

Government of India Ministry of Commerce and Industry Department for Promotion of Industry and Internal Trade



* STATES' STARTUP RANKING 2022 * EMERGING ECOSYSTEMS

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CHHATTISGARH

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States' Startup Ranking 2022 Results

Chhattisgarh participated in 25 Action Points of the Ranking Framework 2022. Chhattisgarh performance in each of the Reform Area has been graphically represented. Data presented below is the percentile score, which is the relative performance of the State in each Reform Area as compared to other participating States/UTs.

For example, if Chhattisgarh has a score of 100th percentile in the 'Institutional Support' Reform Area, this implies that the State has scored higher than all the participating States/ UTs in that Reform Area.

Chhattisgarh has been evaluated on seven Reform Areas that have a significant contribution towards propelling the startup ecosystem in the State. Detailed analysis with insights into the initiatives taken by the State to promote its startup ecosystem are discussed in the subsequent sections.



STATE STARTUP ECOSYSTEM

Chhattisgarh, a central Indian state, is characterized by its diverse geography, rich demographics, and a burgeoning business environment. The state spans a wide range of landscapes, from dense forests in the north to fertile plains in the south. The Satpura and Vindhya ranges crisscross the state, and the Mahanadi River, among others, flows through it, providing vital water resources.

Chhattisgarh's population is a mosaic of various ethnic groups, with a significant tribal presence. It is known for its cultural diversity, with unique art forms, music, and dance traditions. The state is also home to various festivals and fairs, celebrating its heritage.

In recent years, Chhattisgarh has witnessed rapid industrialization, particularly in sectors like steel, cement, and mining. It houses several major industrial hubs, contributing substantially to India's manufacturing sector. The business environment is further bolstered by progressive state government policies aimed at attracting investments.

The state's capital, Raipur, and other urban centres like Bilaspur and Durg are thriving hubs for commerce and trade. Chhattisgarh's strategic location, coupled with its rich natural resources, make it a promising destination for economic growth. However, it also faces challenges like balancing development with environmental sustainability, particularly in its tribal regions.

The Industrial Policy (2019-24), covering the startup policy package, aims to improve investors' trust in the state government and achieve the goal of holistic and inclusive development of the state.

The Department of Commerce & Industries, Government of Chhattisgarh is the nodal department working for the startup ecosystem in the state. There is a dedicated team formed under the Department to ensure proper monitoring, documentation, and reporting of the progress of the startup initiatives.

State Startup Policies and Incentives

The Startup Policy outlines tax benefits and subsidies available to startups in the state, as well as incentives for new incubators being set up. Through the key pillars of the startup policy i.e., the collaboration between startups and industries, and incentives for startups and incubators, the state has propelled itself from ideation to implementation.

Industries set up by SC/ST category, women entrepreneurs, ex-servicemen (including paramilitary personnel), third gender, and LWE affected families will get additional incentives and the ceiling of incentives will be increased.

Under the policy, training programs for entrepreneurship development is promoted at the district level in collaboration with district trade and industries centres, industries associations, and various educational institutions. In order to make the curriculum of higher education and professional courses more job-oriented, necessary coordination is being made to include additional syllabi. It is initiated in consultation with different industries associations and experts, aiming to provide employment opportunities in local industries.

Additionally, an integrated single online platform is provisioned to provide details about various skill development programs offered by the state and central governments, facilitating employment opportunities in the local industries.

Chhattisgarh has been a flag bearer in implementing startup programs and schemes aiming at fostering entrepreneurship and promoting innovation by creating an ecosystem for the growth of start-ups. Recognizing the new startup wave as a major job creator and the agent of change for prosperity, the state has conducted multiple workshops to promoting new ideas to become established ventures.¹

The state provides subsidies that range from investment subsidies, fixed capital subsidies, and relaxations on electricity duty. These subsidies play a major role in nurturing the startups in the state and encouraging budding entrepreneurs

Highlights of State Startup Ecosystem²



30+

Events undertaken in Higher Education Institutions (HEIs) to support student entrepreneurs



Events undertaken to support student entrepreneurs

125+

Women-led startups receiving special incentives



25+ Startups given market access opportunities



120+

Programs conducted to sensitise potential investors

125+ Startups connected

startups connected with mentors

70+ Startups with rural impact supported

60+

Startups receiving funding through state supported funds

45+ Startups with rural impact 10+

Startups focusing on renewable energy

Key Initiatives Driving Growth

• **Capacity Building:** Chhattisgarh has conducted 150+ workshops for knowledge exchange purpose to sensitise its state government departments about India's startup ecosystem. The four-hour knowledge exchange workshops have been conducted virtually over a span of five days.

- One-day Entrepreneurship Development programs: The Chhattisgarh government on various occasions has organised one-day entrepreneurship development programs throughout the state. These have been organised in collaboration with various departments viz. Panchayat, municipal council, banks, skill development, labour, MSME-DI. Participants from various polytechnic colleges, ITI Colleges, startups, and various industries weresensitised about schemes run by the Government of India and State Government like PMFME, PMEGP, Startup India, and Mukhya-Mantri-Yuva Swarojgar Yojna (MMYSY). Participants from the industry associations were also sensitised how to invest in startups and the different types of fund support that startups need.
- Marketing and Showcasing opportunities: Chhattisgarh, on its formation day, celebrates the Rajyotsav every year. In 2022, Rajyotsav was celebrated for six days in which government departments and participants from various states showcased their products. Four startups from the Agriculture Department and seven from the Department of Commerce and Industries showcased their products.
- **Exporters Conclave:** The Exporters Conclave was organised in partnership with the DGFT to spread awareness among exporters and startups with a potential to export. Many startups as well as large industry groups participated and were sensitised about provisions for them in Industrial Policy of state.





Figure A: Chhattisgarh Startup Mission Portal URL

SRF 2022: Performance Assessment

Institutional Support

Institutional Support focuses on the execution and facilitation of the state startup policy through a comprehensive portal and specific incentives provided by various government stakeholders. This Reform Area focuses on access to information for startups on state-supported initiatives. It analyses whether a particular state has a functional startup portal offering single-window solutions for all startup ecosystem stakeholders.

A holistic startup portal offers services ranging from startup registration to an efficient grievance redressal mechanism in making information accessible and inclusive through the functionality of local languages. A special focus has been drawn towards womenled startups with specially tailored incentives and schemes to ensure equitable implementation. The Reform Area also emphasises institutionalised support provided to the startups from various state government departments.

State Performance

The Startup Chhattisgarh portal (https://industries.cg.gov.in/startupcg/) is the official website for all information related to the startups in the state. The Department of Industries & Commerce, Government of Chhattisgarh has been selected as the nodal department.



Figure 2: Homepage of Startup Chhattisgarh

The portal has comprehensive details of the startup registration process, list of incubators, and the detail of mentors. It also has an active tracking mechanism for query resolution. The state maintains a record of all the queries or requests that have been received during the period of consideration.

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Figure 3: Webpage on startup Query redressal

Recommendations

- 1. The state may include tabs and adding specific information tabs on the state startup portal to support and handholding of the startups and entrepreneurs.
- a. startup Registration, including API integration with startup India with real-time application tracking feature should be present on the startup Portal
- b. Accessibility of website for Persons with Disabilities (PwD); compliance norms are to be in concurrence with the following: https://www.w3.org/TR/WCAG21
- c. Section regarding marketing and outreach including events, webinars, mentorship sessions and others
- The state in state startup portal or a separate unified web platform may develop or include a mechanism for startups to submit requests or grievances with a tracking mechanism.
- 3. Requests or grievances or issues on provision to avail all types of funding, including seed funding, subsidized loans, government grants, sustenance allowance, debt or equity financing through incubators, venture funding, public procurement amongst others, may be addressed on the platform.
- 4. Query response timeframe may be mentioned in the public domain through a state notification/ government Order/FAQs.
- 5. State government departments apart from the Nodal Department may provide institutional support to startups. This could be in the form of sustainable programs, hackathons, grand challenges, incubation support, funding support, venture funding, open data APIs, public procurement support, and other sustainable programs.

6. Apart from state or UT Startup Policies, the state or UT may add a greater number of policies/schemes with support to startup ecosystem stakeholders. It is suggestive to include startup ecosystem stakeholders support in state or UT sectoral policies/ schemes or others also. It may be ensured that the amendments and their details are to be provided on state startup portal for easy access to information.

Fostering Innovation & Entrepreneurship

Fostering Innovation and Entrepreneurship seeks to encourage the spirit of innovation among aspiring students and rural entrepreneurs. It focuses not only on the assessment of the total number of registered startups in each state, which is a direct result of the state support but also on the regulatory reforms undertaken to support startups in disruptive sectors. This Reform Area assesses the extent to which Higher Educational Institutes (HEIs) have been engaged in providing support to student entrepreneurs. It also highlights the value of innovation through disruption and promotes state-supported technological disruption to help drive innovation.

State Performance





Women led startups receiving special incentives

Apart from programs in urban areas, Chhattisgarh has been undertaking various programs focussing on rural areas.



Figure 4: Snapshot of Entrepreneurship Awareness Program in Rural area

The state has also undertaken 50+ events to support student entrepreneurs and worked on a notified document covering incentives for women-owned startups to increase women-led entrepreneurship.

Way Forward

The state may provide specific incentives to women-led startups, which could be included in the state startup policy. The incentives could include a monthly sustenance allowance for women-led startups.

The state may further reserve a specific quota for women-led startups in terms of funding grants and incubation support.

Access to Market

This Reform Area seeks to encourage the state government to ease participation in the public procurement process for startups and become an enabler in connecting startups with private stakeholders. The states are evaluated based on the support provided by them to startups through the organisation of showcase opportunities such as Demo-Day, Buyer-Seller Meet, National and International Events, and relaxation in rules for government work orders.

The aim is to steadily increase the number of work orders awarded to startups by helping them be at par with the established players in their respective sector

State Performance

The state has explicitly provisioned relaxations in the criteria of public procurement to increase participation of startups. In the period of consideration, 20+ startups received work orders for public procurement. Additionally, many startups have been given the opportunity and various platform to participate in market access activities and showcase their products and services.



Figure 5: Snapshot of National tribal dance festival and Rajyotsav 2022

Way Forward

- 1. The state may explore the possibility of introducing relaxations in its procurement proposals to encourage startups to participate in public procurement. The state may assign a certain percentage of the total procurement by the state Departments, PSUs to be acquired from startups.
- 2. The state may develop a dedicated page on their respective startup website for the public procurement activities and exemptions provided to the startups with all the required details

3. The state may undertake programs to connect startups to government departments as well to present case-wise solutions to the departments and promote procurement activities by them. These programs could be GeM workshops, Demo Days, Grand Challenges, Hackathons, Innovation Zones, Buyer-Seller meets, and corporate innovation programs. The informational programs conducted may be streamed on the startup portal and online streaming platforms for wider reach.

Incubation and Mentorship Support

Incubation support is provided in the form of financial and infrastructural support to startups and state-supported incubators. The state governments have been supporting incubators to set up or upgrade existing facilities through funds and incentives to enhance the incubation infrastructure. This Reform Area also aims at ensuring proportionate utilisation of the incubation capacity of the state-supported incubators. The support provided by the state to the incubators through programs and incentives will in turn help startups scale up and thereby, contribute to the growth of the state startup ecosystem.

State Performance



70+ Startups in acceleration programs

The Chhattisgarh website has details of 125+ state-registered mentors and startups that have been taking their support on a regular basis.

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	List of M	entors for Supporti	ng Entrepreneurs/ Start-u	ps in Chhattisgarh		
	SL Name No.	Designation	Email	Area of Expertise		
	I Manish Agrawal	CEO, Techment technologies	manish.agrawal@techment .com	IT, Ecommerce		
	2 Sumit Ghosh	CEO, Globussoft technologies	ceoig globussoft.com	IT, Ecommerce		
	3 Rohit Parekh	MD, Touchstone Pvt ltd	md@touchstone.com	FMCG, Suply chain		
	4 Dr Jawahar Surisetti	Director, Rungta group of institution	jawaharsurisetti@gmail.co m	Edutech, entertainment		
	5 Brijesh Takkar	Angel Investor, 50Kventures	Brijeshtakkar@gmail.com	Steel, edutech, social		
	6 Anshul Dave	Angel Investor, Venture Catalyst	Anshuldave@gmail.com	IT, Ecommerce, social		
	7 Atisha Banjare	Investment facilitation officer	atishab05@gmail.com	IT, Telecomm, Ecommerce		
	8 Archana Parashar	Professor, IIM Raipur	archana@imraipur.ac.in	Business Communication, Interpersonal Skills, Written Executive Communication, Managerial Communication,ELT		

An incubators page detailing name, address, contact details has also been provided on the portal for easy and direct access.

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	HOME POLICY & NOTIFICATION ACTION PLAN STARTUP SUPPORT AVAIL BENEFITS CONTACT US LOGIN Startup Incubators in Chhattisgarh									
SI.no	Incubator	Address	Contact Person	Email id	Website	•	Number of Startups Incubated			
1	AIC@36INC	3rd Floor, City Centre mall, Pandri, Raipur	CEO	info@36inc.in	https://36	šinc.in/				
2	Shri Shankracharya Technical Campus Business Incubator	Junwani,Bhilai - 490020	Mr. Ashok Kumar Sharma	sstc@sstc.ac.in	https://ss	tc.ac.in/incubator				

Way Forward

- 1. Going forward, the state could continue in this direction by increasing the reach of the existing programs, as per its startup Policy which highlights regional diversity
- 2. The state may also develop its state startup Portal in a way such that startups can connect with the incubators through a dedicated incubator dashboard
- 3. The state may increase the reach of the acceleration programs. The state can leverage the virtual format for holding seminars and discussions. In this way, the state could take advantage of this opportunity to connect with stakeholders outside the state as well as outside the country.
- 4. The state may encourage more startups to enrol in acceleration programs where startups get an opportunity to connect with investors, engage in skill development and obtain knowledge support
- 5. The state may look to engage and connect with mentors outside the state, at the national as well as international level. The option for virtual mentorship through video calls should be explored to learn from other national and international experiences.
- 6. The state may further expand the mentorship network to include experts from the relevant sectors, including industry experts, corporates with experience in the required field, people from the financial sector with funding experience, and successful entrepreneurs
- 7. The state may maintain a list of sector-wise registered mentors. This information could be available through the state startup portal.

Funding Support

All startups require timely availability of funding for their growth. This Reform Area encourages various state governments to establish either Seed or Venture funds or Fund of Funds for startups. It also focuses on the access to these funds. A special focus has been given to initiatives and programs undertaken for connecting startups with private investors through workshops, networking events, pitching sessions, and investor networking events.

State Performance

The state government has organized 10+ programs to connect state startups with private investors.



Apart from these, the state government has provided funding support to 60+ startups by the state funds. These funds are helping state startups in scaling up their ventures.

Recommendations

The state government may maintain an online dashboard by integrating it into the state startup portal containing details of funding sponsored or supported by the state government.

Capacity Building of Enablers

Capacity building of key stakeholders and enablers is essential for driving the growth of the entire startup ecosystem. It is vital to provide necessary information to the key ecosystem.

This Reform Area assesses sensitisation workshops, programs conducted for government officials, and workshops conducted to train state-supported incubators. It also focuses on the capacity development of potential private investors to encourage local private investments.

State Performance

The state government has been taking various initiatives to strengthen its startup ecosystem. One of these has been capacity building programmes for various stakeholders, especially state government officials, incubators, and 20+ potential investors

Way Forward

The state may document the details of the workshops and programs conducted in terms of the record of discussion and detailed participation records of the stakeholders.

Roadmap to a Sustainable Future

Roadmap to a Sustainable Future seeks to encourage the spirit of innovation in rural startups, focused on sectors like renewable energy, sustainability, and climate change. Special focus is given to startups working on Circular Economy.

The aim is to steadily increase the number of rural and future sectors in sustainability by established players in their respective sectors and cater to a circular economy.

State Performance

45 startups with rural impact Supported

10 startups working on sectors focussed on renewable energy, sustainability, and climate change Supported

Under the Chhattisgarh State Industrial Policy 2019-2024, the state has given a special emphasis on circular economy, renewable energy, climate change, and sustainable solutions. During the period of consideration, the state has supported 55+ startups working in these fields.

Way Forward

The state may conduct brainstorming workshops with mentors and startups, especially grassroots startups, to produce innovative ideas. These workshops could be televised or streamed on a video streaming platform to get higher engagement. The results may lead to a greater number of grassroot startups in the state.





Sources

Abbreviations



CONTACT US www.startupindia.gov.in 1800 115 565



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