



सत्यमेव जयते

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

#startupindia

❖ STATES' STARTUP RANKING 2022 ❖
EMERGING ECOSYSTEMS

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PUDUCHERRY



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UT Startup Ecosystem

The Union Territory (UT) of Puducherry is having a total population of 12+ lakh as per the 2011 census. The literacy rate of Puducherry is 86%. The Educational and Healthcare facilities available at Puducherry is at par with any major developed city of India.

Agriculture and tourism sectors are major contributors to the economy of Puducherry and about 45% of the UT's population depends on agriculture and allied activities.

Puducherry has an emerging startup ecosystem presenting enormous scope in terms of innovation and technological intervention. The Puducherry Innovation and Startup Policy 2019 aims at driving sustainable economic growth and generating large-scale employment opportunities. The policy aims to empower startups to grow through innovation and design with respect to the digital and technology sector.

UT Startup Policies and Incentives

Startup Policy is a flagship initiative of the Government, intending to build a strong ecosystem for nurturing innovation and Startups that will drive sustainable economic growth and generate large scale employment opportunities.

To create a world-class startup supporting ecosystem in this Union Territory through proactive services, strategic investment, effective administration and policy interventions to ease the ambience for startups, to provide good quality of life for people of Puducherry.

Highlights of UT Startup Ecosystem

Puducherry is making huge strides in leading the growth of Startup ecosystem and culture. Following are key ecosystem figures claimed by UT as per submission

30+

Startups Recognised

20+

Programs undertaken in
HEIs and Schools

~5

Programs undertaken to provide market access opportunities

5+

startups provided funding support worth INR 15+Lakh

~10

Startups received Incubation Support

~10

Startups connected with Investors or Funds

Key Initiatives Driving Growth

The Puducherry UT Government has implemented a range of key policies measures to nurture its startup ecosystem, transforming it into a thriving hub for emerging businesses.

Key focus areas to develop startup ecosystem¹ in Puducherry are:

- 1 Information and Communication Technology (ICT).
- 2 Biotechnology, Bioinformatics and Healthcare.
- 3 Cyber Security and Protection.
- 4 Internet of Things (IoT) Solutions.
- 5 Software Products and Mobile Technology, Big Data, Electronics System Design and Hardware Sector
- 6 Medium Enterprises services.
- 7 Clean Tech and Renewable Energy
- 8 Bio Pharma and Medical devices.
- 9 Agriculture and allied fields.
- 10 Automotive (Electric Vehicle, Autonomous Cars and Connected Vehicles).
- 11 Rural Infrastructure and Services.
- 12 Educational Gadgets and Aid.
- 13 Nanotechnology and Composites.

¹UT Startup Policy

Institutional Support

Introduction

Institutional Support focuses on the facilitation and execution of the State/UT's startup policy through a comprehensive user-friendly portal and specific incentives provided by various Government stakeholders. This Reform Area focuses on paving way for easy access of information to startups and ecosystem stakeholders.

It analyses whether a particular State/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 having quick 30 days of query resolution. The Reform Area also emphasises institutionalised support provided to the startups from various State/UT Government departments including that of government policies that are currently active for support to startups.

Way Forward

- *1. The UT may develop a dedicated Startup Portal comprising of the features highlighted in the States' Startup Ranking Framework to support and handholding of the startups and entrepreneurs.
2. UT may have an active tracking mechanism for query resolution. The query or grievance resolution must have a set timeframe in days.
3. UT Government departments apart from Nodal Department may provide institutional support to startups. The institutional support could be in the form of hackathons, grand challenges, incubation support, funding support, open data APIs, public procurement support and other sustainable programs.
4. Apart from UT Startup Policy, the UT may make Regulations considering long-term impact of the technology or business model. Under UT sectoral policies or Schemes, Startup ecosystem stakeholders support may be included.



Fostering Innovation & Entrepreneurship

Introduction

Fostering Innovation and Entrepreneurship, as the name of reform area suggests, seeks to encourage the spirit of innovation among aspiring entrepreneurs with a focus on student entrepreneurs, entrepreneurs from Higher Educational Institutes (HEIs) and women entrepreneurs. It focuses not only on the assessment of the total number of registered startups in each State/UT, which is a direct result of the State/UT support but also on the regulatory reforms undertaken to support startups in diverse sectors.

This Reform Area assesses the extent to which HEIs have been engaged in providing support to student entrepreneurs. It also highlights the value of innovation and entrepreneurship be it students or women. Furthermore, special focus has been drawn towards women-led startups with specially tailored incentives and schemes to ensure equitable implementation

UT Performance

| 30+

Startups Recognised

| 20+

events held at HEIs and Schools to support student entrepreneurs

The UT organised more than 20 events at schools and HEIs to support student entrepreneurs. These events were attended by 2000+ students. One such event conducted was:

UT Performance

The AIC-PECF partnered with IITM Bio-incubator, as an associate partner (for BIRAC's BIG) in collaboration with IKP (BIG partner) organized a webinar on "Opportunities for Biotech Graduates - BIG Grant & Beyond" that will primarily focus on BIRAC's Biotechnology Ignition Grant Scheme, popularly known as BIG.

The purpose of this program is to:

- 1 Foster generation of ideas with commercialisation potential
- 2 Upscale and validate of proof of concept
- 3 Encourage researchers to take technology closer to market through a start up
- 4 Stimulate enterprise formation



Figure A: Poster of the webinar

Way Forward

1. The UT may focus on designing knowledge support and outreach programs to disseminate the benefits of registering startups, thereby encouraging entrepreneurs to do the same.
2. The UT may provide specific incentives to women-led startups, which could be included in the startup policy of the UT. The incentives could include a monthly sustenance allowance for women-led startups.
3. The UT may further reserve a specific quota for women-led Startups in terms of funding grants and incubation support
4. The UT may organise interaction events for students with successful entrepreneurs and industry experts. Students will get a chance to understand the real-world challenges and opportunities that exist in the Startup Ecosystem through these events.

Access to Market

Introduction

This Reform Area seeks to encourage the State/UT Government to increase participation in the public procurement process for startups and become an enabler in providing the opportunities to startups in the domestic and international market. The States/UT are evaluated based on their support to startups through the organisation of showcase opportunities such as Demo-Day, Buyer-Seller Meet, National and International Events, and relaxation in criteria 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 sectors.

UT Performance

~5

Programs undertaken to provide market access opportunities

The UT has undertaken ~5 Programs which provided the opportunity to participate in market access activities to 10+ Startups. One such program conducted is briefed below:

Startup Demo Day "PropelX"

"Atal Incubation Centre –PEC Foundation, with the support of Atal Innovation Mission, NITI Aayog, Government of India organised maiden edition of Startup Demo Day "PropelX".

The objective of the program was to create a unique platform for Startups where they can showcase their ventures, meet investors, engage with government organisations, Industry Leaders, network with business experts, explore partnership opportunities, find potential customers and interact with key stakeholders that can help them scale new heights.



Figure B: Event picture from Startup Demo Day "PropelX"

Way Forward

1. The UT may explore the possibility of introducing relaxations in its procurement proposals to encourage startups to participate in public procurement.
2. The UT may assign a certain percentage of the total procurement by the administration's Departments / UT Public Sector Undertakings (PSUs) to be acquired from startups.
3. The UT 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

4. The UT administration 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.

Roadmap to Sustainable Future

Introduction

Incubation and Mentorship support is provided to States/UTs in the form of financial and infrastructural support to startups and State-supported incubators. The State/UT Governments are initiating setting up of new incubators or in upgrading existing incubator facilities through various fiscal and non-fiscal incentives including conduction of acceleration programs across State/UTs. This Reform Area also aims at ensuring proportionate utilisation of the incubation capacity of the State-supported incubators.

The support provided by the State/UT to the incubators through programs and incentives will in turn help startups in scaling up and thereby, contribute to the growth of the State/UT startup ecosystem. The Reform Area measures efforts by the State/UT Government in facilitating mentorship to startups. This has been assessed by the number of startups benefitting from the State's/UT's network of mentors.

UT Performance

10+

Startups receiving Incubation Support

Atal Incubation Centre - Pondicherry Engineering College Foundation (AIC-PECF) is fully supported and funded by Atal Innovation Mission (AIM), Niti Aayog, Government of India. AIC-PECF was initiated to provide a platform to assist and enable young entrepreneurs to initiate startups for the commercial exploitation of technologies developed by them.

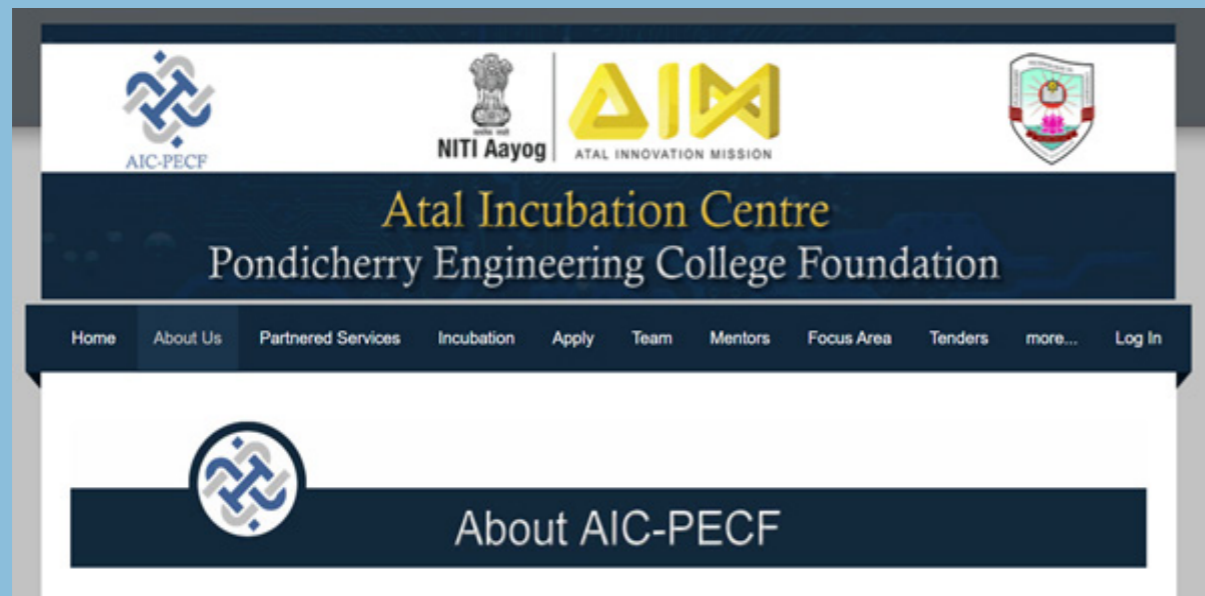


Figure C: Atal Incubation Centre Webpage

AIC-PECF also enables the budding entrepreneurs to showcase and test their abilities to run a start up business in the areas of Electronics design and Manufacturing (EDM), Internet of Things(IoT) and Unmanned Aerial Vehicle (UAV).

The incubation centre provides a wide range of resources that enables it to:

- 1 Empower innovators to pursue their entrepreneurial goals that improve people's lives, generate employment and drive the economy
- 2 Connect start-ups with mentor community for guidance and support
- 3 Provide technology support and fab lab facilities for innovators to pursue their own ideas and converting it into a successful venture
- 4 Support, simplify and clarify intellectual property transfer processes for innovators and the broader community
- 5 Develop and maintain a standard pre-incubation process so that start-ups can leverage upon the entrepreneurial process.

Way Forward

1. The UT may set up incubators to guide young entrepreneurs. The UT may explore the possibility of virtual incubation as well. Support to new incubators can be provided in the form of (a) one-time capital assistance (b) 100% reimbursement of stamp duty and registration fee paid (c) power tariff subsidy (d) 100 % reimbursement for electricity duty paid.
2. The UT may organise the acceleration programs and leverage the virtual format for holding seminars and discussions. In this way, the UT could take advantage of this opportunity to connect with stakeholders outside the UT as well as outside the country.

3. The UT may look to engage and connect with mentors outside the UT, at the national level. The option for virtual mentorship through video calls should be explored to learn from other national and international experiences.

Funding Support

Introduction

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

A special emphasis has been given to state-supported initiatives and programs to mobilise the private investments into startup ecosystem by connecting startups with investors such as workshops, networking events and pitching sessions.

UT Performance

5+

startups given seed funding support of INR 15+ Lakh

~5

Private Investors connected with ~10 Startups

The UT through the Proplex - Investor Pitch Fest September connected ~5 Private Investors to ~10 Startups.

Way Forward

1. The UT may ensure that it offers funding assistance to more startups based on the incentives such as lease rental assistance, utilities tariff assistance, subsidised incubation and patent reimbursement highlighted in its Startup Funding and Incentives package.
2. The UT may organise events, conferences dedicated to outreach related to funding with discussions on funding opportunities and processes and to connect startups with funds as well as investors.

Funding Support

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 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.

Way Forward

1. The UT may conduct monthly programs to sensitise potential investors on investment in Startups.
2. The UT Government may hold quarterly sensitisation workshops for various Government departments and officials to encourage them to interact with Startups to understand their concerns.
3. The UT may train state-supported incubators through capacity development workshops by collaborating with incubators from other States/UTs to explore mutual learning opportunities.

Roadmap to a Sustainable Future

Introduction

Roadmap to a Sustainable Future sought to encourage the spirit of innovation in rural startups, and at the same time focus on sectors like renewable energy, sustainability, and climate change with an emphasis given to startups working on Circular Economy.

The aim is to steadily increase the number of startups working in the space of renewable energy and sustainability and follow India's direction of attaining a more inclusive and greener world.

Way Forward

1. The UT may develop a clear definition of startups which qualify as working in the field of rural impact, sustainability, renewable energy, climate change and circular economy may be established as an amendment to the Startup Policy.
2. The UT may develop specific incentives for the Startups working in the field of rural impact, sustainability, renewable energy, climate change and circular economy and consider amending any existing policy or incentive for Startups in the UT to support these Startups.
3. The UT may undertake sensitisation workshops with Startups, Incubators and other stakeholders in the field of sustainability, renewable energy, climate change and circular economy.

Annexure

List of Figures

Figure A: Poster of the webinar

Figure B: Event picture from Startup Demo Day "PropelX"

Figure C: Atal Incubation Centre Webpage

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