



**JUNE 2019** 

# INDIA: 2<sup>nd</sup> Largest Startup Ecosystem 22,000+ Startups in India



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

270

INCUBATORS & ACCELERATORS

231

ANGEL INVESTOR COMMUNITY

200+

VENTURE CAPITAL FIRMS

11

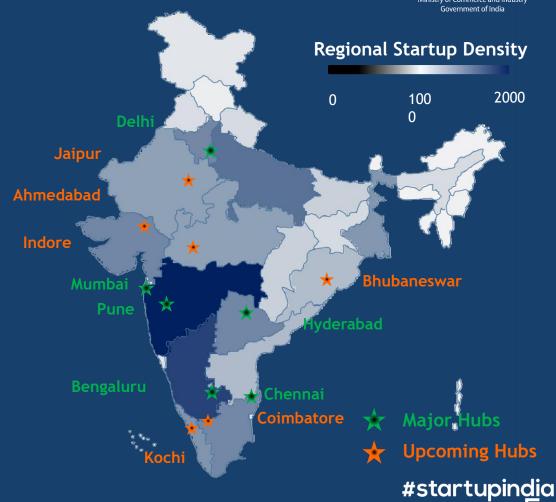
AVERAGE JOBS PER STARTUP\*

28yrs

AVG. AGE OF FOUNDERS

\$75+ Bn

UNICORN VALUATION





#### STARTUP INDIA





Launched by Hon'ble Prime Minister of India

16<sup>th</sup> January 2016

#### STARTUP INDIA PILLARS

CONSOLIDATE
THE CURRENT
ECOSYSTEM

- Bring all stakeholders to a common platform
- Value proposition for all stakeholders

**GROW THE ECOSYSTEM** 

- Connect with global ecosystem
- Stimulate others to join the ecosystem

Access to information and

- FACILITATE knowledge STAKEHOLDERS
  - Handholding support



### **DPIIT STARTUP DEFINITION**



**AGE** 

**ENTITY TYPE** 

**TURNOVER** 

NATURE OF INNOVATION









> 10 years from date of incorporation

- Private Limited Company, or
- LimitedLiabilityPartnership or
- RegisteredPartnership

Must not exceed INR 100 Cr. in in any fiscal year

Developing
 new or
 improving
 existing
 product/servi
 ce offering



## STARTUP INDIA

Starting a startup revolution

18,833

Startups Recognized by the Government of India

513
Districts
States
Union Territories
55%
27%
18%
Tier 1 Cities
Tier 2 Cities
Tier 3 Cities

11 Jobs per startup\*

\*1,87,004 JOBS REPORTED BY 16,105 STARTUP INDIA RECOGNISED STARTUPS





### STARTUP INDIA

**Benefits for Startups** 



#### **Funding Support**



#### **Public Procurement**



#### **Patent & Trademark**



#### **Tax Benefits**



#### **Startup India Hub**



#### **Easier Compliances**

Self Certification
/ Faster Exit



### STARTUP INDIA ONLINE HUB

Department for Promotion of Industry and Internal Trade

Ministry of Commerce and Industry Government of India

India's largest virtual incubation platform

www.startupindia.gov.in

India's largest virtual incubation platform www.startupindia.gov.in

3,18,015 Registered Users

9 Intl. Bridges









### INTERNATIONAL PARTNERSHIP

JUL

Announcement

**Enabling cross border startup exchange** 



#### INDIA 🕕 ISRAEL

INNOVATION BRIDGE

2017

SEP

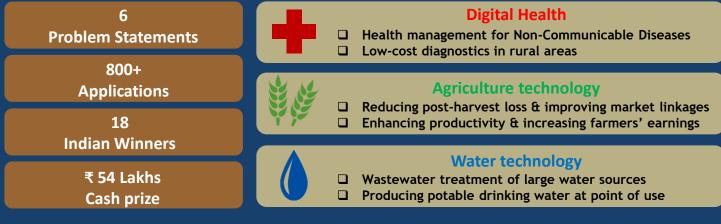
Launch

NOV

Solution Submission



Hon. Prime Ministers of India and Israel launching the initiative on 6<sup>th</sup> July 2017



**DEC** 

Review of Submissions

2018

**Incubation Period** 



JUL

Demo Day

# STARTUP INDIA Other Initiatives





Startup India Learning Program

Registered
Learners
2,39,196

4 Week long free of cost online learning program for startup aspirants (Available in English, Hindi)



States 24
Districts 220







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



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

#### **Connect With Us**

www.startupindia.gov.in





Startup India





**1** Fund of Funds for Startups

SIDBI MoCI

Rs. 10,000 Crores committed by Government of India
Catalysing 10X Funds for Startups



Rs. 1,00,000 Crores

Total Government Commitment

Expected target corpus to be raised by VCFs

- □ Rs. 2,265.70 Cr. committed to 40 Venture Funds
- □ Rs. 347 Cr. drawn government commitment and invested into 274 startups





**Public Procurement for Startups** 

MSME\* MoF\*\* MoCI





- ☐ Public procurement norms relaxed for startups through exemptions on (Nov'16)
  - > Prior turnover criteria; and
  - Prior experience criteria

Applicable on all tenders issued by Central Ministries and Central Public Service Undertakings (CPSUs)

- ☐ Startups exempt from submitting Earnest Money Deposit requirements (Jul'17)
- ☐ GeM Startup Runway launched dedicated corner for startups to sell products & services to Government (Feb'19)
  - > 1,862 Startups registered
  - > 7,697 procurement orders worth Rs. 275 Cr. received





3 Intellectual Property Support

MoCI



Benefits offered to startups

- 80% rebate on patent filing fees 1,496 benefitted
- □ 50% rebate on trademark filing fees 2,761 benefitted
- □ Expedited patent examination 389 benefitted



4 1,031 Facilitators empanelled for free of cost filing & facilitation



- Fastest patent granted in: 81 days
- ☐ Average patent granted in: 3 years
- ☐ Total patents granted: 103







**4** Tax Incentives

MoF MoCl



- ☐ Income Tax exemption given to Startups for 3 out of 7 years

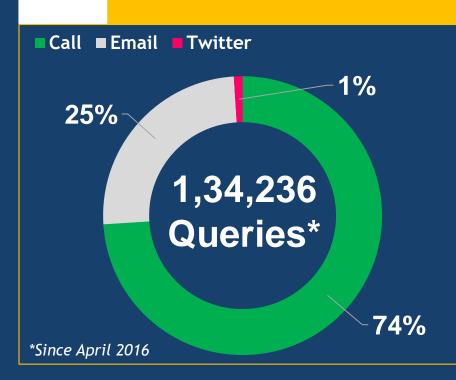
  94 Startups benefitted
- □ Startups exempt from Angel Tax 555 Startups received so far (Section 56 (2) (viib) Income Tax Act)
- ☐ Exemption of long term capital gains tax if profits invested into Fund of Funds
  - (Sec. 54 EE Income Tax Act)
- ☐ Exemption from capital gains for investment in start ups for purchase of specified assets
  - (Sec. 54 GB Income Tax Act)
- Minimum Alternate Tax carry forward limit increased to fifteenth assessment year instead of tenth assessment year











## Query Analysis

**Tier 1**Delhi, Mumbai,
Bengaluru, Pune

37%

36%

Tier 2

Bhopal, Nasik, Nagpur, Varanasi

Tier 3

Alwar, Bilaspur, Muzaffarpur, Chappra Calls in Hindi
Towns / Cities
Women Callers
Queries on 60%





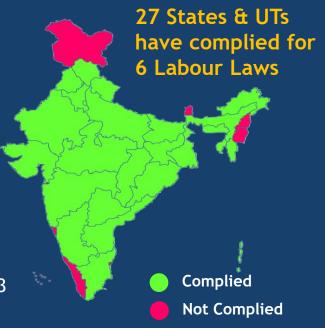
**Benefits** 



**6** Self-Certification Compliance

MoLE\*
MoEF\*\*

- ☐ Startups can self-certify their compliance under
- 6 Labour Laws
- The Building and Other Constructions Workers' Act, 1996
- ✓ The Inter-State Migrant Workmen Act, 1979
- ✓ The Payment of Gratuity Act, 1972
- ✓ The Contract Labour Act, 1970
- ✓ The Employees' Provident Funds and Miscellaneous Provisions Act, 1952
- ✓ The Employees' State Insurance Act, 1948
- 3 Environmental Laws
- ✓ The Water (Prevention & Control of Pollution) Act, 1974
- ✓ The Water (Prevention & Control of Pollution) Cess (Amendment) Act, 2003
- ✓ The Air (Prevention & Control of Pollution) Act, 1981.







**6** Faster Exits for Startups

MCA



- ☐ Insolvency and Bankruptcy Board constituted
- ☐ MCA has classified startups as "Fast Track Firms" (Jun'17)
- ☐ Insolvency resolution process to be completed within 90 days as against 180 days



