



सत्यमेव जयते

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

STATES' STARTUP RANKING 2019

HIMACHAL PRADESH

EMERGING STARTUP ECOSYSTEM





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01

OVERVIEW OF STATE STARTUP ECOSYSTEM

The Government of Himachal Pradesh has constantly encouraged entrepreneurship and built capacities to upgrade the skills of entrepreneurs with necessary support and professional guidance to promote innovation.

As part of the initiative and to promote entrepreneurship, in 2016, the state Government of Himachal Pradesh (GoHP) launched a 'Chief Minister's Startup/ Innovation Projects/ New Industries scheme' with the objective to turn the educated youth in the state from job seekers to job creators. The scheme/ policy aims to create employment, provide support to startups under professional guidance and holistically provide handholding support to encourage growth of startups.

KEY OBJECTIVES OF THE SCHEME/ POLICY:



Promote new ideas/ products and processes suitable for commercialisation through startups



Promote industrial development resulting in promotion of human capital in the state



Create self-employment and employment opportunities in the state



Help entrepreneurs gain knowledge, expertise and avail assistance as provided under various schemes/ policies being implemented by state/ central government and other institutions

KEY FEATURES OF THE STATE STARTUP ECOSYSTEM ARE:



Human capital development

In order to promote innovation in colleges and universities, the mandatory requirement for internship would be waived off for students who apply for their startups to incubate.

Under the initiative of the state government in providing incubation support to startups, the students who would apply to become incubatees would be given 5% grace marks and 20% attendance every semester subject to acceptance by educational institutions.



Incubation support

The state provides financial support for setting up incubators through private institutions, public institutions and through Public Private Partnerships (PPP).

- Incubation fund with initial corpus of INR 5 crore to support incubators has been proposed by the state.
- The state encourages establishment of incubators in existing institutions/ technical universities to promote startups and new industries in the state.
- The Incubators, Innovation Centers, Research Parks and Biotechnology Centers set up by the Government of India under the Startup India Programme also roped in by the state government



Focus areas

The state has identified the following sectors where additional incubation support would be given by the state government.

- Technology driven Innovation in any sector
- Rural Infrastructure and facilities, crafts, arts, water and sanitation, renewable energy, healthcare, etc.
- Clean technology
- Agriculture, Horticulture and related areas
- Food Processing
- Retail
- Tourism and Hospitality
- Mobile, IT and ITes including hardware
- Biotechnology



Monetary incentives for new industries/ startup

- The state provides up to INR 1 lakh for preparation of the feasibility report
- The state would provide land at a concessional rate of 50% of the fixed rates set by the Department of Industries
- The state of HP would charge a stamp duty at 3% only on the conveyance deed and lease deed



Infrastructure development

The state government plans to facilitate creation of support infrastructure for development of startup ecosystem to attract new technology entrepreneurs. This would include:

- Common testing labs
- Design studios
- Technology centers
- Other amenities required for development of startups

02

SNAPSHOT OF STATE PERFORMANCE

The following representation details the status of Himachal Pradesh's implementation on each of the 7 pillars of assessment. Data presented below is the percentile score.



Himachal Pradesh has been evaluated on 7 distinct pillars which largely contribute to the growth of the startup ecosystem in Himachal Pradesh. The representation as expressed above depicts the relative performance of Himachal Pradesh in each of the seven pillars in comparison to the performance of the best state in that pillar.

As shown above, Himachal Pradesh has shown progress in 'Institutional Support' and 'Awareness and Outreach.' Although significant efforts have been made to enhance the startup ecosystem, the initiatives undertaken towards 'Venture Funding Support', 'Incubation Support', 'Seed Funding Support' and 'Simplifying Regulations' require improvement since results have been negligible in these pillars.

Detailed analyses of this snapshot can be viewed in the subsequent section, with extensive insight into the initiatives taken Himachal Pradesh to uplift its startup ecosystem.



1. INSTITUTIONAL SUPPORT

Institutional support envisages provisions and execution of the state's startup policy including information on the nodal team within the state, online implementation system, registration of mentors and their listing on the state startup portal. The states are evaluated based on the laid provisions along with parameters of availing benefits through state intellectual property rights portal, establishing partnerships with institutions, providing special incentives for women led startups and entrepreneurship.



KEY FACTS

- The state has developed a well-planned startup scheme/ policy with an aim to provide desired skills to both the investors and entrepreneurs for developing an entrepreneurial ecosystem.
- The scheme/policy defines a 'startup' as: any entity, proprietor, limited company, registered partnership firm under Indian Partnership Act 1932, or Limited Liability Partnership Act, 2008 proposing to set up an enterprise in micro or small scale category in services and manufacturing sector relating to focus areas as defined in the scheme/policy.
- The scheme policy is sector agnostic. It has also developed an integrated online implementation system to support the startups and unify all stakeholders through a single platform. The startup scheme/policy is made available online and provides various monetary incentives such as marketing allowance, patent filing allowance along with sustenance allowance for innovative products.
- The startups are encouraged to work towards creation of innovative products which is followed by Startup Himachal Pradesh Yatra where the department defines a problem statement to which solutions are sought from the contestants. Entrepreneurs with the best solutions are awarded.
- The state has also assigned a dedicated team to guide startups wherein the Department of Industries has been appointed as the nodal department/ agency and Principal Secretary (Department of Industries) as the nodal officer. Additionally, the state has also appointed a dedicated team of five members along with their details posted on the startup portal.



KEY STRENGTHS

DETAILED AND ROBUST STARTUP SCHEME/ POLICY

- The scheme/policy clearly states the definition of a startup, innovation project, incubator, venture capital fund, angel investments and host institutes.
- The scheme/policy is sector agnostic as the incentives/ benefits offered to startups are not restricted to specific sectors
- The scheme/policy is available in the public domain and clearly encapsulates the process of startup registration under the "Registration Tab" on the state's startup official website (www.startuphimachal.hp.gov.in)
- The state details out the process of availing incentives wherein the procedure has been laid out by the state government on its startup online portal.



KEY STRENGTHS

INTEGRATED ONLINE IMPLEMENTATION SYSTEM

- The state has developed an integrated online implementation system which is embedded with features such as online application for registration, online tracking of applications and online receipt wherein 377 startups are registered with four registered partners and 11 registered incubators.
- It has also set-up a helpline number along with an online query platform for quick resolution to the queries raised by startups.

ESTABLISHED MENTOR NETWORK

- The state's nodal department has established a mentor network and uploaded a list of 25+ mentors along with their contact details and email addresses on the startup website. The startups can utilise these mentors for support.
- A mechanism has been developed by the state to connect startups with state recognised mentors. This mechanism ensures smooth connection between startups and state recognised mentors.

INTELLECTUAL PROPERTY (IP) SUPPORT

- The state has made provisions to provide essential Intellectual Property (IP) support with a provision of INR 25,000 for innovative projects as sustenance allowance which is subject to recommendation by Host Institutions (HIs) and approved by an Empowered Committee (EC) of the state constituted for monitoring and evaluation of state's scheme/ policy.
- Marketing assistance of INR 10 lakh is provided to support the launch of products for startups.
- Additionally, the cost of filing a patent is borne by the government through reimbursement. This is subject to a limit of INR 2 lakh per domestic patent and INR 10 lakh for foreign patents.

ESTABLISHED COHESIVE PARTNERSHIPS

- The state's nodal department has formed partnerships with numerous business enterprises to foster innovation and support startup growth in the region.
- Digital Ocean, Amazon Web Services, Headstart network foundation and Freeflow are some of the partnerships that have been assisting startups in order to enhance the overall startup ecosystem. The details of all partnerships are available on the portal.



KEY STRENGTHS

SPECIAL INCENTIVES TO BOOST WOMEN ENTREPRENEURSHIP

- The state government has offered 'Capital Investment Subsidy' of 30% for women led enterprises under 'Mukhya Mantri Swaylamban Yojana'. A government notification to this effect was released on 23rd February 2019
- Exclusive bootcamps were organised by the state government to spread awareness on entrepreneurship and encourage women led startups.
- Apart from the startup scheme/ policy of the state, additional incentives under the incentive rules, 2004 have also been provided wherein one-third representation from women entrepreneurs are ensured. This provides exposure and additional opportunities to women entrepreneurs.

SUPPORT FROM VARIOUS STATE DEPARTMENTS

- **The Department of Information and Technology** released a notification on 9th March 2018 wherein the department referred to mandatory outsourcing criterion for startup in case of projects falling under Information Technology (IT)/ Information Technology Enabled Services (ITeS) and electronics.
- Mandatory Outsourcing will support the startups as they will be entitled to early business support through the developed mechanism by the state government of Himachal Pradesh.
- **Department of Industries** The nodal agency, the department of industries organised a one-day state level workshop where 20+ start-ups participated and displayed the prototype of their Ideas.
- **HP Center for Entrepreneurship Development (HPCED)** In the state startup policy, HP Center for Entrepreneurship Development (HPCED) conducted an event on 21st May 2019 at Peter Hoff, Shimla where information was disseminated to various departments of the state about the identified key focus areas under the "Chief Minister's Startup/ Innovation Projects/New Industries Scheme", in which government of Himachal Pradesh supports applications received from startups from different sectors.





WAY FORWARD

The state needs to give importance to this pillar in order to further strengthen the startup ecosystem. The state could prioritise actions required in three categories: short, medium and long term. Action required in each of these categories are summarised below: -

MEDIUM TERM ACTIVITIES (4-6 MONTHS)

The activities suggested in this category are important and will take relatively more time for implementation. Through dedicated efforts, results can be achieved within four to six months. Activities suggested under this category are as follows:

Interactive online implementation system

Government of Himachal Pradesh could enhance the online implementation system with a detailed dashboard indicating the current status of startups and incubators. The dashboard could highlight Year-to-Date (YTD) and Month-to-Date (MTD) status of the following:

- Registered startups
- Seed funded startups
- Venture funded startups
- Incubators supported
- Number of incubatees
- Purchase orders awarded

This would enable transparency and highlight the strength in terms of a number of stakeholders supported.

As a way forward, the state could integrate the mechanism of online issuance of registration certification to offer an integrated platform where all compliances and support is available through a single platform.

Establish mentor network

The state could develop a mechanism where mentors could approach the startups, offer them mentorship services and guide them towards a successful pathway. The platform to connect mentors and startups could be enhanced with this mechanism and the hesitant startups may be made confident to reach out to the enlisted mentors to gain sufficient knowledge and support offered by mentors.

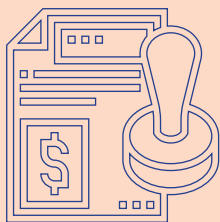
Support from various departments to promote the growth of startups

The state could develop policies along with other interstate departments to promote specific sectors in the startup community. The sector specific incentive approach would not only support the existing startups but also motivate young entrepreneurs to innovate ideas in a particular sector. As a result, this would increase the number of startups in the state

Cohesive partnerships to foster growth of startup ecosystem

The state could diversify a set of partnerships to offer the desired support required by startups. The state could partner with varied expertise in different domains which would prove beneficial for holistic growth of startups in the state. Effectively recruiting, evaluating and partnering with the right business enterprises and institutions would potentially become essential for collaborative growth of state's startups.





2. SIMPLIFYING REGULATIONS

Simplification of regulations considers mandatory requisites for state level approvals and clearances for registering and operating a business or startup online. In order to make compliance for startups friendly and flexible, simplifications are required in the regulatory regime. It encapsulates regulatory issues faced by registered startups which have been identified through an interactive online mechanism subject to approving action by regulatory agencies. The states are evaluated based on the support provided to startups by introducing a list of rules, regulations or Acts in the state, including amendments in the Acts and regulations with requisite details to create a conducive environment for the state's startups.



KEY FACTS

The state government understands that new entrepreneurs often suffer from lack of information and uncertainty regarding the precise regulatory issues. In order to address these issues, the state government has developed an online mechanism to connect with disruptive startups and to understand their regulatory issues. Startups are able to raise their queries through the platform and are addressed by the concerned department in the state.



WAY FORWARD

The state needs to give importance to this pillar in order to further strengthen the startup ecosystem. The state could prioritise actions required in three categories: short, medium and long term. Action required in each of these categories are summarised below: -

SHORT TERM ACTIVITIES (1-3 MONTHS)

The activities suggested in this category are important and will take relatively less time for implementation. Through dedicated efforts, results can be achieved within one to three months. Activities suggested under this category are:

Establish a Business Compliance Information System for startups

The state government could develop a Business Compliance Information System (BCIS) which provides details of all state level approvals and clearances required across different sectors for registering and operating a startup online. This system would prove to be beneficial for startups as they would be able to have access to all the regulatory compliances and approvals that are to be fulfilled while operating a startup. A good compliance information system could proactively address the risks relevant to startups and assist in meeting regulatory requirements. Therefore, it is in the best interest of both the startup and the state government to develop a strong BCIS.

MEDIUM TERM ACTIVITIES (4-6 MONTHS)

The activities suggested in this category are important and will take relatively more time for implementation. Through dedicated efforts, results can be achieved within four to six months. Activities suggested under this category are as follows:

Robust mechanism to deal with regulatory issues

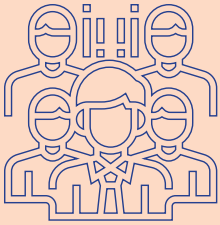
- The state government could lay out a detailed process in its guidelines including the impact on startups and due timelines.
- In order to create a comprehensive scheme/ policy for implementation on startups, the state could consult relevant stakeholders and incorporate feedback while drafting the scheme/ policy.
- The state government could release a notification with regards to the operational guidelines of the online mechanism to understand regulatory issues faced by startups

LONG TERM ACTIVITIES (7- 12 MONTHS)

The activities suggested in this category are important and will take relatively more time for implementation. Through dedicated efforts, results can be achieved within six to twelve months. Activities suggested under this category are as follows:

Invite and identify regulatory issues and amendment in rules and regulations

- The state government could amend regulations in relation to, and, in favour of startups in the state. It is essential for the state government to amend rules, regulations or Acts applicable to build a robust startup ecosystem which would benefit startups and encourage greater participation.
- Moreover, recognising knowledge, skills and risk-taking ability of startups, they could be complemented by the state with favourable modifications in regulations in order to create more opportunities and eliminate the roadblock which might hamper conducive growth of startups.
- The provisions such as self-declarations/ certifications would act as a binding document for compliance with labour laws, environment laws and other mandatory laws for state's startups.



3. EASING PUBLIC PROCUREMENT

Ease in public procurement simplifies criteria to ensure participation of startups in government tenders. The states are evaluated based on the support provided to startups in resolving issues related to state public procurement as norms of Earnest Money Deposit (EMD), prior experience, and prior turnover which prove to be barriers for participating startups. Easing of such norms enable startups and entrepreneurs to avail exemptions and share an equal platform with established organisations.



KEY FACTS

The state government has ensured that the state's startups are given preference in public procurement. Reasonable efforts have been made to encourage participation and support towards startups through award of work orders vide notification dated 9th March, 2018 with regards to preference provided to startups in IT/ ITeS/ Electronics sector.

The state has developed a grievance redressal mechanism in order to address and resolve the queries raised by startups along with a dedicated startup support system with competent staff to resolve queries in a time bound manner.

The state has not made any provisions for relaxation in 'prior experience', 'prior turnover' and 'submission of Earnest Money Deposit (EMD)' for startups.



KEY STRENGTHS

PREFERENCE IN PUBLIC PROCUREMENT

The Government Departments or its Boards, Corporations, other bodies getting funding support from the state would draft tenders/ Request for Proposals (RfPs)/ Request for Quotations (RfQs)/ Expression of Interest (Eoi) in line with preference to public procurement and would incorporate a clause to meet necessary obligations.

WORK ORDERS AWARDED TO STARTUPS

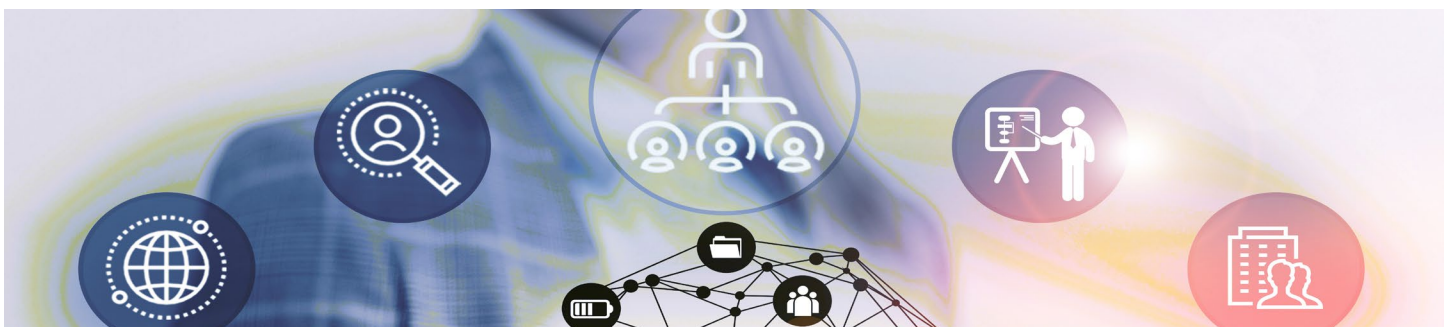
Startups have received two works orders from the state Public Works Department (PWD) with a combined contract value of INR 3,64,200. This displays that the state government is keen to encourage startups by awarding work orders.



KEY STRENGTHS

INTEGRATED ONLINE GRIEVANCE REDRESSAL MECHANISM

Department of Industries, the nodal agency, has developed an integrated 'Online Grievance Redressal Mechanism' which is available on the state's startup portal. Grievances related to public procurement are raised through the portal wherein the resolution for the raised query is communicated, addressed through direct emails, telephonic conversation and through direct contact with the startup cell stationed at the Directorate of Industries, Shimla.





WAY FORWARD

The state needs to give importance to this pillar in order to further strengthen the startup ecosystem. The state could prioritise actions required in three categories: short, medium and long term. Action required in each of these categories are summarised below: -

SHORT TERM ACTIVITIES (1-3 MONTHS)

The activities suggested in this category are important and will take relatively less time for implementation. Through dedicated efforts, results can be achieved within one to three months. Activities suggested under this category are as follows:

Relaxation in 'prior experience', prior turnover' criteria and 'submission of EMD' criteria

The state could offer relaxation for startups under these criteria's as startups in the early stages of their business have limited experience and limited amount of capital. Eliminating this criterion would encourage more startups in the state to take part in public procurement.

Develop an offline grievance redressal mechanism

- The state could develop an offline mechanism to resolve grievances of startups; specifically related to public procurement.
- Establishment of a dedicated offline mechanism would support startups to come up with the issues faced in procurement and necessary resolutions to sustain the startup businesses in the state.

MEDIUM TERM ACTIVITIES (4-6 MONTHS)

The activities suggested in this category are important and will take relatively more time for implementation. Through dedicated efforts, results can be achieved within four to six months. Activities suggested under this category are as follows:

Award work orders to startups

The state could focus on awarding more work orders to startups as this would provide them an opportunity to grow and further boost their confidence to survive market competition. Moreover, awarding work orders shall add to the revenue which will play a critical role in determining the success of startups.





4. INCUBATION SUPPORT

Incubation support is an integral element of the startup ecosystem that supports entrepreneurs to grow their businesses and assists new startups to succeed. In order to promote startups, the state governments collaborate with organisations, corporates or industry associates to establish incubators, to support startups in the form of capital expenditure or operational expenditure. The evaluation is based on setting up of incubators supported by the state governments to release funds to the startups, thereby creating a unique mechanism to provide subsidised incubation and operate acceleration programmes in partnership with the industry.



KEY FACTS

Government of Himachal Pradesh has taken sufficient steps in order to support incubators and to provide incubation support to startups. The support offered by the state is in the form of financial grant that can be leveraged by the incubators on behalf of the state.

The state government has encouraged reputed universities/institutes such as the Indian Institute of Technology (IIT) and the Indian Institute of Management (IIM) to establish incubators in the state. State government is also keen on setting up incubators in existing institutes such as Himachal Pradesh University, (HPU) Shimla, Chaudhary Sarwan Kumar (CSK) Himachal Pradesh Agricultural University Palampur, Dr. YS Parmar University of Forestry and Horticulture Nauni and Institute of Himalayan Bioresource Technology (IHBT) Palampur.

The state has provided a list of 100 seats allocated under several incubators.



KEY STRENGTHS

ROBUST INCUBATION SUPPORT

An incubation fund has been set up in the state with an initial corpus of INR 5 crore.

Under the startup scheme/ policy, the state provides following subsidies to incubators:

- A grant of INR 30 lakh per year for three years will be given to selective institutions for setting up incubators and other activities.
- Additionally, a grant of up to INR 10 lakh will be given for meeting recurring expenditure.

The following institutions have availed grant from the government under the scheme/ policy:

Name of Institution	Subsidy amount availed (INR)
CSK Himachal Pradesh Krishi Vishvavidyalaya	39,73,742
Dr. YS Parmar University of horticulture & Forestry, Nauni	31,06,149
CSIR Institute of Himalayan Bioresource Technology	39,67,611
Indian Institute of Technology	36,02,300
Jaypee University of Information and Technology	37,53,136
Himachal Pradesh University	37,72,797



WAY FORWARD

The state needs to give importance to this pillar in order to further strengthen the startup ecosystem. The state could prioritise actions required in three categories: short, medium and long term. Action required in each of these categories are summarised below:

MEDIUM TERM ACTIVITIES (4-6 MONTHS)

The activities suggested in this category are important and will take relatively more time for implementation. Through dedicated efforts, results can be achieved within four to six months. Activities suggested under this category are as follows:

Subsidised incubation to support startups

The state provides subsidised incubation support to help startups leverage incubation support. It can be provided in the form of rental subsidy to startups who are setting up their practice in state recognised incubation centers.

Private incubators could also approach to support by reimbursing cost of incubation.

Acceleration programmes

- The state could develop and conduct special programmes to promote innovation in consultation with industry experts. Most importantly, the state could formulate measures to seek support of other departments to encourage industry participation.
- In addition, the state could allow enrollment of startups in acceleration programmes to provide them with the opportunity to connect with investors, leverage years of cumulated experience and knowledge support. The startups would be able to connect with the investors and leverage opportunities to seek funding support for establishment and acceleration of state's startups.

Seat allocation across operational incubators

The state could take an initiative to allocate seats to startups across operational incubators. It could explore opportunities and back it up by an acknowledgement letter or certificate from incubators specifying the number of seats allocated to such startups.





5. SEED FUNDING SUPPORT

Seed funding can be in the form of a direct grant, subsidised loan, product development and marketing financial assistance, monthly sustenance allowance or even equity seed funding. With seed funding, the evaluation is based on the states' endeavour to help a business grow and generate its own capital by establishing a guiding document. The states need to ensure that startups scale with the right velocity in order to achieve leading positions, through state investment and startup's entrepreneurial knowledge.



KEY FACTS

The state has allotted a sustenance allowance of INR 25,000 per month for one year for all startups and a subsidy cover of up to 75% capped to INR 1 lakh for preparation of feasibility reports.



KEY STRENGTHS

PROVISION OF SEED FUNDING GUIDELINES

The state government has clearly mentioned the monetary support along with application procedure and eligibility criteria for startups in the scheme/ policy. The department of industries/sectors will provide land to startups at a concessional rate of 50% of the rates fixed by the department from time to time. Additional incentives are being offered through a concession on stamp duty at the rate of 3% only on conveyance deed and lease deed from the date of notification by revenue department. Support to innovation projects through marketing and commercialisation assistance of maximum of INR 10 Lakh to launch its products and services in the market.

ONLINE SYSTEM FOR SEED FUNDING

The state has a provision for online facility to avail seed funding. There is an online application system for startups to avail seed funding, a mechanism for online tracking of application status and approvals to startups would be communicated online, which would aim to simplify the seed funding disbursement process.



SEED FUNDING BENEFICIARIES

The state has provided a list of 25+ beneficiaries who have already received monetary support through seed funding. The state is providing seed funding support which will boost the ecosystem of startups and help them establish businesses.

KEY STRENGTHS





WAY FORWARD

The state needs to give importance to this pillar in order to further strengthen the startup ecosystem. The state could prioritise actions required in three categories: short, medium and long term. Action required in each of these categories are summarised below: -

SHORT TERM ACTIVITIES (1-3 MONTHS)

The activities suggested in this category are important and will take relatively less time for implementation. Through dedicated efforts, results can be achieved within one to three months. Activities suggested under this category are as follows:

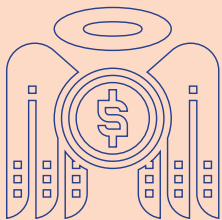
Awareness about provision of seed funding

The state could spread awareness about provision of seed funding to attract more startups to avail financial support given by the state. It could conduct dedicated annual events or use social media as a platform to reach out to potential startups.

Development of an online system for seed funding

The state could introduce live chat support through a dedicated chat window on the online portal. This would enable startups to get real time support regarding their queries. As a way forward, this would reduce the response time and ensure ease of process for application of seed funding.





6. VENTURE FUNDING SUPPORT

Venture capital funding support is provided to the startups from state supported funds. The states are evaluated based on the establishment of the Fund of Funds (FoF) with approved operating guidelines and signing a memorandum of understanding (MoU) with the fund manager along with a concrete budget allocation. Venture funding provides strong growth potential to startups wherein the fund is used for the all-round development of startups and to levitate the startup ecosystem of the states.



KEY FACTS

Government of Himachal Pradesh is keen to facilitate venture capital funding as it is one of their primary objectives under the startup scheme/ policy. The state plans to create venture funds to support startups/ innovative projects as mentioned in their startup scheme/ policy.

Though, the state encourages to liaison with angel and venture capital investors for provision of funding assistance to startups, they have not provided a list of startups funded through venture funds.



WAY FORWARD

The state needs to give importance to this pillar in order to further strengthen the startup ecosystem. The state could prioritise actions required in three categories: short, medium and long term. Action required in each of these categories are summarised below: -

SHORT TERM ACTIVITIES (1-3 MONTHS)

The activities suggested in this category are important and will take relatively less time for implementation. Through dedicated efforts, results can be achieved within one to three months. Activities suggested under this category are as follows:

Supporting venture funds

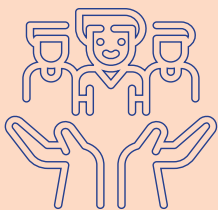
The state could make additional efforts to support the startups through venture funding. The following measures can be adopted to support startups:

- The state could allocate a budget to provide venture fund support to startups
- It could develop operating guidelines for venture fund design and approval
- It could approach High Net worth Individuals (HNIs) such as angel investors and relevant stakeholders to create a venture fund. The stakeholders can be approached through startup events, roadshows and other networking events
- It could also create sector specific venture funds to boost a sector
- As a best practice, online dashboard showcasing details of venture funds sponsored or supported could be maintained by the state government

Startups funded from venture funds

The state could consider venture funding as a key support for financial growth of startups and ensure formation of increased venture funds in the state. In order to encourage startups to avail benefits from state supported venture funds, the state could consider deploying certain measures, such as, offering a success fee at a fixed rate to startups for availing investments through state supported seed funds





7. AWARENESS AND OUTREACH

It is the endeavor of state governments to raise awareness about the Indian startup ecosystem and increase its outreach throughout the state. The states are evaluated based on awareness of startups created through workshops, national and international events including bootcamps and hackathons/ grand challenges. In order to promote startups, the state encourages participatory and inclusive processes for linking startups with angel investors and high net worth individuals. Maximum participation is encouraged for exchange of valuable knowledge amongst startups, and pitching sessions for angel investments with widespread propagation.



KEY FACTS

The state government has led various initiatives in order to scout for hidden entrepreneurial talent and support startups by creating awareness about incentives and policies offered by the state. Brief introduction of few of these initiatives are as follows:

- The state government hosted an angel investment workshop called 'Entrepreneurship Conclave' with a list of participants and an agenda posted online. The state has also supported startups for participation in the "TiE Startup Expo 2018. A total of 10 startups participated in the event.
- The event Startup Expo 2018, held on 6th October 2018 gave startups in the state a platform to showcase their offerings to a PAN India audience with an opportunity to meet investors, find potential customers in order to scale up their startups. About 20,000+ participants from 173 cities attended the event along with 500 start-up exhibitors, 200 mentors & experts, 100 partners and 75 investors.
- At the Startup Expo, the state's startups were provided with the following support:
 - Exhibition Space
 - Opportunity for a one-on-one Mentoring & Investor Meetup
 - Scope of meeting with Startup India & Small Industries Development Bank of India (SIDBI) teams



KEY STRENGTHS

PROMOTING GROWTH OF STARTUP ECOSYSTEM BY CONDUCTING BOOTCAMPS

- The Government of India has conducted eight bootcamps in association with the state government under Startup India Himachal Pradesh Yatra.
- Startup India Himachal Pradesh Yatra was organised by Government of India in association with Government of Himachal Pradesh on 15th November 2018. The aim of the 'Startup India Himachal Pradesh Yatra' was to scout grassroot level entrepreneurs in Tier II/III cities of the state.
- The Yatra provided a platform for budding entrepreneurs to realise their startup dream by being incubated at excellent facilities and take their ideas to the next level. It also aimed at sensitising the people of Himachal Pradesh about the State and Central Government Startup Policies and benefits.
- During the yatra, over 1540+ people registered themselves at the respective bootcamps and a total of 65+ business ideas were taken further to the two-day acceleration programme held at Indian Institution of Management (IIM), Mandi from 28th to 29th November 2018.

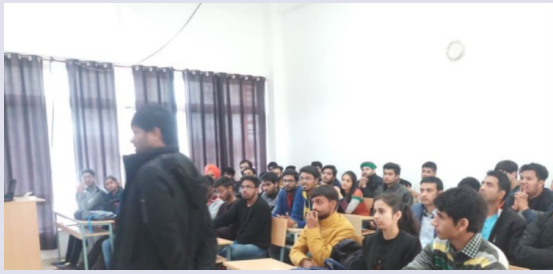


KEY STRENGTHS

- Out of the selected business ideas, the best three ideas were given a combined prize of INR 90,000 at the grand finale of the startup yatra.



Hon. Chief Minister of Himachal Pradesh
Flagging Off the Startup Yatra



Startup India Himachal Pradesh Yatra Acceleration Programme Underway



KEY STRENGTHS



Startup Yatra Bootcamp Session by Deputy Director – Department of Industries



Startup Yatra Bootcamp underway @ Chitkara University



Startup Yatra Team addressing queries and registering people for bootcamp



WAY FORWARD

The state needs to give importance to this pillar in order to further strengthen the startup ecosystem. The state could prioritise actions required in three categories: short, medium and long term. Action required in each of these categories are summarised below: -

MEDIUM TERM ACTIVITIES (4 –6 MONTHS)

The activities suggested in this category are important and will take relatively more time for implementation. Through dedicated efforts, results can be achieved within four to six months. Activities suggested under this category are as follows:

Improvement in organisation of Hackathons or Grand Challenges

- The state could follow operational guidelines while conducting hackathon events as it would lead to better outcomes with enhanced participation. It would also bring the best of innovative technological solutions.
- A total of three hackathons were organised by the state government. The state could also make efforts to conduct more hackathons as these are one of the most effective ways to scout entrepreneurial talent in the state.

Accessibility of Incentives available to investors

- The state could clearly mention the incentives available for investors to help them understand their benefit. As a result, this would ensure transparency between the investor and startups leading to increased number of collaborations.
- The state government could conduct more networking events which involve participation of angel investors as they would be able to scale up startups by contributing their skills, expertise, knowledge and contacts in the relevant field.

Participation in national or international events

The state could map out the upcoming startup events where more than five states or countries would participate. Going forward, the state could ensure maximum participation in all such events as these are sole platforms through which exponential growth can be achieved by the state's startups.

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