industrial Policy 2015, which has special incentives for Women entrepreneurs. Kindly provide us required clarification whether this will be accepted or not?	<p>Yes, incentives offered to women entrepreneurs (Startups only) under any State Government policy shall be considered.</p> <p>However the benefits extended to women entrepreneurs only between Jan 2016 to April 2018 shall be considered.</p>

4.	Action point no.8		Please explain the exact objective of this reform (online information wizard)?	The objective of this action point is to provide information (through an online platform) of all applicable approvals/ clearances (sector-wise) required by entrepreneurs to set up, operate and exit a business in the State/UT.
<b>Incubation Support</b>				
5.	Action points no. 14,15,16	Chhattisgarh, Jharkhand, Goa, Odisha, Uttarakhand, Madhya Pradesh	Will the incubators in the State that are sponsored by Central Government be considered in the evaluation?	Any Incubator set up or supported by State government departments or State government agencies in any way shall be considered.  Any centrally funded incubator, also supported by the State Government/State government agencies by means of operational expenditure and/or capital expenditure shall also be considered.
6.	Action points 14,15,16	Uttar Pradesh	Whether beneficiaries who have availed incentives through Incubators under the State Government would be considered in the evaluation.	All beneficiaries that have been benefitted directly or institutionally through State Government agencies/ partner incubators/ institutions shall be considered.
7.	Action point no. 15	Chhattisgarh, Jharkhand, Goa, Odisha, Uttarakhand, Madhya Pradesh	What type of collaborations for supporting incubators will be considered?	Incubation area may be developed/scaled up by the State Government in leading educational institutions, industry associations and corporate partners by providing financial support in form of grants and/ or reimbursements on capital expenditure (can be utilised for development of incubation area) and/or operational expenditure.

Seed Funding Support				
8.	Action points no. 17, 18	Madhya Pradesh	Will incentives provided to Startups through reimbursement of lease rental in place of seed funding or seed grant be considered?	Support provided through reimbursement of lease rental shall be considered against the seed funding parameter.
9.	Action points no. 17, 18	Madhya Pradesh	Will incentives being provided to Startups through monthly allowance in place of seed funding or seed grant be considered?	Support provided through monthly allowance shall be considered against the seed funding parameter.
Funding Support - Angel and Venture Funding				
10.	Action points no. 20, 21	Kerala	Consideration of partnerships with entities like Lets Venture for providing Venture Funding support to Startups	State Government's financial support for any Fund of Funds or Alternative Investment Fund only shall be considered.
11.	Action point 20	Odisha	Guidelines and supporting document(s) required to be submitted are relatively inconsistent and require clarity	<p>States are expected to:</p> <ol style="list-style-type: none"> <li>1. Issue operating guidelines for Fund of Funds for Startups (FFS). The operating guidelines need to be submitted (supporting document #1) as part of the evaluation process.</li> <li>2. Execute MoU with fund manager (private or public like SIDBI) to manage the fund operations. The MoU needs to be submitted (supporting document #2) as part of the evaluation process.</li> <li>3. Approach independent venture funds/ AIFs (as prescribed under #2 of Guidelines) to operate under the State's FFS. No separate proof is required to be submitted for the same.</li> </ol>

Easing Public Procurement				
12.	Action points no. 26,27,28,29,30	Gujarat	Will relaxation in procurement norms being provided to MSMEs through existing procurement policy be considered for evaluation?	Yes, any existing policy providing relaxation in procurement norms to Startups as well shall be considered.
13.	Action point no. 29		Will initiatives like public procurement etc. done by the State government directly from startups without going through a traditional tendering process be considered for this reform?	Yes
Awareness and Outreach				
14.	Action point no. 36	Gujarat	What specific support from State government is expected to be made under this reform?	Policy provision to encourage universities and colleges in the State to set up active entrepreneurship cells.
Miscellaneous				
15.	-	Karnataka, Bihar	States requested more clarity on the feedback mechanism	Details of complete evaluation process including feedback shall be shared with all the States.

**States Startup Ranking Framework 2018****Period of Consideration for Action Points**

S.No.	Parameter	Action Item	Period of consideration
<b>Policy support and implementation</b>			
1.	Startup Policy	Formulate a policy for promoting Startup in the State/ UT	Pre 1st January 2016 shall also be considered
2.	Women entrepreneurship	Provide benefits and/or incentives to encourage women entrepreneurship under State/UT Startup policy	Policy document – Pre 1st January 2016 to 30 <sup>th</sup> April 2018 shall also be considered  Women entrepreneurs benefitted between 1st January 2016 to 30 <sup>th</sup> April 2018 shall only be considered
3.	Nodal Department and Officer	Assign a Nodal Department and appoint a nodal officer with the responsibility of promoting Startup ecosystem in the State/UT	Pre 1st January 2016 shall also be considered
4.	Dedicated team	Appoint a dedicated team/ agency within the Nodal Department for supporting the development of Startup ecosystem in State/UT	Pre 1st January 2016 shall also be considered
5.	Innovation society	Establish an innovation society for promoting a culture of innovation in the State/UT	Pre 1st January 2016 shall also be considered
6.	Online system for registering Startups with State/UT	Create an online system for Startups in State/UT to get registered and avail applicable benefits under Startup policy of State/UT	Pre 1st January 2016 shall also be considered  List of beneficiaries between 1 <sup>st</sup> January 2016 to 30 <sup>th</sup> April 2018 shall only be considered.
7.	Online system for availing benefits/ incentives	Develop an online system for Startups to avail benefits	Pre 1st January 2016 shall also be considered

		and/or incentives available under the State/UT	List of beneficiaries between 1 <sup>st</sup> January 2016 to 30 <sup>th</sup> April 2018 shall only be considered
8.	Online information Wizard	Set up an online information wizard for entrepreneurs regarding doing business in the State/UT	Pre 1st January 2016 shall also be considered
9.	Progress Monitoring	Develop a mechanism for monitoring the progress of implementation of Startup policy on regular basis	Pre 1st January 2016 shall also be considered
10	Query resolution	Set up a dedicated Startup support system (helpline) to resolve the queries of Startups and other ecosystem components	Pre 1st January 2016 shall also be considered  List of beneficiaries between 1 <sup>st</sup> January 2016 to 30 <sup>th</sup> April 2018 shall only be considered
11	Mentor Network	Create a pool of mentors (registered on State/UT Startup portal) for supporting entrepreneurs in State/ /UT and provide facilitation mechanism for connecting Startups with mentors	1st January 2016 to 30th April 2018
12	Intellectual Property (IP) Support Centres	Set up of IP Support Centres in State/UT	Pre 1st January 2016 shall also be considered
13	Partnerships	Partner with corporate(s) and/ or educational institution(s) for extending their assistance to State/UT Startups	Pre 1st January 2016 shall also be considered
<b>Incubation support</b>			
14	Incubators	Support setting up incubators and/or scaling up existing incubators in State/ UT for Startups	1st January 2016 to 30th April 2018
15	Incubation area	Ensure total incubation area in incubators supported (Setting up or scaling up support) by State/ UT Government	1st January 2016 to 30th April 2018

16	Subsidised incubation	Make provision for providing subsidised incubation to Startups in incubator	1st January 2016 to 30th April 2018
<b>Seed funding support</b>			
17	Guideline and System for Seed funding	Design guideline and online system for providing seed funding to Startups	Pre 1st January 2016 shall also be considered
18	Seed funding	Provide seed funding to Startups	1st January 2016 to 30th April 2018
<b>Funding Support - Angel &amp; Venture Funding</b>			
19	Angel funding	Undertake steps to promote angel funding	Pre 1st January 2016 shall also be considered
20	Venture Fund(s)/ Fund of Funds for Startups	Support/create Venture Fund(s) or Fund of Funds in State/UT for Startups	Pre 1st January 2016 shall also be considered
21	Startups funded through Venture Fund(s) or Fund of Funds	Facilitate funding to Startups through Venture Fund(s) or Fund of Funds supported by State/ UT Government	1 <sup>st</sup> January 2016 to 30 <sup>th</sup> April 2018
<b>Simplified regulations</b>			
22	Self-certification/ third party certification for Startups	Provide self- certification/ third party certification to Startups under all applicable Labour laws	Pre 1st January 2016 shall also be considered
23	Online platform for self-certification/ third party certification	Develop an online system to facilitate self-certification/ third party certification under all applicable Labour laws	Pre 1st January 2016 shall also be considered
24	Support to Startups working in new/ disruptive areas/ technologies	Introduce mechanism that allows Startups (working in newer or disruptive areas/ technologies such as e- Pharmacy, Electric Vehicles, Cab aggregators etc.) to reach out to State/UT Government to present their case	Pre 1st January 2016 shall also be considered
25	Policies/ regulations regarding adoption of disruptive technologies/ business models	Publish draft regulations on newer and disruptive areas online; invite public comments/ feedback and hold	1st January 2016 to 30th April 2018

		stakeholder consultations on the same prior to enactment	
<b>Easing public procurement</b>			
26	Public Procurement	Do away with criteria of "prior experience" for encouraging Startups to participate in public procurement	Pre 1st January 2016 shall also be considered
27	Public Procurement	Do away with criteria of "prior turnover" for encouraging Startups to participate in public procurement	Pre 1st January 2016 shall also be considered
28	Public Procurement	Do away with submission of EMD for Startups to encourage them to participate in public procurement process	Pre 1st January 2016 shall also be considered
29	Preference to Startups in State/ UT Government procurement	Support Startups by providing adequate preference in public procurement of goods and/or services	Pre 1st January 2016 shall also be considered
30	Grievance Redressal Mechanism for Startups on public procurement issues	Develop a mechanism for resolving the issues of Startups related to public procurement in a time-bound manner	Pre 1st January 2016 shall also be considered
<b>Awareness and Outreach</b>			
31	Policy Awareness	Communicate State/UT Startup policy and available benefits to all stakeholders for generating awareness	Pre 1st January 2016 shall also be considered
32	Startup outreach events	Organise (State/ UT level) Startup events to provide a platform to Startups for showcasing their ideas to ecosystem components	1 <sup>st</sup> January 2016 to 30 <sup>th</sup> April 2018
33	Boot Camps across schools and colleges in the State/UT	Organise Boot Camps to pro- mote innovation in schools and colleges across State/UT	1 <sup>st</sup> January 2016 to 30 <sup>th</sup> April 2018
34	Hackathons	Organise Hackathons to identify innovative technological solutions and	1 <sup>st</sup> January 2016 to 30 <sup>th</sup> April 2018



		for supporting entrepreneurs in building these solutions as product/service offering	
35	Entrepreneurship programs	Facilitate training programs in educational institutes for students in entrepreneurship development	1 <sup>st</sup> January 2016 to 30 <sup>th</sup> April 2018
36	Entrepreneurship Cells	Set up Entrepreneurship Cells in educational institutes across State/UT	Pre 1st January 2016 shall also be considered
37	National/ International events	Support participation of Startups in national and international events	1 <sup>st</sup> January 2016 to 30 <sup>th</sup> April 2018
38	International partnership(s)	Undertake partnership(s) with countries and/ or international agencies such as educational, funding institutions, incubators, accelerators etc.	Pre 1st January 2016 shall also be considered

**Note:** All the action points where actions taken pre 1st January 2016 are considered shall be subject to the condition of being currently 'active'.