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

#startupindia

⟫ STATES' STARTUP RANKING 2022 ⟪
EMERGING ECOSYSTEMS

DADRA & NAGAR HAVELI & DAMAN & DIU

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States' Startup Ranking Results 2022

Dadra & Nagar Haveli and Daman & Diu participated in 2 Action Points of the Ranking Framework 2022. Dadra & Nagar Haveli and Daman & Diu 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 Dadra & Nagar Haveli and Daman & Diu 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.

Dadra & Nagar Haveli and Daman & Diu 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.

DADRA & NAGAR HAVELI AND DAMAN & DIU STARTUP ECOSYSTEM

The economy of Dadra & Nagar Haveli and Daman & Diu is primarily based on agriculture, manufacturing, and small-scale industries. The major industries are plastic, pharmaceuticals, paper and paper products, texturizing units, soda water, rubber plastic, petrol-based, and ice block making. It is known for its industrial estates and has seen growth in the manufacturing sector, including plastics and textiles. Tourism is also a significant contributor to the economy due to the coastal areas and historical sites.

Startup Policies and Incentives

The UT's Startup and Innovation Policy is still in its preliminary stages of development but shall be the bedrock for creating an enabling environment for individual innovators, startups, and SMEs to flourish and grow. The Policy aims to empower the young entrepreneurs of UT to pursue their dreams in the region and help the administration in achieving its vision of a "Prosperous UT of Dadra & Nagar Haveli and Daman & Diu.

Objectives of Startup and Innovation Policy 2022[1] include to:

1. Develop the Startup ecosystem of Dadra & Nagar Haveli and Daman & Diu.

2. Foster a culture of innovative thinking and risk-taking by providing skill-based training and infrastructure for the young entrepreneurs of Dadra & Nagar Haveli and Daman & Diu.

3. Facilitate access to investment for aspiring and existing entrepreneurs.

4. Create a spirit of entrepreneurship by changing the present trend of job seeking to job creating.

5. Enabling rules, regulations, and legislation to create an entrepreneurship-friendly environment.

6. Establish incubation facilities in institutions of higher learning.

7. Establish a regulatory regime to support innovation in new-age technologies such as AI, Machine Learning, Blockchain, etc.

8. Promoting women's entrepreneurship through special women-focused initiatives.

Highlights of UT Startup Ecosystem[2]

The UT Government has undertaken several initiatives to boost Startups in the UT.

35+
Dpiit registered during the period of evaluation

30+
Startups registered during the period of evaluation

- UT's Startup and Innovation Policy 2022

- Startup council is set up as the apex body at the UT level for policy implementation & monitoring, ecosystem development, and startup advisory

- The startup team is formed to serve as the nodal team driving the Startup and Innovation Policy. It is to be headed by the Secretary of Industries.

- Collaborating with top businesses and accelerators to run unique competitions for local startups and innovators

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[1]Startup & Innovation Policy 2022

[2]Based on SRF 2022 submission

Key Initiatives Driving Growth

Startup Ecosystem Action Plan:
The Startup & Innovation Policy of Dadra & Nagar Haveli and Daman & Diu will put a special emphasis on fostering entrepreneurship and innovation in the Union Territory through the following initiatives:

- Creating a favourable ecosystem for fostering entrepreneurship and innovation.
- Creating infrastructure to support Entrepreneurs, Startups, and innovators.
- Enabling Skill development and job creation.
- Establishing connections and partnerships to grow the ecosystem.

Startup Incubation Centres:
To support emerging businesses and their ideas in Dadra & Nagar Haveli and Daman & Diu, the UT administration will open one exceptional incubation centre in a college.

Establishing Entrepreneurship Cells:
As student-driven initiatives at the college level, the UT administration will facilitate the creation of Entrepreneurship Cells (E-Cells) in every college. Startup Innovation Festivals, local success stories, alumni engagement, hosting of leadership talks, and the creation of a women's entrepreneurship ecosystem are all part of what E-Cells will do.

Quantum and Nature of Funds:
Various funding schemes are set to support the startups in the UT:

• Dadra & Nagar Haveli and Daman & Diu Infrastructure Development Fund
• Startup Seed Support Fund
• Startup Monthly Allowance
• Startup Product Development Grant
• Non-Fiscal Incentives
  - Public Procurement from Startups
  - Self-certification and Compliance
  - Cloud Services/Soft Support
• Fiscal Incentives
  - Marketing Assistance
  - Subsidized Incubation
  - Patent Cost Reimbursement
  - Digital Technology Subsidy
  - MSME Incentives

Institutional Support

Introduction

Institutional Support focuses on the execution and facilitation of the UT 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 UT 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 women-led startups with specially tailored incentives and schemes to ensure equitable implementation. The Reform Area also emphasizes on institutionalized support provided to the startups from various UT Government departments.

UT Performance

The Startup & Innovation Policy of Dadra & Nagar Haveli and Daman & Diu is currently focusing on driving entrepreneurship and innovation in the Union Territory through a series of strategic actions. The policy is actively creating a conducive ecosystem to encourage entrepreneurship and innovation. Ongoing efforts include the establishment of infrastructure to support entrepreneurs, startups, and innovators.

Recommendations

- UT may collaborate with educational institutions to design and implement specialized courses on entrepreneurship and startup management.

- UT may establish a single-window clearance system to streamline administrative processes for startups.

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- UT may encourage collaboration between local industries and academic institutions to foster innovation and research.

- UT may facilitate joint research projects, internships, and knowledge exchange programs between startups and educational institutions.

- UT may invest in the development of modern infrastructure, such as co-working spaces, technology parks, and research facilities, to create a conducive environment for startups.

- UT may develop marketing workshops and programs to educate startups on effective branding strategies.

- UT may implement a robust monitoring and evaluation system to assess the impact of support programs and make data-driven decisions for continuous improvement.

Fostering Innovation & Entrepreneurship

Introduction

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 UT, which is a direct result of the UT 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.

UT Performance

The state has registered more than 35 startups. All registered startups avail benefits like incubation support, sustenance allowance, seed support, patent cost reimbursement, national and international event participation support, preference in government procurement, connect with relevant Startup Ecosystem stakeholders etc.

Recommendations

• UT may establish innovation hubs or clusters that bring together startups, research institutions, and industry players.

• UT may facilitate technology transfer programs that allow startups to access research and innovations developed by academic institutions or government research centers.

• UT may expand and enhance existing incubation and acceleration programs to provide tailored support for startups at different stages of development.

• UT may identify key industries in UT and provide targeted support to startups in those sectors.

• UT may establish a competitive grant program to encourage startups to invest in innovation and product development.

• UT may create platforms and events that bring together entrepreneurs, researchers, and professionals from various fields.

• UT may develop metrics to measure and assess the impact of innovation initiatives.

Incubation and Mentorship Support

Introduction

Incubation support is provided in the form of financial and infrastructural support to startups and State-supported incubators. The UT 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 utilization of the incubation capacity of the State-supported incubators. The support provided by the UT to the incubators through programs and incentives will in turn help startups scale up and thereby, contribute to the growth of the UT startup ecosystem.

UT Performance

The Dadra & Nagar Haveli and Daman & Diu Government aspire to boost industrial growth and employment within the Union Territory. The Startup and Innovation policy is designed to set up incubators in the UT, with the objective of offering support to startups.

Recommendations

• UT may tailor mentorship programs to address the unique challenges and opportunities in each industry.

• UT may provide startups with access to resources such as legal advice, accounting services, and market research.

• UT may invite industry experts and successful entrepreneurs to share their experiences and insights.

• UT may implement virtual incubation programs to reach startups in remote areas or those unable to access physical incubation centers.

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Funding Support

Introduction

All startups require timely availability of funding for their growth. This Reform Area encourages various UT Governments to establish either Seed or Venture funds or Fund of Funds for startups. It also focuses on the access to these funds established by the UT Government.

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.

UT Performance

One of the main challenges encountered by startups in India is gaining access to finance. In response, the UT Administration of Dadra & Nagar Haveli and Daman & Diu is set to introduce several funding schemes to bolster support for startups in the Union Territory.

Recommendations

• UT may create a dedicated startup fund that provides financial support to early-stage and growth-stage startups.

• UT may introduce government grants and subsidies to incentivize innovation and entrepreneurship.

• UT may offer targeted funding programs for startups operating in key sectors relevant to the region's economic development.

• UT may facilitate the formation of angel investor networks that connect local investors with promising startups.

• UT may collaborate with existing venture capital funds to create specific funds or investment tranches for startups in the region.

• UT may provide guidance to startups on effective crowdfunding campaigns and best practices.

• UT may organize innovation challenges with prize money for startups that demonstrate groundbreaking solutions to specific problems.

• UT may explore public-private partnerships that involve joint funding initiatives between government bodies and private investors.

• UT may develop technology parks and innovation zones that attract investors and provide a conducive environment for startups.

Capacity Building of Enablers

Introduction

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 facilitators to enable startups with the opportunity to contribute to Government initiatives. This Reform Area assesses sensitization 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.

UT Performance

Capacity building and training of Government officials, incubators, and potential investors are essential to keep up with the changing needs of startups. Continuous training programs ensure that the key players in the startup ecosystem are up to date with the needs of startups and hence provide services accordingly.

Recommendations

• UT may develop and implement comprehensive training programs covering essential entrepreneurial skills such as business planning, marketing, financial management, and leadership.

• UT may offer structured curriculum, workshops, and mentorship to address specific challenges faced by startups.

• UT may prepare startups for international expansion by offering training on global market dynamics, cross-cultural communication, and export procedures.

• UT may implement a robust monitoring and evaluation system to assess the effectiveness of capacity building programs.

• UT may collect feedback from startups to continuously improve and tailor training initiatives to their evolving needs.

Roadmap to Sustainable Startups

Introduction

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/ UTs' Performance

The Startup India initiative highlights the importance of encouraging startups to follow sustainable practices. By encouraging the development of sustainable technologies, such as clean energy, waste management, and water conservation, the Startup India Scheme fosters the growth of startups that tackle pressing environmental challenges.

Recommendations

• UT may create innovation hubs and accelerators focusing on AgriTech and rural innovations.

• UT may develop training programs that are accessible to entrepreneurs in rural areas.

• UT may conduct workshops and skill development programs in local languages, addressing the specific needs of rural startups.

• UT may promote community-based enterprises that involve local communities in the decision-making and operation of startups.

• UT may encourage startups working on renewable energy solutions suitable for rural areas.

• UT may provide support for the development and implementation of solar power, bioenergy, and other sustainable energy initiatives.

• UT may implement skill development programs targeting rural youth to enhance their employability or enable them to start their own enterprises.

• UT may establish mechanisms for monitoring and assessing the impact of rural impact-supported startup initiatives.

• UT may collect feedback from rural communities to ensure that the programs align with their needs and contribute to sustainable development.

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