COMPENDIUM OF BEST PRACTICES
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INTRODUCTION

India is the third largest startup ecosystem in the world and holds the aspiration to be the world’s number one startup destination. The growing startup industry represents the entire innovation ecosystem of the country which is giving new direction and new momentum to the country.

The journey to becoming the number one startup ecosystem in the world is possible only through concerted efforts of the Central Government and all the State/UT Governments. The Government of India through its flagship ‘Startup India’ initiative aims to empower startups to grow through innovation and accelerate the spread of the startup movement.

Over the three editions of the States’ Startup Ranking, several States and UTs have strengthened their policy framework and necessary infrastructure. These States and UTs are now ready to enter the next phase of growth in the startup economy and through a combined effort will hold the key to catapult India into becoming the largest startup ecosystem in the world.

The Startup Ranking Exercise initiated by Startup India helps compile and disseminate the best practices of all the States and UTs to serve as a guiding light for the other aspiring startup ecosystems to emulate. Some of the key highlights, case studies and best practices from the State and UT Governments of the country have been discussed and detailed in the subsequent chapters.

These best practices have been categorised across seven Reform Areas of the States’ Startup Ranking Framework 2020. These Reform Areas include Institutional Support, Fostering Innovation and Entrepreneurship, Access to Market, Incubation Support, Funding Support, Mentorship Support and Capacity Building of Enablers.
SEVEN REFORM AREAS

Reform Area 1: Institutional Support

Reform Area 2: Fostering Innovation and Entrepreneurship

Reform Area 3: Access to Market

Reform Area 4: Incubation Support

Reform Area 5: Funding Support

Reform Area 6: Mentorship Support

Reform Area 7: Capacity Building of Enablers
Institutional Support
Institutional Support focuses on the execution and facilitation of the State/UT’s startup policy through a comprehensive portal and specific incentives provided by various Government stakeholders. This Reform Area focuses on the access to information for startups on the State-supported initiatives. 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 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 State/UT Government departments.

Fostering Innovation and 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/UT, which is a direct result of the State/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.

Access to Market
This Reform Area seeks to encourage the State/UT Government to ease participation in the public procurement process for startups and become an enabler in connecting startups with private stakeholders. The States/UTs are evaluated based on the support provided by them to startups through the organization 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 sectors.

Incubation Support
Incubation support is provided in the form of financial and infrastructural support to startups and State-supported incubators. The State/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 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.

Funding Support
All startups require timely availability of funding for their growth. This Reform Area encourages various State/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 State/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.

Mentorship Support
Mentorship support provided by States/UTs is a crucial factor in the growth of startups that do not have the means and network to find such guidance on their own. Mentors can be from business schools providing support in terms of marketing, finances, product, international expansion, fundraising, legal, etc. They can also be founders of established businesses or academic researchers. 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 and the time spent by the startups with mentors.

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 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.
REFORM AREA 01

INSTITUTIONAL SUPPORT

OVERVIEW

SNAPSHOT OF BEST PRACTICES

DETAILS ON BEST PRACTICES
OVERVIEW

Institutional Support focuses on the execution and facilitation of the State/UT’s startup policy through a comprehensive portal and specific incentives provided by various Government stakeholders. This Reform Area focuses on the access to information for startups on the State-supported initiatives. 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 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 institutionalized support provided to the startups from various State/UT Government departments. Startup India and the Government of India recommend providing institutional support in the following manner:

STATE/UT STARTUP ECOSYSTEM

POLICY INTERVENTIONS
- State Startup Policy
- Policy and special incentives for promoting women-led startups
- Department specific policies for startups

DIGITAL INFRASTRUCTURE
- Startup portal as a single window for the ecosystem
- Language translation feature on State startup portal
- Grievance redressal mechanism for all stakeholders

CAPACITY DEVELOPMENT
- Programs by State Government Departments to promote startups
- Incentivize State Government Departments to support startups
## Snapshot of Best Practices

### Kerala
- Dedicated nodal agency (Kerala Startup Mission) with a model startup portal
- Clear definition of women-led startups with more than 20 startups supported
- More than 10 departments promoting startups

### Telangana
- Model State Startup Portal with translation into 3 languages
- Clear definition of women-led startups and a women-focused Incubator - We Hub
- More than 10 departments promoting startups

### Uttar Pradesh
- Assigned nodal agency (UP Electronics Corporation) with a model startup portal
- More than 200 women-led startups supported

### Meghalaya
- Dedicated nodal agency (PRIME Meghalaya) with a model startup portal
- More than 10 women-led startups supported

### Tripura
- Robust State Startup Portal (Startup Tripura) with translation into 3 languages: Hindi, Bengali and English
Kerala is the pioneer State that introduced the Startup Policy - Kerala Technology Startup Policy in India in 2014. The Kerala Startup Mission (KSUM) is the nodal agency for startups in the State. Kerala Startup Mission ([startupmission.kerala.gov.in/](https://startupmission.kerala.gov.in/)) is the official website for all information relating to startups in the State (refer to Figure 1.A).

Figure 1.A: Startup Mission Kerala portal

Kerala Startup Mission, the State Startup Portal can be translated into two different languages i.e., Malayalam and English\(^2\) (refer to Figure 1.B).

**Figure 1.B: Kerala Startup Mission in Malayalam\(^2\)**

![Kerala Startup Mission in Malayalam](image)

Kerala Startup Mission has a **Grievance Redressal Mechanism** for startups to raise queries on several options (refer to Figure 1.C). The option categories are incubation support, funding support, public procurement grievances, regulatory issues, any other query, or grievance.

**Figure 1.C: Grievance Redressal on Startup Mission Kerala\(^3\)**

![Grievance Redressal on Startup Mission Kerala](image)

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Kerala has defined women-led startups as startups with 51% of shares with women founders. Women-led startups receive support in the form of pre-incubation, marketing, and incubation support.

**KSUM** has an umbrella program for women-led startups - Women in Startup Ecosystem (KWISE).

### Support to Women Entrepreneurs

Kerala provides support to the women entrepreneurs in two major ways:

1. Technology transfer scheme for women entrepreneurs: which provides a technology license and support up to a maximum of INR 10 crore
2. Soft loan for women entrepreneurs

More than 20 women-led startups have received support through the State.

The Government of Kerala has encouraged more than **10 State Government Departments** to provide institutional support to startups. These departments include the Department of Higher Education, Kerala Police Department, Directorate of Sports & Youth Affairs, and many others.
The State of Telangana has a robust startup ecosystem wherein startups are empowered through mentorship, incubation, and funding support. The Telangana Innovation Policy (2016-2021) aims to create an environment that is conducive to innovation, experimentation, taking risks, and promoting entrepreneurship across the State.

**Startup Telangana** ([startup.telangana.gov.in](https://startup.telangana.gov.in)) is the official website for all information relating to startups in the State (refer to Figure 1.D). The website provides access to the Telangana Innovation Policy 2016, information on the nodal department, and a dedicated team for startups. It also hosts information on incubators, mentors, public procurement relaxations and benefits to startups, and funding support provided by the State.

*Figure 1.D: Startup Telangana Portal*

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4 “Home”, [Startup Telangana website](https://startup.telangana.gov.in/) accessed 20 March 2022
Startup Telangana - the State Startup Portal can be translated into three different languages i.e., Telugu, Urdu, and English (refer to Figure 1.E).

Figure 1.E: Startup Telangana website translated in Telugu

Startup Telangana also provisions a **Grievance Redressal Mechanism** for startups to raise queries on several options such as incubation support, funding support, public procurement grievances, regulatory issues, any other query, or grievance.

**Telangana Open Data Policy 2016**

With an aim at bringing datasets from different departments on a single platform to increase transparency in governance, the Government of Telangana adopted a bottom-up approach to acknowledge the benefits of data sharing. More than 10 departments have issued orders in furtherance of this policy initiative.
Support to Women Entrepreneurs

The Government of Telangana has supported women-led startups through the women-focused incubation centre called "WE Hub" which undertakes initiatives such as funding, mentoring, strategy, and growth. Through a Government notification, the State has defined ‘Women-led Startups’ and ‘Women Entrepreneurs’ to identify and support such startups through schemes and incentives.

Figure 1.F: We Hub Telangana
StartinUP (startinup.up.gov.in)\(^5\) is the official Startup Portal facilitated by the Government of Uttar Pradesh (refer to Figure 1.G). The website reflects all the required information relating to the startup ecosystem of the State with all the necessary features catering to all the users and stakeholders of the State's startup ecosystem. The Department of IT & Electronics, Government of Uttar Pradesh is the nodal department for startups in the State.

\(^5\)“Home”, Startup in UP website, https://startinup.up.gov.in/accessed 20 March 2022
The availability of the StartinUP portal in Hindi apart from English helps extend its reach to the grassroots and promotes entrepreneurship in both urban as well as rural areas (refer to Figure 1.H).

**Figure 1.H: StartinUP portal in Hindi Language**

StartinUP also provisions a **Grievance Redressal Mechanism** for startups to raise queries on several options such as incubation support, funding support, public procurement grievances, regulatory issues, any other query, or grievance (refer to Figure 1.I).

The Government of Uttar Pradesh has collaborated with the State Government departments to initiate the **Industrial Investment and Employment Promotion Policy of Uttar Pradesh 2017** and **Uttar Pradesh Electronics Manufacturing Policy 2020**.

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Support to Women Entrepreneurs

The State has supported more than 200 women-led startups through various incentives and capacity-building measures. The incentives provided by the Government of Uttar Pradesh are in form of sustenance allowance, seed capital, and marketing assistance.

Special attention is given to the skill development of women entrepreneurs in handicrafts and household business under the Industrial Investment and Employment Promotion Policy of Uttar Pradesh 2017.
PRIME (Promotion and Incubation of Market-Driven Enterprises) Meghalaya (www.primemeghalaya.com/8) is the official website for all information relating to startups in the State (refer to Figure 1.K). PRIME Meghalaya provides access to the Meghalaya Startup Policy 2018 which aims to make Meghalaya a startup hub in the country by 2023. PRIME Meghalaya Startup Portal is an initiative of the Government of Meghalaya Planning Department. PRIME envisions making entrepreneurship a preferred career choice for the youth and people of the State. It is working towards the creation of a dynamic and collaborative ecosystem that enables easy availability of credit, relevant technology, skilling and mentoring support, and access to high-leverage markets.

Figure 1.K: PRIME Meghalaya website8

PRIME Meghalaya has a comprehensive **grievance redressal platform**\(^9\) to address queries from incubation and funding support to public procurement and regulatory issues (refer to Figure 1.L).

Support to Women Entrepreneurs

**10+ women-led startups** have received an Innovation Scaleup Loan (up to INR 25 lakhs), Kickstart Grant (up to INR 5 lakhs) and free 12 months incubation support, marketing assistance and office space from the State.

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The Government of Tripura has made strides to nurture the startup ecosystem consisting of the State Startup Policy 2019, State Startup Portal, mentorship support, incubation support, and various programs. The State has developed a State Startup Portal ‘Startup Tripura’ (startup.tripura.gov.in/)\textsuperscript{10} to make it easy for startups to access information related to the ecosystem (refer to Figure 1.M). The portal includes information such as State Startup Policy, details of nodal officer, nodal department, dedicated team for startups, and dedicated helpline or call centre number. Startup Tripura also hosts information on the list of incubators and accelerators, a list of registered mentors, mentor-startup connect via Startup Portal, details of public procurement relaxations, and details of funding support available.

\textsuperscript{10} “Homepage”, Startup Tripura website, https://startup.tripura.gov.in/ accessed 20 March 2022

The Startup Tripura portal can be translated into two vernacular languages apart from English, i.e., Bengali and Hindi. This helps the State portal to expand its reach to the interior parts of the State and assist the people not proficient in English.
OVERVIEW

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/UT, which is a direct result of the State/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. Startup India and the Government of India recommend promoting innovation and entrepreneurship in the following manner:

**STATE/UT STARTUP ECOSYSTEM**

**POLICY INTERVENTIONS**
- Simplified registration mechanism
- Rules, regulations to support disruptive innovation
- Schemes and incentives to support grassroots innovations with rural impact

**DIGITAL INFRASTRUCTURE**
- Startup Registration through State Startup Portal
- Program reports of all programs conducted throughout the State are uploaded on State Startup Portal for knowledge dissemination
- Conducting virtual programs to reach broader audience

**CAPACITY DEVELOPMENT**
- Programs with HEIs to support student entrepreneurship including boot camps and hackathons
- Partnerships with organizations to promote student entrepreneurship
SNAPSHOT OF BEST PRACTICES

Karnataka
- 5 Disruptive policies introduced in sectors such as Engineering R&D, Electric Transport, Electronic System Design and Manufacturing
- 20+ bootcamps organized in HEIs
- Close to 100 startups with rural impact supported

Maharashtra
- Robust startup registration mechanism enabling 12000+ startups
- 500+ programs in HEIs to support student entrepreneurs

Tamil Nadu
- Robust startup registration mechanism enabling 2700+ startups
- 5 disruptive policies introduced in sectors such as Electric Vehicle, Artificial Intelligence, Blockchain

Uttarakhand
- Robust startup registration mechanism enabling 330+ startups
- Disruptive policy introduced in the Electric Vehicle sector
- 30+ programs in HEIs to promote entrepreneurial spirit

Jammu and Kashmir
- Robust startup registration mechanism enabling 200+ startups
- 15+ programs in HEIs to promote entrepreneurial spirit

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The State of Karnataka has introduced a range of policies and programs to encourage startups as well as aspiring entrepreneurs. The disruptive sector policies target areas such as research and development, electric transport, and innovation. Some of the key policies are:

**Engineering Research and Development (Engineering R&D) Policy 2021**

The Government of Karnataka launched its Engineering R&D (ER&D) Policy 2021, a first-of-its-kind State-level policy to foster innovation and address the evolving needs of the changing global tech landscape.

The policy is based on 3 pillars:

1. Attracting Multinational Entities to establish or expand engineering R&D operations in Karnataka
2. Marketing the engineering R&D advantages of the State to global MNCs
3. Bridging the gap between engineering talent and opportunity

The R&D Infrastructure Program has been designed to provide a grant for establishing testing and prototyping infrastructure that will be available to startups amongst other stakeholders.

**Karnataka Innovation Authority Act 2020**

Karnataka Innovation Authority Act has been enacted for the creation of Regulatory Sandboxes in Karnataka. ‘Regulatory Sandboxes’ broadly describe a set of conditions under which innovative technologies can be tested through relaxing regulatory requirements, in a controlled testing environment. The innovating firm will be allowed to experiment and gain exposure to a live market (albeit with limited customers and within a limited time frame), with relaxed regulatory requirements which would be applicable in offering its product.
Karnataka Electric Bike Taxi Scheme

The Government of Karnataka has introduced the Karnataka Electric Bike Taxi Scheme 2021 to ensure affordable first and last-mile connectivity in Bengaluru and other cities in the State. The Karnataka Electric Bike Taxi Scheme 2021 will create entrepreneurial opportunities, promote an eco-friendly environment, fuel conservation, strengthen public transport and encourage the establishment of related industries.

Karnataka has conducted more than 20 boot camps and supported more than 8,000 students in HEIs to promote entrepreneurial spirit and support student entrepreneurs. One such program is the E-Step EDP.

E-Step Entrepreneurship Development Program (EDP)

The Government of Karnataka believes in supporting entrepreneurs from an early age. One of the key programs conducted by the State is the E-Step program. The main objectives of this program are:

❖ Target budding entrepreneurs
❖ Create awareness about Startup Karnataka and Startup India initiatives and incentives
❖ Guidance with ideation and pitching

The State has been successful in sensitizing students in more than 20 New Age Innovation Network Institutions across 14 districts of Karnataka.

Karnataka Capacity Building Workshop: Rural and Grassroot Innovation

The workshop covered topics such as the Internet of Things (IoT), hardware skills, and security aspects including the opportunities arising from the latest Government policy on drones. The mandate of the workshop was learnings on design innovation support mechanisms that are adapted to rural needs. Innovative products like solar-powered freezers for farmers to zero-electricity water purifiers have the potential to dramatically impact the way people live in rural areas.

In addition to student entrepreneurs, the State has been actively supporting startups with rural innovation. Startup Karnataka has conducted workshops and programs and provided incentives to close to 100 startups with rural impact.
With a network of more than 12,000 registered startups, Maharashtra has established a robust ecosystem for startups in the State. The State has been actively supporting startups in disruptive sectors by introducing and amending policies. One of the key disruptive policies introduced by the State is the **Maharashtra Electric Vehicle Policy 2021**. Under the Maharashtra Electric Vehicle Policy 2021, EV startups are registered on a priority basis under the Maharashtra State Innovation Society.

The State has actively supported student entrepreneurs and has conducted more than 500 programs in HEIs to promote entrepreneurial spirit. These programs have supported more than 40,000 student entrepreneurs.

Some of the programs conducted in HEIs are:

- **EUREKA at IIT Bombay**
- **i-2-e Competition**
- **Strengthening Startups for mitigating COVID 19**
- **Workshop on Packaging and Labelling**
- **Webinar on Public procurement on GeM**
Tamil Nadu has provided unparalleled support to startups with several key policies and programs facilitating the growth of more than 2,700 startups in the State. The State Government has introduced several policies to provide incentives for startups working in disruptive sectors. The policies range from electric vehicles to blockchain technology. Some of the key policies introduced by the State include:

**Tamil Nadu Electric Vehicle Policy, 2019**
Under this policy, MSMEs are provided with an additional capital subsidy of 20% for EV components or charging infrastructure manufacturing.

**Tamil Nadu Safe and Ethical Artificial Intelligence Policy, 2020**
Under this policy, academic institutions, and the training arm of the Government of Tamil Nadu (such as the Anna Institute of Management, etc.,) aim to roll out an AI Education and Awareness Program to support large-scale AI training and skill building for youth. The policy also aims at creating an AI sandbox for startups and individuals for encouraging innovation at the grassroots level in Tamil Nadu.
**Tamil Nadu Blockchain Policy, 2020**

The policy aims to encourage research and development in blockchain technology by enabling academic and research institutions, startups, and enterprises to work on blockchain technology through blockchain forums and conferences. The initiative will help in creating a thriving ecosystem including blockchain entrepreneurs and community development.

All disruptive policies are available on the Tamil Nadu Startup Portal (refer to Figure 2.G).

*Figure 2.G: Disruptive Policies listed on the Tamil Nadu Startup Portal\(^1\)*

The State has been actively supporting student entrepreneurs. One of the key programs conducted by the State was Startup Conclave on #MakeinTN. It was a quadra event organized at Periyar University Business Incubation Confederation along with the Startup Demo Day and insights on the real-time action towards the betterment of ecosystem.

*Figure 2.H: Startup Conclave on #MakeinTN*

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Uttarakhand’s policies and programs have been essential in strengthening the State's startup ecosystem. With an established network of more than 330 startups, the State has actively introduced policies and incentives for startups working in various sectors. The State has introduced a policy in the electric vehicle sector to promote disruptive technology.

**Uttarakhand Electric Vehicle Policy 2019**

The policy aims to make the State a suitable hub of investment and employment in EV manufacturing units and facilities. The policy encourages the adoption of eco-friendly vehicles and reduces vehicle-related pollution. The policy provides fiscal and non-fiscal incentives such as:

1. Term loan interest subsidy on investment of INR 10-50 Crore as per Heavy Industrial Investment and Employment Promotion Policy 2018
2. 100% exemption of stage carriage permit for commercial vehicles for 5 years from the date of registration
3. Organizations imparting skill development training in EV/HEV component manufacturing will be entitled to training reimbursement @ INR 1000 per month for 50 trainees
Uttarakhand has conducted more than 30 programs in HEIs to promote entrepreneurial spirit and support more than 3,700 student entrepreneurs. The great breadth of programs organized by the State to support the student startup ecosystem will help encourage the next generation of entrepreneurs in Uttarakhand.

Some of the programs conducted by the State in HEIs include:

**Student Startup Entrepreneurship Development Program**

Startup Uttarakhand in association with the Roorkee Institute of Technology organized a series of programs called Student Startup Entrepreneurship Development Program. Startup Uttarakhand designed the Student Startup Entrepreneurship Development Programme to guide, train and mentor aspiring students on the nuances of entrepreneurship and help them become successful entrepreneurs. Around 200 students attended each program from various branches of RIT Roorkee.
JAMMU AND KASHMIR

The UT of Jammu & Kashmir is on the path to developing a robust ecosystem for innovation with a focus on programs to inspire budding entrepreneurs. The UT has an established network of more than 200 registered startups.

Jammu & Kashmir has conducted around 15 programs in HEIs to promote entrepreneurial spirit and support student entrepreneurs. The UT has also established Entrepreneurship Knowledge cells in HEIs. The cells are responsible for conducting training and entrepreneurship workshops in HEIs.

Some of these programs conducted by the UT in HEIs include:

- **Entrepreneurship Immersion Program 2020**

- **State-level Webinar on the “Role of JKEDI in Development and Creation of New Enterprises”**

- **Lecture on Self Employment Schemes**

**Entrepreneurship Immersion Program**

International Centre for Cross-Cultural Research and Human Resource Management (ICCCR & HRM), the University of Jammu in collaboration with JKEDI conducted a 10-Day Entrepreneurship Immersion Program on 4 December 2020 for the students of MBA (International Business). The objective of the Immersion Program was to sensitize and increase the entrepreneurial preparedness of the students in different business verticals. The 10-Day Immersion Program was spread over 20 virtual live sessions with 40 hours of virtual engagement in entrepreneurial domains that include investor funding and startup financing.
REFORM AREA 03

ACCESS TO MARKET

OVERVIEW
SNAPSHOT OF BEST PRACTICES
DETAILS ON BEST PRACTICES
OVERVIEW

This Reform Area seeks to encourage the State/UT Government to ease participation in the public procurement process for startups and become an enabler in connecting startups with private stakeholders. The States/UTs are evaluated based on the support provided by them to startups through the organization 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 sectors. Startup India and the Government of India recommend providing access to market in the following manner:

STATE/UT STARTUP ECOSYSTEM

POLICY INTERVENTIONS

100 % relaxations in the criteria of:
❖ Prior turnover
❖ Prior Experience
❖ EMD Submission

HANDHOLDING SUPPORT

❖ Provide public procurement related benefits to startups
❖ Award work orders to startups

CAPACITY DEVELOPMENT

❖ Conducting demo-days, buyer seller meets, GeM workshops, grand challenges, hackathons, and corporate innovation programs for startups
❖ Provide showcase opportunity to startups
SNAPSHOT OF BEST PRACTICES

### Odisha
- Relaxations on prior turnover, prior experience and EMD submission for startups
- 20 + programs encouraging startups in public procurement process

### Punjab
- 5+ programs conducted to provide showcase opportunities to startups
- 30+ startups availing public procurement benefits

### Andaman & Nicobar Islands
- Relaxations on prior turnover, prior experience and EMD submission for startups
- Awarded work orders to more than 2 startups

### Chandigarh
- Programs conducted to provide showcase opportunities to startups

### Dadra & Nagar Haveli and Daman & Diu
- Awarded more than 5 work orders to startups

### Nagaland
- Lockdown challenge inviting startups to bring together solutions to tackle the COVID 19 crisis
Under the Odisha Startup Policy 2016, the Government of Odisha has notified various relaxations on prior turnover, prior experience, and EMD submission to encourage the participation of startups in the public procurement process. The RFP documents of the State highlight 100% relaxations in all the 3 criteria. The State has conducted a range of programs to enhance the involvement of emerging startups in public procurement activities and to connect potential investors with budding entrepreneurs and industry experts. The programs include summits, workshops, trade fairs, and startup connect programs.

**Programs Conducted**

- **10+ GeM workshops** and National events to promote startup participation in the public procurement procedure with more than 50 participants.
- More than 5 **product showcase** sessions were conducted for the entrepreneurs to showcase their products and interact with various Government departments.
- More than 5 programs for promoting **sustainable procurement activities and practices** by providing program-related benefits to 250+ registered startups.

**Programs Showcase Opportunities**

- TiE Global Summit
- Odisha MSME Trade Fair 2021
- CII Startup Gurukul 2021
- Resurgence-TiE-con Delhi-NCR
- TiE Hall of Fame 2021
The brief of all such programs is available on the State Startup Portal for knowledge dissemination (refer to Figure 3.A).

![Figure 3.A: List of Events conducted by Startup Odisha](image)

The efforts made by the State in terms of relaxations and conducting public procurement programs have reaped benefits for startups. The Government of Odisha awarded 10 purchase orders worth INR 8 Crores to 10 registered startups.

**Odisha MSME Trade Fair 2021**

A 5-day Trade Fair was organised by the Odisha MSME Department for exploring new market opportunities and provide exposure to various technological and business advancements. This event was an endeavour of the State Government to bring potential buyers and sellers to a single platform for mutually beneficial trade in services, products, and technology. It provided an excellent opportunity for budding MSMEs to witness live demonstration of machines, tools and technologies, launch their products. MSMEs also attended seminars on various aspects of entrepreneurship. The initiative provided a much-needed platform for boosting and encouraging women entrepreneurs in their endeavours by organizing a special pavilion.

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12 “All Events”, Startup Odisha website, https://startupodisha.gov.in/list-of-bootcamps-conducted/ accessed on 25 March 2022
Startup Punjab ensures necessary convergence and synergy in various Central and State programs promoting innovation, entrepreneurship, and startups. The State has organized various programs to provide showcase opportunities to startups for corporates, industry associations, and other private stakeholders. The event details of all the programs are available on the State Startup Portal (refer to Figure 3.D)\textsuperscript{13}. In wake of COVID-19, Startup Punjab has actively engaged startups to participate in relief measures to assist by assisting the State Health Department in addressing the supply shortage of oxygen cylinders in the State. The record of discussion of all the programs conducted by the State is available on the State Startup Portal for communicating the relevant knowledge to the target audience.

\textbf{COVID-19 Relief Measures}
\textbf{Manufacturing and Supply of Oxygen Cylinders}

Startup Punjab encouraged startups to aid manufacturing and supply of oxygen cylinders under COVID-19 relief measures. It was a 4-day program and successfully connected all the interested startups with the Department of Health for further course of action. The startups were supported by incubators to connect further for assistance. Startup Punjab received responses from startups to know more about the protocols and processes to start an oxygen manufacturing unit and receive technical support from industry experts.

\textsuperscript{13} “Event Reports”, Startup Punjab website, https://pbindustries.gov.in/startup/startup_resources;Key=evtRep accessed 20 March 2022
Programs conducted to encourage the participation of startups in public procurement activities

Progressive Punjab Investors Summit
Startup India International Summit
Enable Startup Track Acceleration Program for Agri Startups
Resurgence TiEcon Delhi-NCR 2021
Buyer-Seller Meet 29
Manufacturing and Supply of Oxygen Cylinders

Progressive Punjab Investors Summit 2019 (PPIS 2019)

The State conducted a two-day event Progressive Punjab Investors Summit 2019 (PPIS 2019) at the ISB Mohali campus. The summit offered opportunities for prospective collaborations with Punjab-based industries and entrepreneurs. The event highlighted the investment potential across various sectors of Punjab. The networking and marketing opportunities offered by the summit attracted 3500+ delegates from 12 countries. Startup Punjab also participated in the Startup India International Summit wherein 25 startups from the region got the opportunity to present their business ideas.
The efforts made by the UT in terms of relaxations and conducting public procurement programs have reaped benefits for startups, one such program has been mentioned below. The UT administration has awarded 2 work orders worth more than INR 1.5 crores to 2 registered startups.

**Startup International Summit organized by the DPIIT**

Startup India International Summit was hosted by the Department for Promotion of Industry and Internal Trade (DPIIT), Government of India in January 2021. The virtual summit marked the 5th anniversary of the launch of the Startup India Initiative. The summit saw participation from 56 countries and 200+ speakers. 4 startups from Andaman & Nicobar Islands represented the UT in this summit.
The Union Territory of Chandigarh has a strong startup ecosystem with a focus on IT sector. The UT has conducted programs and provided showcase opportunities to startups. The UT has actively participated in National events so that the startups of the UT can benefit. One such program was the Startup India International Summit 2021 conducted by DPIIT. This summit marked the 5th anniversary of the launch of the Startup India Initiative. The summit saw participation from 56 countries and 200+ speakers. The various sessions in the summit focused on enhancing multilateral cooperation and engagement with countries from around the globe to collectively develop and strengthen the startup ecosystems. It also provided a virtual startup showcase opportunity for startups.
MSME (Ministry of Micro, Small and Medium Enterprises) sector in the Union Territory has emerged as a highly vibrant and dynamic sector. The major industries in the UT are plastic, pharmaceuticals, paper and paper products, texturizing units, soda water, rubber plastic, petrol based, and ice block making.

The administration of the Union Territory of Dadra & Nagar Haveli and Daman & Diu aims to capitalize on the strong industrial ecosystem in developing entrepreneurship and promoting the startup culture in the UT. The UT administration has awarded more than 5 work orders that amounts to more than INR 9 lakhs to 3 startups in the ecosystem. The UT is on the right path of connecting startups with Government Departments and hence increasing the market access opportunities for startups.
Startup Nagaland aims to build a strong ecosystem for nurturing innovation and startups in the State. It aims to empower startups within the State by promoting innovation and design. To that effect, the State has conducted various innovative programs to ignite the spirit of innovation and entrepreneurship. The State took COVID 19 as an opportunity to ignite the spirit of innovation and conducted programs for startups to tackle the crisis. One such program was:

**Lockdown Challenge**

Startup Nagaland conducted this program scouting for innovative products and solutions from startups to fight COVID 19. The focus of this exercise was to bring together products and solutions to tackle the pandemic. Solutions were sought for sectors such as IT, agri-horticulture, services, logistics and healthcare. Selected startups were awarded cash grants for the best innovative idea or solutions (in each sector), best prototype, and best innovative technology.
REFORM AREA 04

INCUBATION SUPPORT

OVERVIEW
SNAPSHOT OF BEST PRACTICES
DETAILS ON BEST PRACTICES
Incubation support is provided in the form of financial and infrastructural support to startups and State-supported incubators. The State/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 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. Startup India and the Government of India recommend providing incubation support in the following manner:

**STATE/UT STARTUP ECOSYSTEM**

### POLICY INTERVENTIONS
- Setting up new incubators
- Reserving seats for startups in State supported incubators
- Free or subsidized incubation for startups

### HANDHOLDING SUPPORT
- Connect to incubators through the State Startup Portal
- Apply for acceleration programs through the State Startup Portal
- Promoting virtual incubation and acceleration programs

### CAPACITY DEVELOPMENT
- Conducting acceleration programs for startups
- Providing research and development, mentorship, and funding support to startups through acceleration programs
SNAPSHOT OF BEST PRACTICES

Assam
- 120+ startups incubated
- Conducted 2 acceleration programs attended by 35+ startups

Madhya Pradesh
- 30+ established network of incubators
- 100+ startups incubated

Maharashtra
- 20+ established network of incubators
- 150+ startups incubated
- Conducted 2 acceleration programs attended by 85+ startups

Arunachal Pradesh
- 30+ startups incubated
- 1 incubator providing support to startups

Meghalaya
- 45+ startups incubated
- Conducted 2 acceleration programs attended by 10+ startups

Mizoram
- Conducted 1 acceleration program attended by 15+ startups

Puducherry
- 15+ startups incubated
- Conducted 1 acceleration program attended by 5+ startups
The Government of Assam aims to create a robust ecosystem for startups and establish Assam as the Entrepreneurial Hub of North-east India. The target of the Startup Policy of the State is to attract funding opportunities of INR 1000 Crore for State startups and incubators. The Government of Assam has established a State-of-the-art incubator called “THE NEST” with an end-to-end ecosystem for startups. It offers facilities like conference rooms, video conferencing facilities, 50 MBPS dedicated high-speed internet connectivity, plug-and-play workspaces, and design and testing labs. Apart from these facilities, startups receive various services such as business assistance, financial counselling, accounting assistance, legal and regulatory guidance, and access to mentors and investors. In addition to the world-class incubation, the State has also conducted two acceleration programs for startups.

**Emerging India Acceleration Program**
Assam Startup collaborated with Bangalore-based Sangam Ventures to launch “Emerging India Acceleration Program 3.0” focusing on promoting institutional cooperative structures and rural agriculture SMEs to improve investments in value-addition assets closer to the farm gate. The startups enrolled in the program receive support in terms of:

- **On field support**
- **Financial support of up to INR 10 lakhs**
- **Access to working capital investments**
- **Market linkage opportunities**
- **Assistance to setup governance structure**
Assam Agribusiness Growth Lab
This Accelerator Program aims to support and handhold 100 agri-entrepreneurs within 4 years with at least 30% representation of women-led enterprises. To address the critical gaps and concerns faced by agri-entrepreneurs of the State, selected enterprises are provided technical assistance, access to finance, access to the market, and mentoring support to scale their existing businesses. The program takes a cluster and sector-based approach to enable the local businesses to form forward market linkages, leverage both external and internal business networks, and strengthen value chain players for coming up with the best quality curated new products/services. Startups enrolled in the program receive support in terms of:

- Entrepreneurial Workshops
- Business Sessions
- Technical Assistance
- Assistance in Compliance
- Access to Finance
Startups in Assam have received incubation as well as acceleration benefits from the State Government, which has increased the pace of startup growth in the region. More than 120 startups have received incubation support and more than 35 startups have received acceleration support from the State supported initiatives.
The vision of the State’s Startup Policy, launched in 2019, has been to establish Madhya Pradesh as a preferred destination for startups as well as Incubators. The Startup Policy includes strategies for Incubator Promotion and Incentives for Incubators. The entrepreneurial spirit in Madhya Pradesh is driven by immense support programs and services provided through State-supported incubators. These incubators provide support to startups in terms of mentoring, funding, and technological assistance. The Government of Madhya Pradesh has supported nearly 32 incubation centres (refer to Figure 4.C). The increasing spirit of innovation in the State has led to the setting up of new incubators every year. The State has established two new incubators:

B-Next incubation centre – an initiative by Bhopal Smart City
Dream Hatcher incubation centre – an initiative of Gwalior Smart City

The State has an established network of more than 30 incubators. All the incubators are listed on the State Startup Portal. 2 new incubation centres have been set up with seating capacity of 250 and have incubated 100+ startups.
The State has collaborated with international organizations in conducting acceleration programs. Such collaborative efforts helped the startups of the State to learn from global experiences. Maharashtra State Innovation Society collaborated with the Foreign and Commonwealth Development Office, Climate Collective, and Cambridge Cleantech based in the United Kingdom. ACT4GREEN acceleration program addressed the funding, mentoring, and market access needs of Indian and UK cleantech startups by leveraging the expertise within both the Indian and UK cleantech ecosystem. It includes entrepreneurship experts, investors, potential business, and innovation partners. The program aimed to enable Indian and UK startups to expand internationally through market entry support in their respective cross-border markets of interest.

Close to 25 startups had enrolled in the acceleration program. The program worked with 16 Indian and 8 UK cleantech startups. The 8-week long program provided startups with masterclasses, mentoring, and seminars targeted at helping them to scale their businesses, access new markets, and find investment.
Arunachal Pradesh Startup Policy 2021 is aligned with the vision of the Atmanirbhar Bharat Mission to utilize the power of entrepreneurship in unlocking innovation, employment generation, and social transformation in the State. The startup policy of the State aims to facilitate technological innovation through incubation and provide support to startups through fiscal and non-fiscal incentives. Striving to provide the much-needed incubation support to the startups of the State, State has signed a Memorandum of Understanding (MoU) with IIM Calcutta Innovation Park. The Innovation Park will provide the startups of the State with incubation and pre-incubation support. The State has provided financial support to the incubator as well. More than 30 startups have received incubation support from this initiative.
Meghalaya Startup Policy aims to make the State one of the leading ‘Startup Hubs’ in India by 2023 through strategic partnerships, conducive ecosystem, investment, and policy interventions. The Startup Policy and Enterprise Development Strategy of the State offers a platform for entrepreneurs and other startup ecosystem stakeholders to increase the probability of their success. The Startup Policy of the State aims to establish sector-specific incubators in the State. The Planning Department, Government of Meghalaya has supported setting up a new Incubation program, implemented by Meghalaya Basin Management Agency (MBMA) under PRIME (Promotion and Incubation of Market-Driven Enterprises). The State has provided financial assistance of more than INR 15 Crore to set up incubation centres in Shillong and Tura. Along with supporting incubation, PRIME Meghalaya has also conducted two significant acceleration programs for startups. The State has collaborated with private players as well so that startups from the State can avail of assured benefits.

**EIAP 3.0 by Sangam Ventures**
Emerging India Accelerator Program by Sangam Ventures/ AIC Sangam has established a fixed quota for Meghalaya Startups in its Acceleration program. The program is designed to promote institutional cooperative structures in rural agriculture startups to improve investments in value-addition assets closer to the farm gate.

**PRIME Acceleration Coaching**
Startups receive strong mentoring and coaching assistance through the PRIME Acceleration Coaching program. The recipients of the PRIME Entrepreneurship Funds become a part of the PRIME Acceleration Coaching. The program runs for 12 months.
The State of Mizoram conducted a noteworthy acceleration program - the Mizoram Kailawn Accelerator program to support startups in their growth journey. It is organized by Mizoram Entrepreneurship Development Monitoring Committee (MEDMOC) in collaboration with IIM Calcutta Innovation Park. The Accelerator program identifies promising startups with proven business models in the early revenue stage and provides them with handholding and mentoring through a structured program to achieve sustainability and scale-up operations both within and outside the State. The program has two cohorts: Growth Certification Cohort and Growth Mentoring Cohort. Each cohort is for a duration of 6 months. Startups receive the following through the Mizoram Kailawn Accelerator program:

- Structured Intervention
- Intense Mentoring Support
- Access to Markets
- Funding Grants and Bank Credit
- Exposure to National Level

More than 20 startups in Mizoram have received acceleration support through the Mizoram Kailawn Accelerator program. The program is a significant acceleration program in the Northeast region of India.
Puducherry has an emerging startup ecosystem presenting enormous scope in terms of innovation and technological intervention. To that effect, the Puducherry Innovation and Startup Policy 2019 aims at establishing Industry academia partnership and incubation. The State has established partnerships with the national level incubators like Atal Incubation Centre to provide support to the startups in Puducherry. Atal Incubation Centre-Pondicherry College of Engineering Foundation (AIC-PECF) is the leading incubator in the Union Territory of Puducherry. It provides startups with access to incubation hubs and technological interventions. Startups also get exposure to programs such as grand challenges. More than 15 startups have been incubated through various programs conducted by AIC-PECF.
FUNDING SUPPORT

OVERVIEW
SNAPSHOT OF BEST PRACTICES
DETAILS ON BEST PRACTICES
Access and availability of funding are important for the growth of any startup. This Reform Area encourages various State Governments to establish either seed and venture funds for direct funding to startups or fund of funds for financing startups through various private funds. Funding assistance provided by the State includes access to Seed Funds, Venture Funds, or Funds of Funds established by the State Government. Further to connect startups with investors to attract funding, several programs like workshops, networking events, and pitching sessions are organized. Startup India and the Government of India recommend Funding Support to startups in the following manner:

**STATE/UT STARTUP ECOSYSTEM**

<table>
<thead>
<tr>
<th>POLICY INTERVENTIONS</th>
<th>DIGITAL INFRASTRUCTURE</th>
<th>CAPACITY DEVELOPMENT</th>
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<tbody>
<tr>
<td>✤ Establishing a fund to provide funding support to startups in different stages of their life cycle</td>
<td>✤ An online mechanism for the disbursement of funds</td>
<td>✤ Conducting programs for funding provisions available to startups</td>
</tr>
<tr>
<td>✤ Establish operating guidelines for the fund</td>
<td>✤ Maintain an online dashboard by integrating it with the State Startup Portal containing details of funding sponsored by the State</td>
<td>✤ Conducting programs on knowledge dissemination about the eligibility and application procedure for receiving funding support through the State</td>
</tr>
</tbody>
</table>
SNAPSHOT OF BEST PRACTICES

Gujarat
- 2 funds established to provide funding support to startups - Student Innovation Funds and GVFL startup fund
- 160+ startups supported with financial assistance

Telangana
- 1 fund established to provide funding support to startups - T-Fund
- 15 + programs conducted to connect startups with investors

Goa
- 2 funds established to provide funding support to startups - Matching Grant Scheme and Seed Capital Scheme

Himachal Pradesh
- 1 fund established to provide funding support to startups - Him Startup Yojana
- Sustenance allowance provided to more than 160 beneficiaries

Meghalaya
- 2 funds established to provide funding support to startups - Kickstart Grant and Innovation Scale Up fund
The Government of Gujarat has established seed and venture funds to support startups to provide financial assistance to startups. These include:

**GVFL Startup Fund for Biotech Startups:**
Gujarat State Biotechnology Technology Mission (GSBTM) has allocated a budget of INR 11.31 Crore to the ‘GVFL Startup fund’ for biotechnology startups of Gujarat. Gujarat Venture Finance Limited (GVFL) is a Government-backed venture fund.

**Student Innovation Fund (SIF):**
SSIP Startup Seed fund: An INR 17 crore seed fund by Student Startup Innovation and Policy with Gujarat Knowledge Society (GKS), a society set up by the Government of Gujarat.

The funds established by the State have been a major pillar of support for startups in the State. The State Government has supported more than 160 startups with financial assistance over INR 3 Lakh each.
The guidelines of all the funds established by the State are available on the State Startup Portal so that more startups can avail of financial support (refer to Figure 5.A). In addition to establishing funds, the Government of Gujarat has organized events and supported incubators to provide a platform for startups to connect with private funds and investors. Even during the COVID-19 pandemic, the Government continued the effort with virtual events or pitching sessions.

Figure 5.A: GVFL Venture capital fund details as provided on the State Startup Portal

GVFL Limited is widely regarded as pioneer of Venture capital in India. Founded in 1990 at the initiative of World Bank and Government of Gujarat

Over the years, GVFL has focused on providing Venture Capital to early stage companies and start-ups and has gained deep insight into the growth cycle of such innovative companies. Its success can be attributed to passion for detailed assessment of market viability and management credentials, as well as broad

Telangana has established a T-Fund to supplement financial assistance to startups to foster the formation and development of innovative technology-based business enterprises.

**T-Fund**

- Sponsored by the ITE&C department and the investment manager appointed by the T-Hub foundation
- Aims to support the startup ecosystem of Telangana by investing in early-stage startups in the State
- Investment limit of 20% of its investible funds in any single portfolio
- Focuses on investments that promote financial inclusion, women entrepreneurs, sustainability, job creation, and social good

More than INR 15 Crore has been allocated to T-fund.

Over 50 startups received funding support of more than INR 1 Crore from State-funded mechanisms.
In addition to T-fund, the Government of Telangana provides five kinds of financial incentives to startups:

- Reimbursement of SGST
- Performance Related Grant
- Reimbursement of Patent Registration
- Reimbursement of International Marketing
- Reimbursement of Recruitment Assistance

More than 15 programs were conducted by the State to facilitate startup investors, and connections. The investor-connect programs included demo days and programs guiding startups on how to raise funding. The programs saw participation from more than 800 startups and around 150 investors.

Plan B - SAAS Funding and M&A Landscape in COVID World

Through this program, speakers from across the ecosystem were invited to provide insight on what a “Plan B” could be for startups. They shed light on the scenario of Funding and Mergers & Acquisitions in a Post COVID World. The speakers set the context of different stages of funding that startups go through and how that will be looked at a lot differently in this era of the pandemic. Conducted in April 2020, more than 50 startups got the opportunity to connect with leading investors with international expertise.
The Government of Goa under the Startup Policy has established a venture fund as part of the Matching Grant Scheme to supplement financial assistance to startups. The fund aims to foster the formation and development of innovative technology-based business enterprises.

**Matching Grant Scheme**

Startups that raise funds from a registered funding source prior to the product launch phase are provided 25% of the matching funds or a maximum benefit of INR 25 lakh at proportionate ownership of stock. Startups go through due diligence by the Startup Promotion Cell (SPC). Under this scheme 20 startups are selected each year are to be supported by the SPC.

**Seed Capital Scheme**

Startups with a promising idea can get a one-time grant of up to INR 10 lakh, as determined by the Startup Promotion Cell (SPC). Under this scheme 100 selected startups, each year will receive support from the SPC.

Close to 10 startups received funding support worth more than INR 25 lakh through State funded mechanisms.
The Government of Himachal Pradesh has set up a fund under “Him Startup Yojana (HIMSUP)” to enable the existing and potential entrepreneurs to establish individual enterprises. An amount of INR 10 Crore has been allocated to this fund. This fund will be disbursed through an empanelled incubator as grant-in-aid in tranches of Rs. 2 Crore each year for a period of 5 years.

The fund established by the State have been a major pillar of support for startups in the State. Himachal Pradesh has provided sustenance allowance to more than 160 beneficiaries.
The State Government has set up the PRIME program, under which two types of financial assistance are provided to startups. One is the Kickstart Grant which provides a seed grant of up to INR 5 Lakhs. The second is Scaleup Innovation Loan, which provides collateral-free and interest-free loans up to INR 25 Lakhs. Due to the strong focus on community-driven innovation and the promotion of Self-Help Groups (SHG), IVCS (Integrated Village Cooperative Societies), Farmer Producer Groups (FPOs), and other groups in the State of Meghalaya, the PRIME funding will also provide opportunities for these entrepreneurial groups.

### Kick Start Grant
A non-returnable grant for startups and aligned community-led enterprises with financial equipment to take smaller capital and operational expenditures regarding product development. Startups can be awarded up to an amount of **INR 5 lakhs**. It is envisioned to support at least **100 entrepreneurs** per year.

### Innovation Scale-up Fund
This fund is meant for startups and aligned community-led enterprises that already have an innovative existing business and have a clear pathway to scale up their operations to the next level. Startups can be awarded up to **INR 25 lakhs** via an interest-free, collateral-free soft-loan with a standard term of 2 years.
REFORM AREA 06

MENTORSHIP SUPPORT

OVERVIEW
SNAPSHOT OF BEST PRACTICES
DETAILS ON BEST PRACTICES
OVERVIEW

Mentorship support provided by States/UTs is a crucial factor in the growth of startups that do not have the means and network to find such guidance on their own. Mentors can be from business schools providing support in terms of marketing, finances, product, international expansion, fundraising, legal, etc. They can also be founders of established businesses or academic researchers. 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 and the time spent by the startups with mentors. Startup India and the Government of India recommend providing Mentorship Support in the following manner:

**STATE/UT STARTUP ECOSYSTEM**

**HANDHOLDING SUPPORT**
- Connect startups with the registered mentor network
- Mentor networks may include corporates, Government organizations, investors, higher education institutes, and academicians

**DIGITAL INFRASTRUCTURE**
- Connect startups with mentors through the State Startup Portal
- List of mentors with contact details available on the State Startup Portal
- Virtual mentor startup connect through video calls

**CAPACITY DEVELOPMENT**
- Conduct programs or activities that spread awareness of mentoring and networking
- Workshops focussing on the benefits of connecting to a mentor
SNAPSHOT OF BEST PRACTICES

- Bihar
  - 250+ startups connected with 10 registered mentors

- Delhi
  - 100+ startups connected with 30 registered mentors

- Odisha
  - 120+ startups connected with 150 registered mentors
  - Collaboration with MSME Department, STPI, MeitY, and Department of Electronics and IT (DE&IT)

- Rajasthan
  - 250+ startups connected with 10 registered mentors
  - Established cohesive partnerships with educational institutions, corporate partners, and investors for supporting startups
The Government of Bihar, as highlighted in the Bihar Startup Policy 2017, facilitates mentorship support to startups within the State. The State has provisions to connect startups with mentors through the State Startup Portal, Startup Bihar (refer to Figure 6.A)\(^\text{16}\). Any startup founder or entrepreneur can connect with the respective mentors with the contact details displayed on the portal. More than 250 startups connected with 10 State-supported mentors.

\textit{Figure 6.A: Details of Mentors available on Startup Bihar website}^{16}

The Government of Delhi has provided mentorship support to more than 100 startups with a network of 30 registered mentors. The details of all the mentors are available on the SSCBC Innovation and Incubation Foundation website and include leaders from diverse sectors (refer to Figure 6.B)\(^\text{17}\).

\textit{Figure 6.B: Details of mentors on the SSCBS Innovation and Incubation Foundation website}\(^\text{17}\)

\(^{17}\)“Our mentors”, SSCBC website, https://siif.in/our-mentors-2/ accessed 20 March 2022
Odisha has understood the importance of mentorship in the growth of startups. The Government of Odisha has taken initiatives to nurture the instinctive ability of startups to innovate through effective mentoring support.

It is noteworthy to mention that the Startup Odisha Portal has more than 100 registered mentors (refer to Figure 6.C). These include corporates, MSMEs, innovators, NGOs, Government organisations, investors, and academicians. The State has a dedicated team of mentors which has been published on the State Startup Portal along with their contact details and sector expertise. This helps startups to map their queries to the experts and receive sector-specific assistance.

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The State has laid down a detailed procedure to connect with mentors via the Startup Odisha portal. The portal has a “Mentor Request Mechanism” through which recognized startups can avail of mentoring support from a list of mentors registered under the Startup Odisha initiative (refer to Figure 6.D)\(^\text{19}\). The startups can connect with mentors based on their sector and industry.

![Figure 6.D: Startup Odisha showing “Request for Mentoring”](image)

The Government of Odisha has also undertaken initiatives to provide mentorship support to startups:

**Odisha Startup Hub “O-Hub”**

“O-Hub” is an initiative of the MSME Department, Government of Odisha to promote ideas/innovations/startups of budding entrepreneurs in the State. It is a Centralised incubator providing mentorship, investment facilitation, business development, co-working space and capacity building services.

**FabLab Bhubaneswar**

This is a technical prototyping platform for local entrepreneurs to learn, innovate and invent. It empowers users to design and build smart devices tailored to specific local or personal needs. FabLab is established by Software Technology Parks of India (STPI) in collaboration with MeitY and the Department of Electronics and IT (DE&IT), Government of Odisha.

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\(^{19}\) “Request for Mentoring”, [Startup Odisha website](https://startupodisha.gov.in/wf_new/startup-odisha/#/login) accessed 20 March 2022
Rajasthan has acknowledged the importance of mentorship in developing the startup ecosystem of the State. Mentors are well-connected individuals and already have an established network. By connecting with mentors, startups can benefit from this network in addition to the guidance provided by mentors. Startups that receive incubation support from State-supported incubators are assigned mentors as well. iStart Rajasthan provides mentorship support to the startups in the State in the following ways:

- Onboarding academicians as mentors
- Onboarding sector experts for one-on-one support

More than 250 startups connected with 10 State-supported mentors

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REFORM AREA 07
CAPACITY BUILDING OF ENABLERS

OVERVIEW
SNAPSHOT OF BEST PRACTICES
DETAILS ON BEST PRACTICES
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. Startup India and the Government of India recommend Capacity Building of Enablers in the following manner:

### STATE/UT STARTUP ECOSYSTEM

- Issue work orders for State Government department to conduct sensitization programs on the startup ecosystem in the State
- Sensitization of Government officials
- Training State-supported incubators
- Sensitization of potential investors

### POLICY INTERVENTIONS
- Conduct virtual programs for investors, incubators, and State Government officials
- Maintain a record of discussion for all programs and upload it on the State Startup Portal for knowledge dissemination

### DIGITAL INFRASTRUCTURE

### CAPACITY DEVELOPMENT
- Sensitization of Government officials
- Training State-supported incubators
- Sensitization of potential investors
SNAPSHOT OF BEST PRACTICES

Assam
- 30+ Government officials sensitized
- Trained 100% of State supported incubators

Chhattisgarh
- 150+ Government officials sensitized

Gujarat
- 150+ Government officials sensitized
- Trained 100% of all State-supported incubators
- 300+ potential private investor sensitized

Telangana
- 250+ Government officials sensitized
- Trained 100% of State-supported incubators
- 350+ potential private investors sensitized

Himachal Pradesh
- 35+ programs conducted to sensitize potential investors
The Government conducted a sensitization workshop called “Emerging Startup Ecosystem and Role of the Government Departments” at The Nest to bring more awareness about the startup ecosystem among State Government departments. The participants discussed collaboration with startups for market access and finding innovative solutions to the concerns raised by the various departments. The session was attended by close to 30 participants from more than 10 State departments. Some of the departments and institutions present were:

- Pollution Control Board
- Assam Power Distribution Company Limited
- Department of Labour and Welfare
- Guwahati Development Department
- Department of Elementary Education
- Assam Industrial Infrastructure Development Corporation
- IIM Calcutta Innovation Park

*Figure 7.A: Emerging Startup Ecosystem and Role of the Government Departments Workshop*
The State has placed importance on training State-supported incubators through capacity-building workshops. The workshop entitled “Incubator Management Training Program” covered the topics such as the business incubation management process. Conducted over 4 sessions and attended by close to 60 participants representing 10 incubators, the workshop gave attendees first-hand knowledge of the incubation process.
Chhattisgarh has actively participated in national-level events to sensitize State Government officials regarding the startup landscape in the State. The State officials participated in the ‘Knowledge Exchange Week 2021’ conducted by DPIIT from 21 to 25 June 2021 as a part of the capacity-building exercise for State Governments.

This week-long workshop was designed to assist the dissemination of good practices and mutual learning among States and UTs. Representing the Government of Chhattisgarh, the Joint Director of State Investment Promotion Board, Dy. Director from Dept. of Commerce and Industries, General Managers from various District Industries Centre were among the few participants of the workshop.

*Figure 7.C: Poster for Knowledge Exchange Week conducted by DPIIT*
Gujarat has been continuously training the key players in the startup ecosystem by conducting a range of workshops and programs to sensitize and increase awareness about startups.

**Sensitizing Government Officials on the Startup Ecosystem**

The Government of Gujarat has conducted more than 5 workshops for Government officials to sensitize them about the startup ecosystem in India. One such sensitization workshop has been discussed below. Close to 30 Government officials and on average 12 Government departments participated in each workshop. The programs were conducted in various districts across the State including:

- Rajkot
- Bharuch
- Surat
- Kutch
- Gandhinagar
- Ahmedabad
**Sensitization workshop conducted for officials of State Government Departments on Startup Ecosystem (Rajkot, 11 January 2021)**

The program aimed to sensitize officials of State Government departments on startup ecosystem of Gujarat and India. The program was organized by the Startup Cell, Industries Commissionerate (IC) and covered topics such as:

- Various initiatives taken by Startup Gujarat Cell
- Role of District Industries Centre to encourage startup and entrepreneurship activities
- Policy and regulatory measures
- Role of State Government to encourage entrepreneurship

**Capacity Building for Incubators**

The State Government has emphasized capacity building to make the incubator managers well-equipped through business training, financial management, monitoring and evaluation, marketing and stakeholder management, experience, and extensive networks. The Startup Gujarat Cell has supported and conducted a total of 5 capacity development programs, workshops, and courses for State startup ecosystem enablers such as the incubation manager and supporting staff of incubators. One such program was:

**Nurturing Innovation and Startup Ecosystem**

Gujarat Student Startup and Innovation Hub launched a flagship program called Nurturing Innovation and Startup Ecosystem (NISE) on 8 September 2020. Its vision to empower all incubators to enable entrepreneurs create viable and successful ventures. The main aim of this program was to improve the capacity of incubator managers, faculty members and professionals who can contribute towards the startup ecosystem development. Close to 150 incubators participated and gained guidance from 20 startup ecosystem experts.
Program Conducted to Sensitize Potential Investors on Investment in Startups (Rajkot, 12 January 2021)

The program aimed to increase the number of early-stage investors in the startup ecosystem of the State by sensitizing potential investors, including family businesses, corporate houses etc. Another objective was to build the capacities of aspiring emerging investors who want to enrich their experience in early stage investing. The program was attended by more than 10 potential investors and covered topics such as the Startup ecosystem of India, what a startup is, the lifecycle of a startup, investing in startups, etc.
The Government of Telangana with support from TSIC (Telangana State Innovation Cell), T-Hub, and T-Works conducted sensitization workshops for the Officials of Telangana State Government departments, Potential Investors, and Incubators.

More than 250 Government officials were sensitized on the startup landscape in the State

**Sensitization workshops for Officials of State Government Departments on startup ecosystem of India**

This workshop featured speakers from the leading incubator in the State, T-Hub, along with experts from the Startup India team and startups founders. Conducted on May 2021, the two-day workshop included sessions on global best practices for promoting the startup ecosystem. More than 70 Government officials from 5 different departments were sensitized through this program.
Capacity Development of Incubators

The State has more than 15 State-sponsored incubators and all of them were trained through multiple capacity development workshops. 4 incubator masterclasses were held around the theme:

- Business Incubator Models
- Incubator Management
- Virtual incubation services
- Financial Management

One such masterclass was:

Angel Investing Masterclass - Women Edition

This woman focussed angel sensitization program was conducted on April 2021 by TSIC for potential angel investors. The objective of this program was to sensitize potential investors on the benefits and rewards one can get by investing ins. The session included a masterclass conducted by the main trainer and a Q&A with attendees. All the speakers in the program were women and the workshop saw participation from more than 55 potential investors.
The Government of Himachal Pradesh with support from the Himachal Pradesh Centre for Entrepreneurship Development (HPCED), conducted sensitization workshops for the officials of State Government departments, potential investors, and incubators to sensitize potential investors on investment in startups.

More than 35 programmes were conducted to sensitize the potential investors in the State about investing in startups at various stages. These sensitization programs would in turn boost grassroot entrepreneurship in the State.
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<td>AIC-PECF</td>
<td>Atal Incubation Centre - Pondicherry College of Engineering Foundation</td>
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<td>DPIIT</td>
<td>Department for Promotion of Industry and International Trade</td>
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<td>DE&amp;IT</td>
<td>Department of Electronics and IT</td>
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<td>ER&amp;D</td>
<td>Engineering Research and Development</td>
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<td>EV</td>
<td>Electric Vehicle</td>
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<td>FPOs</td>
<td>Farmer Producer Groups</td>
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<td>GSK</td>
<td>Gujarat Knowledge Society</td>
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<td>GSBTM</td>
<td>Gujarat State Biotechnology Technology Mission</td>
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<td>GVPL</td>
<td>Gujarat Venture Finance Limited</td>
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<td>HIMSUP</td>
<td>Him Startup Yojana</td>
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<td>HEV</td>
<td>Hybrid Electric Vehicle</td>
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<td>HPCED</td>
<td>Himachal Pradesh Centre for Entrepreneurship Development</td>
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<td>HRM</td>
<td>Human Resource Management</td>
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<td>IC</td>
<td>Industries Commissionerate</td>
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<td>ICCCR</td>
<td>International Centre for Cross-Cultural Research</td>
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<td>IoT</td>
<td>Interest of Things</td>
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<td>IIM</td>
<td>Indian Institute of Management</td>
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<td>Integrated Village Co-operative Societies</td>
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<td>KWISE</td>
<td>Women in Startup Ecosystem</td>
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<td>MBMA</td>
<td>Meghalaya Basin Management Agency</td>
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<td>MNC</td>
<td>Multinational Company</td>
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<td>MOV</td>
<td>Memorandum of Understanding</td>
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<td>MSME</td>
<td>Ministry of Micro, Small, and Medium Enterprise</td>
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<td>O-HUB</td>
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<td>PRIME</td>
<td>Promotion and Incubation of Market-Driven Ecosystem</td>
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<td>Software Technology Parks of India</td>
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