

**GOVERNMENT OF INDIA
MINISTRY OF COMMERCE & INDUSTRY
DEPARTMENT FOR PROMOTION OF INDUSTRY AND INTERNAL TRADE**

LOK SABHA

**UNSTARRED QUESTION NO. 4639.
TO BE ANSWERED ON WEDNESDAY, THE 29TH MARCH, 2023.**

STARTUP ENTERPRISES

4639. SHRI MALOOK NAGAR:

Will the Minister of **COMMERCE AND INDUSTRY** be pleased to state:

वाणिज्य एवं उद्योग मंत्री

- (a) whether the Government has identified any startup enterprises under its ambitious programme;
- (b) if so, the details thereof;
- (c) if not, the reasons therefor;
- (d) whether any startups have been identified in the backward areas of the country and in Uttar Pradesh particularly from Western Uttar Pradesh; and
- (e) if so, the details thereof?

ANSWER

वाणिज्य एवं उद्योग मंत्रालय में राज्य मंत्री (श्री सोम प्रकाश)

**THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE & INDUSTRY
(SHRI SOM PARKASH)**

(a) & (b): The Government with an intent to build a strong ecosystem for nurturing innovation, startups and encouraging private investments in startup ecosystem of the country launched Startup India initiative on 16th January 2016.

The Government recognises eligible entities as 'startups' under the initiative. As per eligibility conditions prescribed under G.S.R. notification 127 (E) dated 19th February 2019, entities are recognised as startups under Startup India initiative by the Department for Promotion of Industry and Internal Trade (DPIIT). Since the launch of Startup India initiative in 2016, DPIIT has recognised 92,683 entities as startups as on 28th February 2023.

(c): Does not arise.

(d) & (e): Under the Startup India initiative, the Government constantly undertakes various efforts for the development and growth of startup ecosystem across the country. Details of such programs implemented under Startup India initiative by the Government to support startups across the country are placed at **Annexure-I**.

As on 28th February 2023, Startups from every State and UT have been recognised. Approximately 47% of the recognised startups are from tier 2 and 3 cities.

From the State of Uttar Pradesh, 8,579 entities have been recognised as startups by the DPIIT since 2016 with at least one recognised startup in each of the 75 districts of the State as on 28th February 2023. The district-wise details of recognised startups from the State of Uttar Pradesh are placed at **Annexure-II**.

**ANNEXURE REFERRED TO IN REPLY TO PARTS (d) & (e) OF THE LOK SABHA
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Programs Implemented under Startup India initiative

The details of various programs undertaken by the Government to promote startups under Startup India initiative across the country are as under:

- 1 **Startup India Action Plan**: An Action Plan for Startup India was unveiled on 16th January 2016. The Action Plan comprises of 19 action items spanning across areas such as “Simplification and handholding”, “Funding support and incentives” and “Industry-academia partnership and incubation”. The Action Plan laid the foundation of Government support, schemes and incentives envisaged to create a vibrant startup ecosystem in the country.
- 2 **Fund of Funds for Startups (FFS) Scheme**: The Government has established FFS with corpus of Rs. 10,000 crore, to meet the funding needs of startups. DPIIT is the monitoring agency and Small Industries Development Bank of India (SIDBI) is the operating agency for FFS. The total corpus of Rs. 10,000 crore is envisaged to be provided over the 14th and 15th Finance Commission cycles based on progress of the scheme and availability of funds. It has not only made capital available for startups at early stage, seed stage and growth stage but also played a catalytic role in terms of facilitating raising of domestic capital, reducing dependence on foreign capital and encouraging home grown and new venture capital funds.
- 3 **Credit Guarantee Scheme for Startups (CGSS)**: The Government has established the Credit Guarantee Scheme for Startups for providing credit guarantees to loans extended to DPIIT recognized startups by Scheduled Commercial Banks, Non-Banking Financial Companies (NBFCs) and Venture Debt Funds (VDFs) under SEBI registered Alternative Investment Funds. CGSS is aimed at providing credit guarantee up to a specified limit against loans extended by Member Institutions (MIs) to finance eligible borrowers viz. DPIIT recognised startups.
- 4 **Regulatory Reforms**: Over 50 regulatory reforms have been undertaken by the Government since 2016 to enhance ease of doing business, ease of raising capital and reduce compliance burden for the startup ecosystem.
- 5 **Ease of Procurement**: To enable ease of procurement, Central Ministries/ Departments are directed to relax conditions of prior turnover and prior experience in public procurement for all DPIIT recognised startups subject to meeting quality and technical specifications. Further, Government e-Marketplace (GeM) Startup Runway has been developed which is a dedicated corner for startups to sell products and services directly to the Government.
- 6 **Support for Intellectual Property Protection**: Startups are eligible for fast-tracked patent application examination and disposal. The Government launched Start-ups Intellectual Property Protection (SIPP) which facilitates the startups to file applications for patents, designs and trademarks through registered facilitators in appropriate IP offices by paying only the statutory fees. Facilitators under this Scheme are responsible

for providing general advisory on different IPRs, and information on protecting and promoting IPRs in other countries. The Government bears the entire fees of the facilitators for any number of patents, trademark or designs, and startups only bear the cost of the statutory fees payable. Startups are provided with an 80% rebate in filing of patents and 50% rebate in filing of trademark vis-a-vis other companies.

- 7 **Self-Certification under Labour and Environmental laws**: Startups are allowed to self-certify their compliance under 9 Labour and 3 Environment laws for a period of 3 to 5 years from the date of incorporation.
- 8 **Income Tax Exemption for 3 years**: Startups incorporated on or after 1st April 2016 can apply for income tax exemption. The recognized startups that are granted an Inter-Ministerial Board Certificate are exempted from income-tax for a period of 3 consecutive years out of 10 years since incorporation.
- 9 **International Market Access to Indian Startups**: One of the key objectives under the Startup India initiative is to help connect Indian startup ecosystem to global startup ecosystems through various engagement models. This has been done through international Government to Government partnerships, participation in international forums and hosting of global events. Startup India has launched bridges with over 15 countries that provides a soft-landing platform for startups from the partner nations and aid in promoting cross collaboration.
- 10 **Faster Exit for Startups**: The Government has notified Startups as 'fast track firms' enabling them to wind up operations within 90 days vis-a-vis 180 days for other companies.
- 11 **Startup India Hub**: The Government launched a Startup India Online Hub on 19th June 2017 which is one of its kind online platform for all stakeholders of the entrepreneurial ecosystem in India to discover, connect and engage with each other. The Online Hub hosts Startups, Investors, Funds, Mentors, Academic Institutions, Incubators, Accelerators, Corporates, Government Bodies and more.
- 12 **Exemption for the Purpose Of Clause (VII)(b) of Sub-section (2) of Section 56 of the Act (2019)**: A DPIIT recognized startup is eligible for exemption from the provisions of section 56(2)(viib) of the Income Tax Act.
- 13 **Startup India Showcase**: Startup India Showcase is an online discovery platform for the most promising startups of the country chosen through various programs for startups exhibited in a form of virtual profiles. The startups showcased on the platform have distinctly emerged as the best in their fields. These innovations span across various cutting-edge sectors such as Fintech, EnterpriseTech, Social Impact, HealthTech, EdTech, among others. These startups are solving critical problems and have shown exceptional innovation in their respective sectors. Ecosystem stakeholders have nurtured and supported these startups, thereby validating their presence on this platform.
- 14 **National Startup Advisory Council**: The Government in January 2020 notified constitution of the National Startup Advisory Council to advise the Government on measures needed to build a strong ecosystem for nurturing innovation and startups in the country to drive sustainable economic growth and generate large scale employment

opportunities. Besides the ex-officio members, the council has a number of non-official members, representing various stakeholders from the startup ecosystem.

- 15 **Startup India: The Way Ahead**: Startup India: The Way Ahead at 5 years celebration of Startup India was unveiled on 16th January 2021 which includes actionable plans for promotion of ease of doing business for startups, greater role of technology in executing various reforms, building capacities of stakeholders and enabling a digital Aatmanirbhar Bharat.
- 16 **Startup India Seed Fund Scheme (SISFS)**: Easy availability of capital is essential for entrepreneurs at the early stages of growth of an enterprise. The capital required at this stage often presents a make-or-break situation for startups with good business ideas. The Scheme aims to provide financial assistance to startups for proof of concept, prototype development, product trials, market entry and commercialization. Rs. 945 crore has been sanctioned under the SISFS Scheme for period of 4 years starting from 2021-22.
- 17 **National Startup Awards (NSA)**: National Startup Awards is an initiative to recognize and reward outstanding startups and ecosystem enablers that are building innovative products or solutions and scalable enterprises, with high potential of employment generation or wealth creation, demonstrating measurable social impact. Handholding support is provided to all the finalists across various tracks viz. Investor Connect, Mentorship, Corporate Connect, Govt. Connect, International Market Access, Regulatory Support, Startup Champions on Doordarshan and Startup India Showcase, etc.
- 18 **States' Startup Ranking Framework (SRF)**: States' Startup Ranking Framework is a unique initiative to harness strength of competitive federalism and create a flourishing startup ecosystem in the country. The major objectives of the ranking exercise are facilitating states to identify, learn and replace good practices, highlighting the policy intervention by states for promoting startup ecosystem and fostering competitiveness among states.
- 19 **Startup Champions on Doordarshan**: Startup Champions program on Doordarshan is a one-hour weekly program covering stories of award winning/ nationally recognised startups. It is telecasted in both Hindi and English across Doordarshan network channels.
- 20 **Startup India Innovation Week**: The Government organises Startup India Innovation week around the National Startup Day i.e. 16th January, with the primary goal was to bring together the country's key startups, entrepreneurs, investors, incubators, funding entities, banks, policymakers, and other national/international stakeholders to celebrate entrepreneurship and promote innovation.

ANNEXURE-II**ANNEXURE REFERRED TO IN REPLY TO PARTS (d) & (e) OF THE LOK SABHA USTARRED QUESTION NO. 4639 FOR ANSWER ON 29.03.2023**

District-wise Details of Recognized Startups (as on 28th February) from the State of Uttar Pradesh are as under:

Districts of Uttar Pradesh	Number of Recognised Startups
Agra	279
Aligarh	83
Allahabad	207
Ambedkar Nagar	4
Amethi	8
Amroha	10
Auraiya	69
Azamgarh	21
Baghpat	19
Bahraich	10
Ballia	17
Balrampur (UP)	2
Banda	15
Barabanki	18
Bareilly	121
Basti	24
Bhadohi	11
Bijnor	28
Budaun	12
Bulandshahr	44
Chandauli	19
Chitrakoot	8
Deoria	26
Etah	5
Etawah	23
Faizabad	33
Farrukhabad	9
Fatehpur	15
Firozabad	28
Gautam Buddha Nagar	2718
Ghaziabad	1241
Ghazipur	27
Gonda	20
Gorakhpur	156
Hamirpur (UP)	11
Hapur	16
Hardoi	15
Hathras	17
Jalaun	13
Jaunpur	28
Jhansi	87
Kannauj	21
Kanpur Dehat	25

Districts of Uttar Pradesh	Number of Recognised Startups
Kanpur Nagar	405
Kasganj	3
Kaushambi	11
Kheri	18
Kushinagar	16
Lalitpur	7
Lucknow	1410
Maharajganj	15
Mahoba	6
Mainpuri	16
Mathura	79
Mau	7
Meerut	227
Mirzapur	29
Moradabad	100
Muzaffarnagar	53
Pilibhit	14
Pratapgarh	17
Raebareli	18
Rampur	27
Saharanpur	89
Sambhal	10
Sant Kabir Nagar	12
Shahjahanpur	22
Shamli	10
Shravasti	2
Siddharth Nagar	3
Sitapur	13
Sonbhadra	22
Sultanpur	25
Unnao	28
Varanasi	302
Grand Total	8,579
