



सत्यमेव जयते

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

#startupindia

❖ STATES' STARTUP RANKING 2022 ❖
LEADER



UTTAR PRADESH

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States' Startup Ranking Results 2022

Uttar Pradesh participated in 25 Action Points of the Ranking Framework 2022. Uttar Pradesh's performance in each of the Reform Areas 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 Uttar Pradesh 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.

Uttar Pradesh 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

Uttar Pradesh (UP) is the fourth largest state of India, with a population over 19 crore (census 2011). During the FY 2022-2023, Uttar Pradesh contributed to over 8% of India's Gross Domestic Product (GDP).

Uttar Pradesh Electronics Corporation (UPLC) is the nodal agency under the Department of IT & Electronics which has been nominated to ensure the effective implementation of the Startup Policy 2020.

UP Startups aim to provide solution for solving the rural problems while promoting rural economy by empowering rural communities. They aim to ease living in rural areas of the state. State Startups are working on fulfilling the needs of current generation without compromising the needs of future generations, while striking a balance between economic growth, environmental sustainability, and social well-being.

State Startup Policies and Incentives

The State Government offers comprehensive assistance to Startups throughout various stages of their life cycle. All-encompassing initiatives like the Student Startup and Innovation Policy cater to Startups during the proof of concept or minimum viable product phase, while the Scheme for Assistance for Startups/Innovation extends support during seed funding and expansion phases.

The State has identified the importance of promoting a culture of innovation at the grassroots level that will lead to employment generation and the introduction of emerging technologies in niche sectors, thereby contributing to the empowerment of youth in the State.

The Startup Policy of UP has been made comprehensive with complete details of the focus areas and sub-focus areas, which are essential to creating and strengthening the State Startup ecosystem.

The goals defined in UP's Startup Policy 2020 were to:

- Establish 100 incubators, a minimum of one in each district of the State
- Develop a minimum of one million square feet of incubation and acceleration space for startups
- Create the ecosystem for at least 10,000 Startups in the State
- Establish three State-of-the-art Centres of Excellence (CoEs)

Highlights of State Startup Ecosystem

The Startup ecosystem in Nagaland is in its preliminary stages of development, but it is growing gradually and the State efforts are recognisable . The following is a glimpse of the statistics claimed by the State in the State Ranking Framework 2022 period

3500+

Startups Registered

~150

Startups provided with market access opportunities through ~5 programs

~50

Startups focused on renewable energy, sustainability, and climate change

~100

Women-led Startups received special incentives

INR 3CR+

Worth of allocation to UP Startup Fund

~50

Programs to encourage 3000+ Students in Schools and HEIs

~INR

1000CR

Worth of allocation to UP Startup Fund

40+

Incubators trained

~20

Rural impact focused Startups

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.

State Performance

3500+

Startups were provided institutional support by 60+ departments

10+

Active policies supporting the Startups

Out of 12-point evaluation on State Startup Portal, all 12 points have been complied with the State. State has also provided the screenshot of the portal and the URL for the grievance redressal portal and it has the functionality to submit grievances related to incubation, funding, and procurement support. State has also provided the number of queries received having the resolution timeframe below 30 days.

Startup UP¹ serves as the authorised Startup Portal of the Uttar Pradesh Government. It offers extensive details about various Startup policies, Government orders, manual for Startup, and incubation registration and is available in English and Hindi.

The Startup Policy 2020, available in two languages on the portal as well, aims to build a holistic Startup and entrepreneurial ecosystem in the State by developing a robust infrastructure and providing a conducive policy environment. It lays out all Government requirements and incentives.

Startup UP provides easy access to information such as:

1. Details of State level approvals and clearances for Startup registration
2. Details of State nodal officer, nodal department, and dedicated team for Startups
3. Details of dedicated helpline or call centre numbers
4. List of incubators and accelerators with contact details
5. List of mentors
6. Details of public procurement relaxations for Startup
7. Details of availing funding support
8. Details of departments providing institutional support to Startups
9. Details of marketing, outreach, events, and webinars
10. Virtual tour/demo of portal
11. Accessibility for persons with disabilities

The portal also has an easy-to-use grievance redressal mechanism, which can also be used for grievances related to incubation and funding support. To maintain accountability, the website states the average query resolution time to be 15 days.

In addition to this, there are 10+ policies by different Government departments providing support to Startups, which include the Department of Tourism, Department of IT & Electronics, Department of Infrastructure and Industrial Development, and Department of MSME & Export Promotion.

(<https://startinup.up.gov.in/>)

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 education institutions (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 Higher Educational Institutes (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.

State Performance

3500+

Registered Startups

20+

Events undertaken to support student entrepreneurs in schools

20+

Programs undertaken in HEIs to support student entrepreneurs

100+

Women-led Startups received special incentives

The State has 3500+ Startups registered during the period of consideration. 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, and many more. The State has conducted more than 20+ events, as well as 20+ workshops in HEIs to encourage a total of 3000+ student entrepreneurs.

Startup UP, in collaboration with TiE Lucknow, has conducted a sequence of workshops in various schools centred around the theme of 'Entrepreneurship & Innovation'. Every session features a different speaker with an entrepreneurial background, who highlights the advantages of choosing entrepreneurship as a career option.



Figure B: Logo of TiE Lucknow



Figure C: Workshop on Entrepreneurship & Innovation



Figure D: Event poster of "AARAMBH" the Startup Bootcamp

"The 'AARAMBH' program consists of a series of day-long workshops that include a seminar to educate students on the fundamentals of entrepreneurship, business planning, product development, and market research. The sessions are followed by an interactive question and answer segment with distinguished figures within the Startup environment such as entrepreneurs, Startup mentors, Government representatives, civil servants, and investors.



Figure E: Event picture of "AARAMBH" the Startup Bootcamp

The State Startup ecosystem has helped 125+ Startups led by women; these Startups receive due incentives as laid down by the Startup Policy 2020.

Way Forward

1. The State may consider analysis of its database of Startups to evaluate the Startups registered for five years and more.
2. The State may consider diversifying the form of support provided to women-led startups and offer non-fiscal support in the form of capacity building, incubation and mentorship.
3. The State 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.

Incubation and Mentorship Support

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.

State Performance

30+

Existing incubators supported

25+

New incubators established

200+

Startups received incubation support

~50

Startups enrolled in Acceleration Programs

150+

Startups connected with mentors by State-supported incubators



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.

State Performance

100+

Startups received funding support of INR 3 Cr+

~INR 1000CR

Worth of Fund supporting startups established

The State Government has established a Fund of Fund for Startups through the UP-Startup Policy 2020 (First amendment 2022). It has established an INR 1000 cr UP Startup Fund for providing Startups with access to finance through 100+ Startups have received funding till now.

The State Government has also facilitated the setting up of a dedicated-UP Angel Fund Network for the promotion of UP-based Startups.

Furthermore, an MoU has been signed with Small Industries Development Bank of India (SIDBI) for funding support to Startups through Fund of Fund (FFS).

As per the policy, funding will also be provided to the states in the form of:

- Sustenance allowance
- Event participation
- Prototype development
- Patent support
- Marketing assistance

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 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

40+ State-supported incubators trained through capacity development workshops

The State has assisted incubation managers and State Government officials train in important areas like business, finance, monitoring, marketing, and networking.

The State Government has also organised workshops to inform potential investors about the benefits of investing in Startups, with the goal of getting more people to invest in early-stage businesses.

40+ State-supported incubators have been trained through capacity development workshop.

Innovation Hub, AKTU in association with StartinUP under the supervision of Department of Technical Education and Department of IT & Electronics, organised a three-day Certificate Program in "Capacity Building Training Program on Entrepreneurship and Innovation." The three-day, certificate program in incubation management, Startup support, innovation management Startup ecosystem enabling, covered the aspects of incubation, preincubation, and acceleration of Startups, innovations, and funding to the entrepreneurs.



Figure G: Event picture of the Capacity Building Training Program on Entrepreneurship and Innovation



Figure H: Event picture of the Capacity Building Training Program on Entrepreneurship and Innovation

Way Forward

1. The State Government may hold quarterly sensitisation workshops for various Government departments and officials to encourage them to interact with Startups to understand their concerns.
2. The State may train State-supported incubators through capacity development workshops by collaborating with incubators from other states to explore mutual learning opportunities.
3. The State may increase the coverage of the potential investor sensitisation program across all the districts of the state.

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.

State Performance

~20

Startups with rural impact supported

The State has an active policy supporting Startups working on Circular Economy

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.

The State has backed ~20 Startups with rural impact and ~50 Startups dedicated to sustainable goals. These initiatives focus on meeting present needs without jeopardising the future, while maintaining a balance between economic growth, environmental stewardship, and social well-being.

~50

Startups working on sectors focused on renewable energy, sustainability and climate change

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