

Note No. #9

Subject: Evaluation Methodology for State Startup Ranking 2018

Department of Industrial Policy and Promotion (DIPP), Ministry of Commerce and Industry released the State Startup Ranking framework 2018 on 6th February 2018 for implementation by the State Governments. In order to evaluate States in a balanced and transparent manner, implementation of action points and feedback from Startup ecosystem components have been given due weightage. This has been approved by CIM file No. P-38015/101/2017-STARTUP INDIA (**Flagged as “A”**). The following implementation methodology is proposed for the states Startup Ranking framework.

2. The ‘State Startup Ranking Framework’ (**Flagged as “B”**) is spread across **7 areas of interventions** with a total of **38 action points** and overall score of **100 marks**. The details may be seen as below:

S.No	Areas of intervention	Area-wise score	Number of action points requiring only supporting documents	Number of action points requiring only feedback	Number of action points requiring both supporting documents and feedback	Total number of action points
1	Startup Policy and implementation	17	6	-	7	13
2	Incubation support	20	3	-	-	3
3	Seed funding support	15	2	-	-	2
4	Funding support – Angel and Venture funding	10	3	-	-	3
5	Simplified regulations	13	2		2	4
6	Easing public procurement	14	-	-	5	5
7	Awareness and outreach	11	5	1	2	8
	Grand Total	100 marks	21	1	16	38

3. Composition of Evaluation Committees

Separate Evaluation Committee shall be constituted for each area of intervention. The composition of proposed Evaluation Committees is as follows:

Area of Intervention	Evaluation Committees				
	Member 1	Member 2	Member 3	Member 4	Member 5
Evaluation Committee 1 - Policy Support	Deputy Secretary, Startup India, DIPP	Director, IPR Cell, DIPP	Ministry of Skill Development and Entrepreneurship (MSDE)	Bharatiya Yuva Shakti Trust (BYST)	NASSCOM
Evaluation Committee 2 - Incubation Support	Deputy Secretary, Startup India, DIPP	NTTI Aayog (Atal Innovation Mission)	Department of Biotechnology (DBT)	Department of Science & Technology (DST)	ISBA
Evaluation Committee 3 - Seed Funding Support	Deputy Secretary, Startup India, DIPP	DBT	DST	MSDE	MD, FITT-IIT Delhi
Evaluation Committee 4 - Angel & Venture Funding	Deputy Secretary, Startup India, DIPP	SIDBI	IVCA	Canbank Venture Capital Fund	
Evaluation Committee 5 - Simplified regulations	Deputy Secretary, Startup India, DIPP	Deputy Secretary, EoDB, DIPP	Ministry of Labour and Employment (MoLE)	Ministry of Electronics & Information Technology (MeITY)	NTTI Aayog
Evaluation Committee 6 - Easing Public Procurement	Deputy Secretary, Startup India, DIPP	Ministry of Micro, Small and Medium Enterprises (MoMSME)	Government e-Marketplace (GeM)	Department of Public Enterprises (DPE)	Department of Expenditure (DoE)
Evaluation Committee 7 - Awareness & Outreach	Deputy Secretary, Startup India, DIPP	Department of Higher Education (DHE)	The Indus Entrepreneur (TiE)	All India Council for Technical Education (AICTE)	NTTI Aayog

4. Evaluation of Feedback Score

- 4.1
The feedback score shall be evaluated by Startup India Hub Team. The following activities shall be undertaken by Startup India Hub Team, headed by Shri Suyash Mishra while collecting feedback:
- 5.1.1
The feedback shall be collected by the call centre under the Startup India Hub Team at DIPP.
- 5.1.2
Appropriate Software for feedback collection shall be developed.
- 5.1.3
Necessary training of the Call centre shall be conducted.

4.2 Feedback Questionnaire

4.2.1 Startup Policy Implementation and Support: The feedback evaluation in this area of intervention shall be done as follows:

Startup Policy Implementation and Support				
S.No.	Parameter	Feedback Methodology	Universe of Beneficiaries	Feedback Questionnaire
1	Women entrepreneurship	1. Feedback shall be collected from list of beneficiaries as shared by State/UT and relevant ecosystem components 2.The percentage of respondents who are aware of and benefitted out of the total respondents a) >=50% b) <50% Weightage = 50%	List of women entrepreneurs	1. Have you received any benefits specific to women entrepreneur through a scheme/program of the State/UT? a. Not benefitted b. Benefitted
2	Online system for registering Startups with State/UT	1. Feedback shall be collected from list of beneficiaries as shared by State/ UT and relevant ecosystem components 2. The percentage of respondents who are aware of and satisfied with the registration mechanism out of the total respondents a) >=50% b) <50% Weightage = 50%	List of registered Startups	1. Have you registered your Startup using the online registration facility on the State Startup portal and if yes, how satisfied are you with the online application procedure? a. Not used b. Not satisfied c. Moderately satisfied d. Highly satisfied
3	Online system for availing benefits/incentives	1. Feedback shall be collected from list of beneficiaries as shared by State/UT and relevant ecosystem components 2. The percentage of respondents who are aware of and satisfied with the online system out of the total respondents a) >=50% b) <50%	List of registered Startups	1. Have you applied for benefits given by state for Startup's using the Startup portal of your State and if yes, how satisfied are you with the online application procedure? a. Not used b. Not satisfied

Startup Policy Implementation and Support				
S.No.	Parameter	Feedback Methodology	Universe of Beneficiaries	Feedback Questionnaire
		Weightage = 50%		c. Moderately satisfied d. Highly satisfied
4	Query resolution	1. Feedback shall be collected from record of users as shared by State/ UT and other relevant ecosystem components 2. The percentage of respondents who are aware of the system and whose queries have been satisfactorily resolved out of the total respondents a) >=50% b) <50% Weightage = 75%	List of stakeholders who have submitted queries	1. Have you received a response for your query and if yes, how satisfied are you with the response received? a. No response received b. Not satisfied c. Moderately satisfied d. Highly satisfied
5	Mentor network	1. Feedback shall be collected from list of mentors and Startups facilitated as shared by State/UT and other relevant ecosystem components 2.The percentage of respondents who are aware of and have been satisfactorily facilitated out of total respondents a) >=50% b) <50% Weightage = 50%	1. List of Startups facilitated for mentorship 2. List of registered /uploaded mentors	<u>For Startups</u> 1. Have you contacted any of the mentors listed by your State govt. on the state Startup portal/website and if yes, how satisfied are you with the mentorship received? a. Not contacted any mentor b. Not satisfied c. Moderately satisfied d. Highly satisfied
6	Intellectual Property (IP)	1. Feedback shall be collected from list of Startups as shared by	List of Startups provided IP	1. Have you contacted any of the Intellectual

Startup Policy Implementation and Support				
S.No.	Parameter	Feedback Methodology	Universe of Beneficiaries	Feedback Questionnaire
	support centres	<p>State/UT on facilitation provided by IP Support Centres</p> <p>2.The percentage of respondents who are aware of and have been satisfactorily facilitated out of total respondents</p> <p>a) $\geq 50\%$ b) $< 50\%$</p> <p>Weightage = 50%</p>	support	<p>Property Centres listed by your State govt. on the state Startup portal/website and if yes, how satisfied are you with the mentorship received?</p> <p>a. Not contacted any IP centre b. Not satisfied c. Moderately satisfied d. Highly satisfied</p>
7	Partnerships	<p>1. Feedback shall be collected from list of Startups benefitted as shared by State/UT</p> <p>2.The percentage of respondents (Startups) who are aware of and have benefitted from such partnerships out of total respondents</p> <p>a) $\geq 50\%$ b) $< 50\%$</p> <p>Weightage = 50%</p>	<p>1. List of Startups benefitted by partnerships</p> <p>2. List of incubators benefitted by partnerships</p> <p>3. List of partner institutions</p>	<p><u>For Startups</u></p> <p>1.Have you benefitted through any partnerships initiated by your state government with corporate(s) and or educational institutes to provide services/products to startups?</p> <p>a. Not benefitted b. Benefitted</p>

4.2.2 Simplified Regulations: The feedback evaluation in this area of intervention shall be done as follows:

Simplified Regulations				
S.No.	Parameter	Feedback Methodology	Universe of Beneficiaries	Feedback Questionnaire
8	Online platform for self-certification/third party certification	1.Feedback shall be collected from list of Startups benefitted as shared by State/UT through self-certification	List of Startups that have self-certified using online	1. Have you received any benefits through the online facility

Simplified Regulations				
S.No.	Parameter	Feedback Methodology	Universe of Beneficiaries	Feedback Questionnaire
		<p>The percentage of respondents aware of and have benefitted by the self/third party certification mechanism out of the total respondents</p> <p>a) $\geq 50\%$</p> <p>b) $< 50\%$</p> <p>Weightage = 50%</p>	platform	<p>provided by the State to submit self-certification/ third party certification under all applicable labour laws?</p> <p>a. Not benefitted</p> <p>b. Benefitted</p>
9	Support to Startups working in new/disruptive areas /technologies	<p>1.Feedback shall be collected from Startups/entrepreneurs on the mechanism for interacting with State/UT Government on presenting new/disruptive technologies</p> <p>The percentage of respondents who are aware of and satisfied with State/UT Government interactions out of total respondents</p> <p>a) $\geq 50\%$</p> <p>b) $< 50\%$</p> <p>Weightage = 50%</p>	List of new/ disruptive technology Startups supported	<p>1. Has your state govt. invited you for consultations /interactions to address Challenges faced by new/disruptive technologies and if yes, how satisfied are you with the mentorship received?</p> <p>a. Not invited by the state</p> <p>b. Not satisfied</p> <p>c. Moderately satisfied</p> <p>d. Highly satisfied</p>

4.2.3 Easing public procurement: The feedback evaluation in this area of intervention shall be done as follows:

Easing Public Procurement				
S.No.	Parameter	Feedback Methodology	Universe of Beneficiaries	Feedback Questionnaire
10	Public	1.Feedback shall be	List of	1. Have you

	procurement (prior experience)	<p>gathered through review of tender documents</p> <p>2.Feedback shall also be collected from list of Startups benefitted as shared by State/UT</p> <p>The percentage of respondents aware of and have benefitted out of the total respondents</p> <p>a) $\geq 50\%$ b) $< 50\%$</p> <p>Weightage 50%</p>	Startups allowed / benefitted through relaxation in procurement norms	<p>benefitted in the form of an exemption of relaxation of prior experience criteria for startups, under the public procurement norms given by your state?</p> <p>a. Not benefitted b. Benefitted</p>
11	Public procurement (prior turnover)	<p>1.Feedback shall be gathered from review of tender documents</p> <p>2.Feedback shall also be collected from list of Startups benefitted as shared by State/UT</p> <p>The percentage of respondents aware of and have benefitted out of the total respondents</p> <p>a) $\geq 50\%$ b) $< 50\%$</p> <p>Weightage 50%</p>	List of Startups allowed relaxation in procurement	<p>1. Have you benefitted in the form of an exemption of relaxation of prior turnover criteria for startups, under the public procurement norms given by your state?</p> <p>a. Not benefitted b. Benefitted</p>
12	Public procurement (submission of EMD)	<p>1.Feedback shall be gathered through review of tender documents</p> <p>2.Feedback shall also be collected from the list of Startups benefitted as shared by State/ UT</p> <p>The percentage of respondents</p>	List of Startups allowed relaxation in procurement	<p>1. Have you benefitted in the form of an exemption of relaxation from EMD criteria for startups, under the public procurement norms given by your</p>

		<p>aware of and have benefitted out of the total respondents</p> <p>a) $\geq 50\%$</p> <p>b) $< 50\%$</p> <p>Weightage = 50%</p>		<p>state?</p> <p>a. Not benefitted</p> <p>b. Benefitted</p>
13	Preference to Startups in State/UT Government procurement	<p>1.Feedback shall be undertaken from the list of Startups benefitted as shared by State/UT</p> <p>The percentage of respondents aware of and have benefitted (Startups) out of total respondents</p> <p>a) $\geq 50\%$</p> <p>b) $< 50\%$</p> <p>Weightage = 50%</p>	List of Startups provided preference in procurement	<p>1. Have you benefitted in the form of an preference given to startups, under the public procurement norms given by your state?</p> <p>a. Not benefitted</p> <p>b. Benefitted</p>
14	Grievance Redressal Mechanism for Startups on public procurement issues	<p>1.Feedback shall be collected from list of Startups who have used the mechanism and relevant ecosystem components as shared by State/UT</p> <p>The percentage of respondents aware of and are satisfied with the grievance redressal mechanism out of total respondents</p> <p>a) $\geq 50\%$</p> <p>b) $< 50\%$</p> <p>Weightage = 50%</p>	List of Startups who have raised queries relating to public procurement issues	<p>1. Have you received a response for your query regarding public procurement issue and if yes, how satisfied are you with the response received?</p> <p>a. No response received</p> <p>b. Not satisfied</p> <p>c. Moderately satisfied</p> <p>d. Highly satisfied</p>

4.2.4 Awareness and Outreach: The feedback evaluation in this area of intervention shall be done as follows:

Awareness and Outreach				
S.No.	Parameter	Feedback Methodology	Universe of Beneficiaries	Feedback Questionnaire
15	Policy Awareness	<p>1. Feedback shall be collected from relevant ecosystem components</p> <p>The percentage of respondents in the State/UT aware of the State Startup Policy of the State out of total respondents</p> <p>a) >=50%</p> <p>b) <50%</p> <p>Weightage = 100%</p>	<p>1. List of all Startups</p> <p>2. List of Incubators</p> <p>3. List of Angel Networks</p> <p>4. List of Accelerators</p> <p>5. List of Investors</p> <p>6. List of mentors</p>	<p>1. Are you aware of the Startup policy created by your state?</p> <p>a. Yes</p> <p>b. No</p>
16	Entrepreneurship Program	<p>1. Feedback shall be collected from trainees list as shared by State/ UT and ecosystem components</p> <p>The percentage of respondents in the State/UT aware of and satisfied with the training programs out of the total respondents</p> <p>a) >=50%</p> <p>b) <50%</p> <p>Weightage = 50%</p>	List of students enrolled in entrepreneurship programs	<p>1. Have you participated /enrolled yourself in any entrepreneurship training programs organized by the State Govt and if yes, how satisfied are you with the response received?</p> <p>a. Not enrolled in training program</p> <p>b. Not satisfied</p> <p>c. Moderately</p>

				satisfied d. Highly satisfied
17	Entrepreneurship cells (E-Cells)	1. Feedback shall be collected from students and head of entrepreneurship cells as shared by State/UT on activities undertaken by the entrepreneurship cell. The percentage of respondents aware and/or benefitted of the entrepreneurship Cell's activities in educational institutes out of the total respondents a) >=50% b) <50% Weightage = 50%	List of students registered with E-cells	1. Have you benefitted through an Entrepreneurship-cell set up in your college/university? a. Not benefitted b. Benefitted

4.3 Selection of Respondents & Score Consideration

Selection: For each Action Point where feedback is to be collected; minimum 30 beneficiaries shall be selected on random basis from universe of beneficiaries. If the total universe comprises of less than 30 beneficiaries, all shall be selected. Feedback may be sought from Startups recognised under Startup India and other relevant ecosystem components registered under Startup India Hub. States may also be requested for more information in respect of any feedback response.

Consideration: Response of first 30 calls where feedback is obtained shall be counted towards scoring against any “Action Point”, as applicable.

4.4 Calculation of Score

Score will be calculated for each State on a specific Action Point. The survey for each action Point may comprise of one or more question.

Case a: For Action Points: 2, 13, 23, 26, 27, 28, 29, 36

- i. For Action Points, the scoring shall be done on following basis:
 - a. Option a – Not Benefitted
 - b. Option b – Benefitted
- ii. For a single “Action Point” when 50% or more beneficiaries have responded with Option “b”, the feedback score to state shall be awarded

Case b: For Action Points: 6, 7, 10, 11, 12, 24, 30, 35

- iii. For Action Points, the scoring shall be done on following basis:
 - a. Option a – Not used
 - b. Option b – Not satisfied
 - c. Option c – Moderately satisfied
 - d. Option d – Highly Satisfied
- iv. For a single “Action Point” when 50% or more beneficiaries have responded with Option “c” or “d”, the feedback score to state shall be awarded

Case c: For Action Points: 31

- i. For Action Point, the scoring shall be done on following basis:
 - a. Option a – Yes
 - b. Option b – No
- ii. For a single “Action Point” when 50% or more beneficiaries have responded with Option “b”, the feedback score to state shall be awarded

5. The timelines for the State Startup Ranking 2018 are as follows:

- Last date for submission of supporting document(s) by State Government on the Ranking Dashboard is **30th April 2018**
- Last date for answering clarification questions is **30th April 2018**
- Evaluation shall start parallel to document submission by States. This is to be completed in **May 2018**
- Stakeholder feedback exercise in **May 2018**
- Announcement of ranking results in **June 2018**

The State efforts over the **period January 1, 2016 to April 30, 2018** shall be considered valid for the purposed of ranking this year. The period of consideration for each of these action points has already been approved as Annexure to Clarifications on operational guidelines for evaluation vide file No. 5(77)/2017-SI Pt-1. **(Flagged as “C”)**

6. Evaluation Methodology

- 6.1 Action point requiring supporting documents shall be first evaluated by PMU team at Startup division of DIPP in accordance with the scoring scheme given in the ranking framework. This evaluation shall be presented before evaluation committees.
- 6.2 Action points requiring feedback of stakeholder shall be evaluated by Startup India Hub Team in accordance with the methodology given in para 6. This evaluation shall be presented before evaluation committees.
- 6.3 The Evaluation Committee for each of the implementation area shall assign the ‘implementation score’, ‘feedback score’ and provide ‘Total score’ to all States in relevant area of intervention.
- 6.4 Scores given by all evaluation committees to different States shall be combined to arrive at the final composite score of States to determine the final rankings.
- 6.5 State rankings shall be in descending order of the final composite scores.

Submitted for approval please