

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

LOK SABHA

**UNSTARRED QUESTION NO. 927.
TO BE ANSWERED ON WEDNESDAY, THE 08TH FEBRUARY, 2023.**

STARTUPS

927. SHRI THIRUNAVUKKARASAR SU:

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

वाणिज्य एवं उद्योग मंत्री

- (a) whether the number of startups have greatly increased and are being recognized in the country in the last few years;
- (b) if so, the details thereof, sector-wise;
- (c) whether all districts in the country have atleast one startup more particularly in Tamil Nadu;
- (d) if so, the details thereof; and
- (e) the steps taken by the Government to further promote startups and generate more employment opportunities in various sectors in the country?

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):** Yes, as a result of sustained Government efforts, the number of recognized startups has increased from 445 in 2016 to 86,713 in 2022 (as on 31st December 2022). The year-wise and sector-wise details of number of startups recognised is placed at **Annexure-I**.
- (c) & (d):** Various measures have been undertaken by the Government under the Startup India initiative to encourage and promote innovation and entrepreneurship across the country. As a result, as on date, there is at least one recognised startup in every State and UT spread across over 80% of the districts across the nation. Particularly for the State of Tamil Nadu, there is at least one recognised startup in 32 districts (approx. 84% coverage). The district-wise distribution of the number of DPIIT recognised startups in the State of Tamil Nadu is placed at **Annexure-II**.

(e): Under the Startup India initiative, the Government constantly undertakes various efforts for the development and growth of startup ecosystem in the country.

The flagship Schemes namely, Fund of Funds for Startups (FFS), Startup India Seed Fund Scheme (SISFS) and Credit Guarantee Scheme for Startups (CGSS) support startups at various stages of their business cycle to enable startups to graduate to a level where they are able to raise investments from angel investors or venture capitalists or seek loans from commercial banks or financial institutions. The Government also implements flagship annual exercises and programs including States' Startup Ranking, National Startup Awards and Innovation Week which play an important role in holistic development of the startup ecosystem. The Government also facilitates participation and engagement of Indian startup ecosystem at international platforms. Details of such programs implemented under Startup India initiative by the Government to support startups in the country are placed as **Annexure-III**.

**ANNEXURE REFERRED TO IN REPLY TO PARTS (a) & (b) OF THE LOK SABHA
USTARRED QUESTION NO. 927 FOR ANSWER ON 08.02.2023**

**Year-wise and sector-wise distribution of DPIIT recognised startups as on
31st December, 2022**

	Industry	2016	2017	2018	2019	2020	2021	2022	Total
1	Advertising	0	50	90	113	107	125	136	621
2	Aeronautics Aerospace & Defence	0	28	73	97	111	208	333	850
3	Agriculture	1	168	306	520	630	1,101	1,540	4,266
4	AI	0	70	213	336	291	324	306	1,540
5	Airport Operations	0	0	0	0	2	3	4	9
6	Analytics	0	57	100	112	95	143	108	615
7	Animation	0	5	11	13	15	13	28	85
8	AR VR (Augmented + Virtual Reality)	0	39	66	90	58	90	115	458
9	Architecture Interior Design	0	19	46	66	97	98	157	483
10	Art & Photography	0	35	32	39	44	48	96	294
11	Automotive	1	82	140	179	260	418	726	1,806
12	Biotechnology	0	0	0	0	11	99	123	233
13	Chemicals	0	15	40	60	117	213	293	738
14	Computer Vision	0	21	31	43	47	47	31	220
15	Construction	1	79	205	346	558	870	1,429	3,488
16	Dating Matrimonial	0	3	8	13	12	14	25	75
17	Design	0	51	102	96	118	113	125	605
18	Education	0	295	739	770	929	1,298	1,619	5,650
19	Enterprise Software	0	141	233	309	257	288	372	1,600
20	Events	0	21	40	59	63	80	88	351
21	Fashion	2	60	110	129	190	240	413	1,144
22	Finance Technology	0	154	231	428	469	592	886	2,760
23	Food & Beverages	0	170	357	532	643	1,010	1,469	4,181
24	Green Technology	1	128	266	380	352	312	503	1,942

	Industry	2016	2017	2018	2019	2020	2021	2022	Total
25	Healthcare & Lifesciences	43	468	736	993	1,402	1,893	2,553	8,088
26	House-Hold Services	0	39	72	89	113	101	172	586
27	Human Resources	0	50	140	210	325	382	711	1,818
28	Indic Language Startups	15	58	0	0	13	61	103	250
29	Internet of Things	0	133	259	289	242	223	239	1,385
30	IT Services	1	576	1,355	1,599	1,941	2,209	2,738	10,419
31	Logistics	0	0	0	0	17	168	175	360
32	Marketing	0	67	239	261	363	347	451	1,728
33	Media & Entertainment	0	86	161	217	241	268	357	1,330
34	Nanotechnology	0	10	18	24	28	25	37	142
35	Non- Renewable Energy	0	11	23	35	400	761	374	1,604
36	Other Specialty Retailers	0	28	63	72	159	110	152	584
37	Passenger Experience	0	0	0	0	0	4	5	9
38	Pets & Animals	0	12	21	29	34	50	81	227
39	Professional & Commercial Services	0	185	375	489	781	1,120	1,281	4,231
40	Real Estate	0	34	79	123	125	119	258	738
41	Renewable Energy	3	133	279	299	364	518	682	2,278
42	Retail	0	112	238	282	410	406	575	2,023
43	Robotics	0	27	69	92	84	88	112	472
44	Safety	0	12	25	34	55	69	80	275
45	Security Solutions	0	36	82	102	150	242	296	908
46	Social Impact	1	37	62	82	87	133	138	540
47	Social Network	0	57	81	124	109	124	136	631
48	Sports	0	25	41	66	83	87	118	420
49	Technology Hardwa re	2	143	254	331	555	577	871	2,733
50	Telecommunication & Networking	1	47	101	94	160	186	237	826
51	Textiles & Apparel	0	57	98	124	197	307	457	1,240
52	Toys and Games	0	0	0	0	4	79	102	185

	Industry	2016	2017	2018	2019	2020	2021	2022	Total
53	Transportation & Storage	1	97	162	251	285	254	328	1,378
54	Travel & Tourism	1	67	192	264	206	242	365	1,337
55	Waste Management	0	0	0	0	23	199	311	533
56	Not Identified	371	837	5	0	89	981	1,138	3,421
Total		445	5,135	8,669	11,305	14,521	20,080	26,558	86,713

**ANNEXURE REFERRED TO IN REPLY TO PARTS (c) & (d) OF THE LOK SABHA
USTARRED QUESTION NO. 927 FOR ANSWER ON 08.02.2023**

**District-wise distribution of DPIIT recognised startups in the State of Tamil
Nadu as on 31st December, 2022**

S. No.	Districts of Tamil Nadu	Number of DPIIT Recognized Startups
1	Ariyalur	6
2	Chennai	2,393
3	Coimbatore	645
4	Cuddalore	34
5	Dharmapuri	22
6	Dindigul	48
7	Erode	95
8	Kanchipuram	537
9	Kanyakumari	61
10	Karur	26
11	Krishnagiri	62
12	Madurai	149
13	Nagapattinam	11
14	Namakkal	52
15	Perambalur	2
16	Pudukkottai	11
17	Ramanathapuram	16
18	Salem	76
19	Sivaganga	16
20	Thanjavur	50
21	The Nilgiris	19
22	Theni	21
23	Thoothukudi	36
24	Tiruchirappalli	131
25	Tirunelveli	42
26	Tiruppur	71
27	Tiruvallur	211
28	Tiruvannamalai	19
29	Tiruvarur	12
30	Vellore	68
31	Viluppuram	20
32	Virudhunagar	38
33	Not defined	4
Total		5,004

**ANNEXURE REFERRED TO IN REPLY TO PART (e) OF THE LOK SABHA
USTARRED QUESTION NO. 927 FOR ANSWER ON 08.02.2023****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:

- **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.
- **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.
- **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.
- **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.
- **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.
- **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 filling of trademark vis-a-vis other companies.

- **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.
- **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.
- **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 (Brazil, Sweden, Russia, Portugal, UK, Finland, Netherlands, Singapore, Israel, Japan, South Korea, Canada, Croatia, Qatar and UAE) that provides a soft-landing platform for startups from the partner nations and aid in promoting cross collaboration.
- **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.
- **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.
- **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.
- **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.
- **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.

- **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.
- **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.
- **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.
- **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.
- **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.
- **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.
