5th Edition

States' Startup Ecosystem Ranking

Ladakh

Emerging Startup Ecosystem
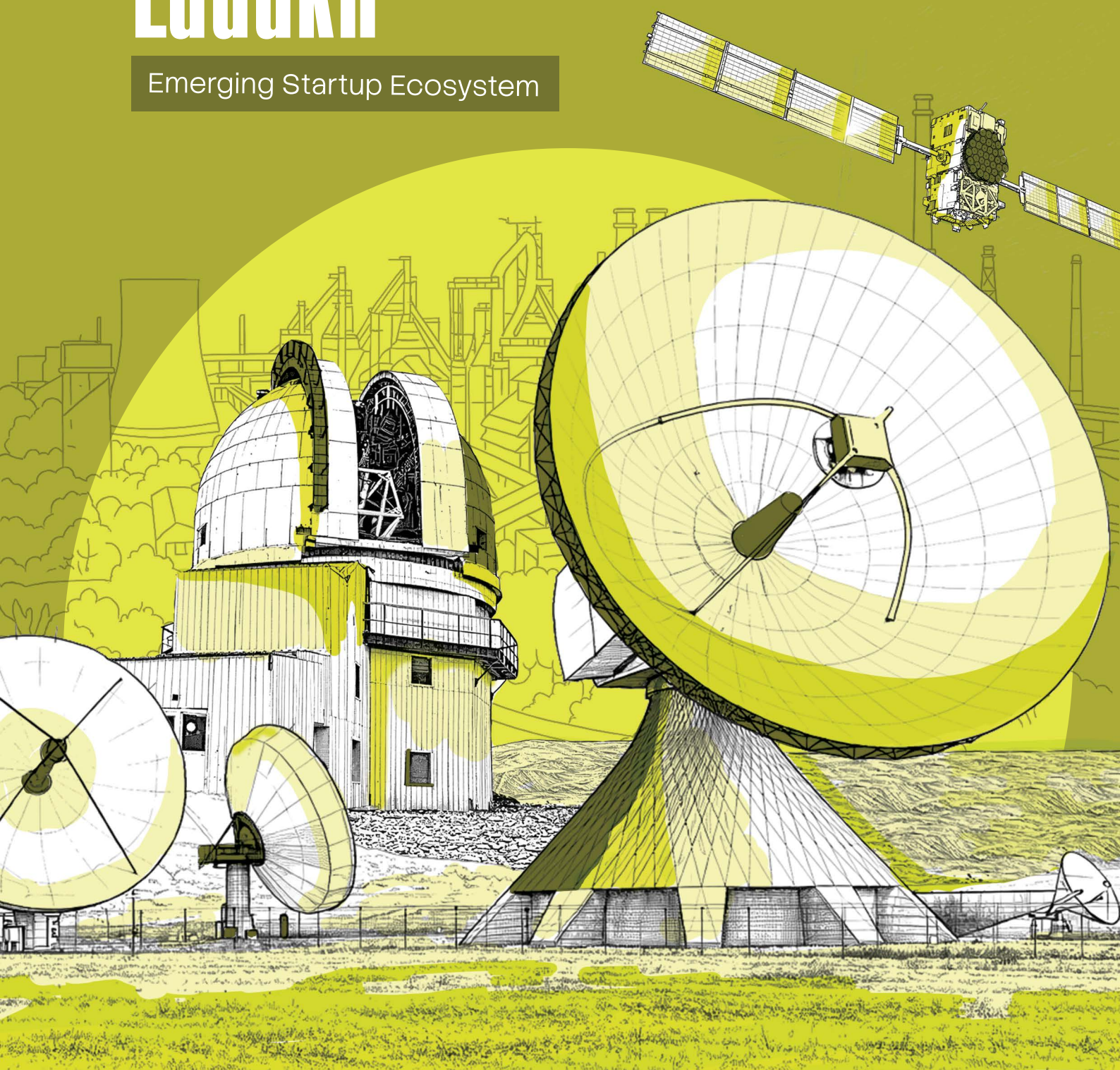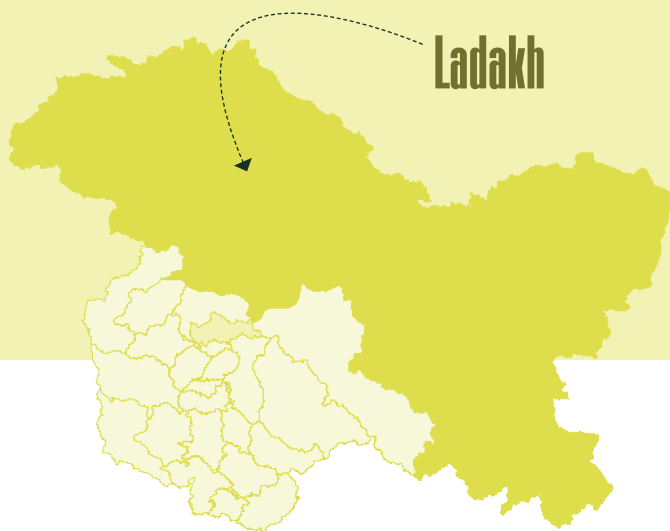
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1. About the UT

Ladakh

Ladakh, the northernmost region of India, became a Union Territory on 31 October 2019 after its separation from Jammu & Kashmir. The newly created Union territory with geographical area of about 59,146 Sq. Km

Ladakh, the northernmost region of India, became a Union Territory on 31 October 2019 after its separation from Jammu & Kashmir. The newly created Union territory with geographical area of about 59,146 Sq. Km and population of about 274,2892 comprises two districts - Leh and Kargil, known for its high-altitude desert terrain, cold climate, and vast geographical expanse. The region is surrounded and bisected by some of the world's highest mountain ranges - the Himalayas, Zanskar, Ladakh, and Karakoram ranges, making it one of the driest regions in India, with an average annual rainfall of about 5 cm.

Ladakh's economy is primarily driven by agriculture, tourism, and traditional cottage industries, with strong potential in horticulture,

renewable energy, handicrafts, and handloom sectors. The region is renowned for its apricots, pashmina wool, and high-quality handicraft products crafted by local artisans.

The Directorate of Industries & Commerce, Ladakh, established in 2019, serves as the nodal agency for industrial and entrepreneurial development. It promotes micro, small, and cottage industries, enhances skill development, and supports artisans and weavers through training, design modernization, and marketing initiatives. The Directorate also facilitates participation of local producers at district, national, and international expos, and encourages co-operative societies for community-led industrial growth.

2. UT Startup Policies and Initiatives

The Enterprising Ladakh Innovation and Startup Policy 2020 was launched by the Directorate of Industries & Commerce, UT Ladakh, and aims to foster innovation and entrepreneurship across the Union Territory. Key initiatives and incentives include:

Financial Support:
Monthly allowance up to INR 20,000, growth grant up to INR 3 Lakh, marketing assistance up to INR 3 Lakh, patent reimbursement up to INR 5 Lakh, GST reimbursement up to INR 5 Lakh, and subsidies for digital technology and green energy solutions.

Ecosystem Support:
Regular mentorship programs, innovation challenges, buyer-seller meets, and a dedicated Startup Ladakh Portal for information and networking.

Academic Support:
Establishment of entrepreneurship cells, student startup innovation funds, internships, and startup competitions in educational institutions.Infrastructure: Creation of incubation centres in Leh and Kargil with INR 5 Cr earmarked under the Special Development Package, along with co-working spaces for startups.

Governance:
Implementation through a two-tier structure comprising the Ladakh Startup Council and the Startup Ladakh Team.

Overall, a budget of INR 12.49 Cr has been allocated under this policy to build a vibrant and inclusive startup ecosystem in Ladakh. Through these initiatives, Ladakh is positioning itself as an emerging hub for innovation, sustainability, and youth entrepreneurship in India's northern frontier.

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2.2 Key Initiatives Driving Growth

The UT of Ladakh is advancing its startup ecosystem through targeted initiatives focusing on creating enabling infrastructure, improving access to finance and markets, building capacities, and promoting local innovation and entrepreneurship. Highlights of key initiatives include:

- A three-day Entrepreneurship Awareness Program (EAP) was organized at Entrepreneurship Development Institute of India (EDII) in Leh campus under the "Enterprising Ladakh" initiative, aimed at youth entrepreneurship and innovation.

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- A similar three-day EAP was organized at ITI Kargil, engaging over 100 participants and focusing on ideation, business-planning and financial literacy through mentors and trainers.

- Establishment of a Single Window Facilitation System under the UT's Sustainable Industrial Policy 2022-27 to streamline clearances and improve the ease of doing business in Ladakh.

- Infrastructure development in both districts of Leh and Kargil for incubation centers, co-working spaces and green energy backed units, leveraging the region's natural resources and artisan base.
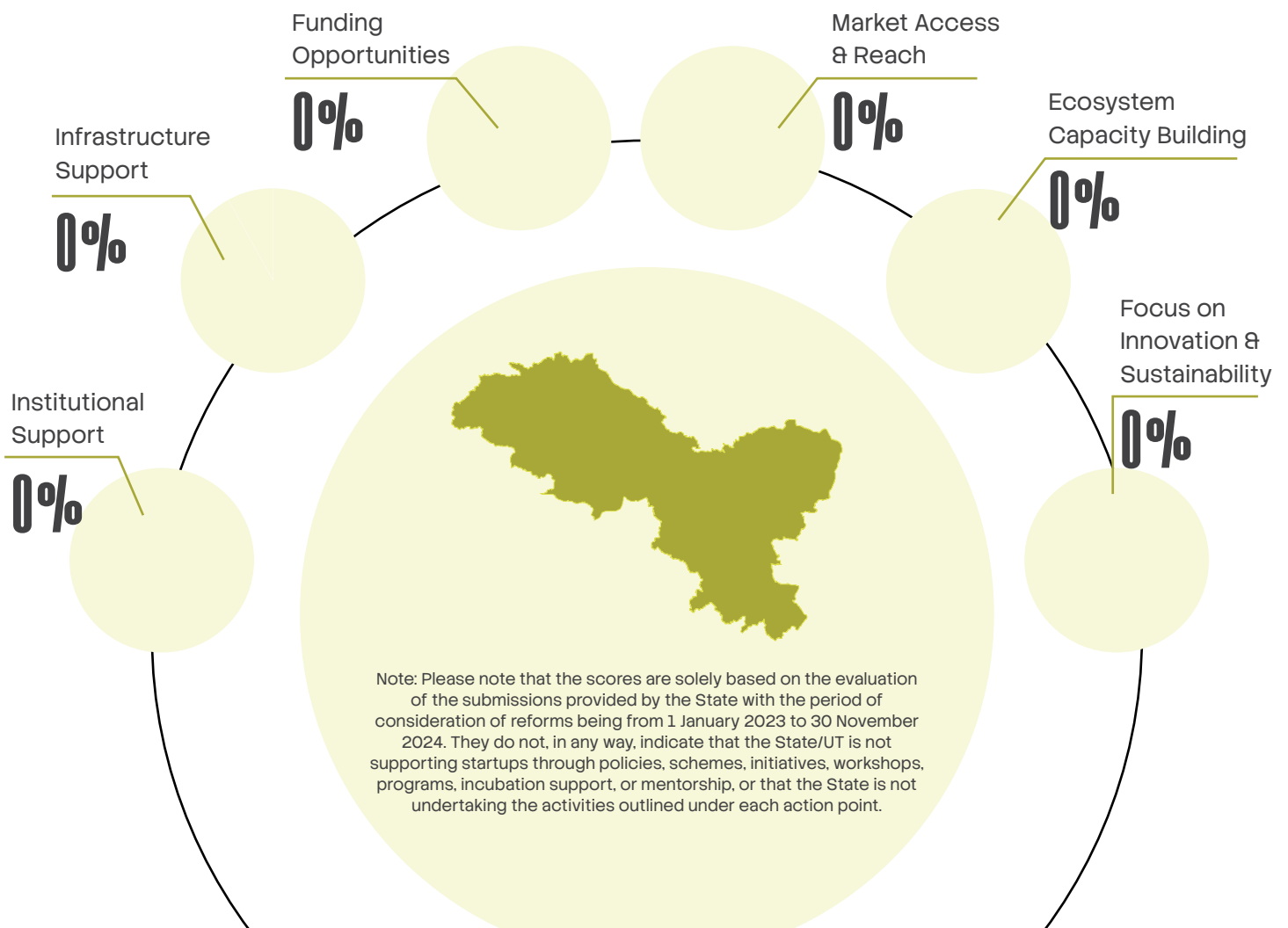

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3. UTs' Startup Ecosystem Ranking Results

Ladakh participated in 1 Reform Area and 1 Action Point under the 5th edition of UT's Startup Ecosystem Ranking, and has been positioned as the "Emerging Startup Ecosystem" UT in Category B.

The UT's performance across different reform areas is presented below as percentile scores, which is the relative performance of the UT in each Reform Area as compared to States/UTs in Category B. For example, if the UT has a score of 100th percentile in the 'Institutional Support' reform area, this implies that the UT has scored higher than all the participating Category B States/UTs in that reform area.

Ladakh has been evaluated on six Reform Areas that have a significant contribution towards propelling the startup ecosystem in the UT. Detailed analysis with insights into the initiatives taken by the UT to promote its startup ecosystem are discussed in the subsequent sections.

Figure 1: Reform area wise scores for Ladakh

Funding Opportunities — 0%

Market Access & Reach — 0%

Infrastructure Support — 0%

Ecosystem Capacity Building — 0%

Institutional Support — 0%

Focus on Innovation & Sustainability — 0%

Note: Please note that the scores are solely based on the evaluation of the submissions provided by the State with the period of consideration of reforms being from 1 January 2023 to 30 November 2024. They do not, in any way, indicate that the State/UT is not supporting startups through policies, schemes, initiatives, workshops, programs, incubation support, or mentorship, or that the State is not undertaking the activities outlined under each action point.

4. Reform Area 1 - Institutional Support

4.1 Introduction

Institutional Support focuses on the foundational support provided by UT governments to foster startup ecosystems. It evaluates whether UTs have active startup policies, designated nodal departments, and dedicated teams. It also assesses the extent of support provided by other government departments beyond the nodal agency. Key action points include the presence of a startup policy, identification and development of priority sectors, support for women entrepreneurs, and initiatives for young student entrepreneurs.

It covers 6 action points:

Action Point 1:
Support Provided to Startups by State/UT Department(s)

Action Point 2:
For Development with a Futuristic and Disruptive Focus

Action Point 3:
Women Entrepreneurial Development

Action Point 4:
For the Growth of Young Entrepreneurs

Action Point 5:
Entrepreneurial Growth in the Social Innovation Landscape

Action Point 6:
Mentorship Support Provided to Startups

Institutional support provided to Startups:

The UT has put in place an institutional framework to support startups through its Startup Policy 'Enterprising Ladakh Innovation and Startup Policy'. The UT also has a dedicated nodal department, Directorate of Industries and Commerce and a dedicated officer and a dedicated team responsible for startup promotion and facilitation.

5. Reform Area 2 - Infrastructure Support

5.1 Introduction

Infrastructure Support evaluates the availability and quality of both digital and physical infrastructure provided by UTs to startups. Digital infrastructure includes UT startup portals with features like online registration, grievance redressal, and accessibility in local languages and for persons with disabilities. Physical infrastructure focuses on the establishment and upgrading of incubators, especially those supporting manufacturing and hardware startups. It also assesses the number of startups receiving incubation support and the facilities available to them.

It covers 2 action points:

Action Point 7:
Access to Digital Infrastructure

Action Point 8:
Access to Physical Infrastructure

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6. Reform Area 3 - Funding Opportunities

6.1 Introduction

Funding Opportunities examines the financial mechanisms established by UTs to support startups. It includes the creation and management of seed funds, venture funds, and funds of funds, especially those targeting priority sectors. It also evaluates the number of startups that have received funding through these mechanisms and the extent of collaboration with financial institutions. Additionally, it assesses initiatives like pitching sessions and investor connect programs that facilitate access to private capital.

It covers 3 action points:

Action Point 9:
Access to Funding

Action Point 10:
Number of Startups which have Received Funding through UT Supported Funds or Mechanisms

Action Point 11:
UT Support in Fundraising Initiatives

7. Reform Area 4 - Market Access & Reach

7.1 Introduction

Market Access & Reach focuses on how states help startups access markets by relaxing public procurement processes, awarding Government Work Orders, and domestic and international exposure. It evaluates the number of tenders floated with startup-friendly relaxations, the number of startups awarded work orders, and the reach of market access initiatives across districts. It also considers programs that connect startups with government departments, corporates, and international trade bodies for product showcases and pilot projects.

It covers 3 action points:

Action Point 12:
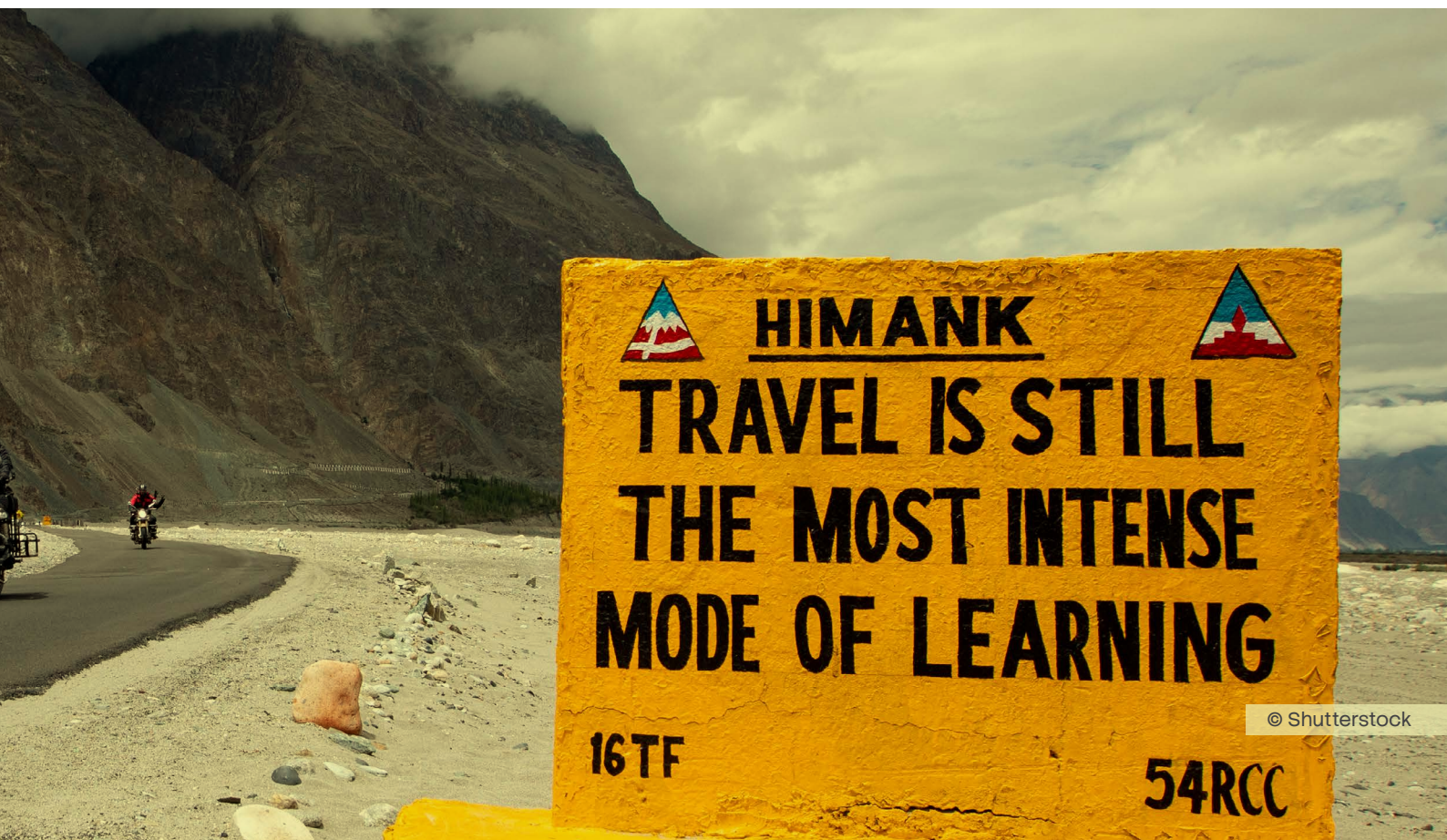Market Access Opportunity Provided to Startups through Public Procurement

Action Point 13:
Number of Startups Awarded Purchase Orders or Work Orders

Action Point 14:
Access to Domestic and International Market Access Opportunities

HIMANK
TRAVEL IS STILL THE MOST INTENSE MODE OF LEARNING
16TF   54RCC

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8. Reform Area 5 - Ecosystem Capacity Building

8.1 Introduction

Ecosystem Capacity Building evaluates efforts to strengthen the startup ecosystem through training and sensitization programs. It includes workshops for government officials, capacity development for incubators, and sensitization programs for ecosystem enablers like mentors, investors, and accelerators. The focus is on building awareness, improving stakeholder capabilities, and fostering collaboration across the ecosystem.
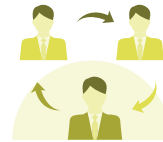
It covers 3 action points:

Action Point 15:
Capacity Building of Officials of UT Government Departments on Startup Ecosystem of India

Action Point 16:
Number of UT-supported Incubators Trained Through Capacity Development Workshops

Action Point 17:
Number of Programs Conducted to Sensitize Ecosystem Enablers

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9. Reform Area 6 - Focus on Innovation & Sustainability

9.1 Introduction

Focus on Innovation and Sustainability assesses how UTs promote innovation and sustainability through support for Intellectual Property Rights (IPR), Research and Development (R&D), and startups focused on climate change and circular economy. It evaluates the presence of policies facilitating IPR, the extent of R&D support, and the number of sustainability-focused startups receiving incentives.

It covers 2 action points:

Action Point 18:
Initiatives Undertaken by the State/UT to Facilitate Research and Innovation

Action Point 19:
Support to Startups for a Sustainable Focus

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10. Way Ahead

- The UT may clearly identify priority sectors and focus on designing and implementing targeted schemes and initiatives to promote startup development in these sectors.

- The UT may intensify targeted interventions to encourage and support women-led startups through focused outreach and assistance mechanisms.

- The UT may strengthen support for startups operating in the public welfare domain to enable solutions that generate sustained social impact.

- The UT may enhance structured support for student entrepreneurship by strengthening programmes, initiatives, and incubation activities within educational institutions.

- The UT may expand and deepen mentorship support by increasing the pool of mentors actively engaged with startups.

- The UT may strengthen startup-facing grievance redressal mechanisms to ensure accessibility, including availability in local or official languages and access for persons with disabilities.

- The UT may focus on strengthening and expanding its incubator ecosystem to provide startups with access to infrastructure, mentoring, and sector-specific support

- The UT may facilitate regular pitching platforms and investor engagement programmes to improve startup access to angel funding, equity financing, and debt instruments.

- The UT may strengthen seed funding, venture funding, or fund-of-funds mechanisms and place greater emphasis on creating effective connections between startups and investors through UT-led initiatives and partnerships

- The UT may intensify efforts to promote startup participation in public procurement by introducing relaxations, spreading awareness on these relaxations and increasing opportunities for issuing work orders to startups by government departments.

- The UT may strengthen initiatives aimed at facilitating and fast-tracking intellectual property rights processes, including patents, copyrights, and trademarks, for startups.

- The UT may enhance R&D support mechanisms for startups through targeted financial assistance, infrastructure access, and collaboration with academic and research institutions.

- The UT may intensify focused support for startups working in renewable energy, climate change, and sustainability-related sectors.

11. Annexures

List of Figure

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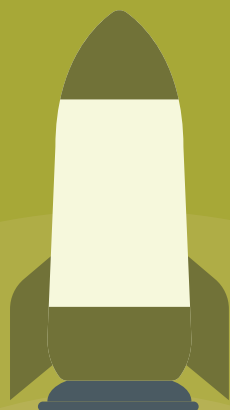
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