

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

**UNSTARRED QUESTION NO. 2813.
TO BE ANSWERED ON WEDNESDAY, THE 20TH DECEMBER, 2023.**

STARTUP ECOSYSTEM

2813. SHRI DUSHYANT SINGH:

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

वाणिज्य एवं उद्योग मंत्री

- (a) whether the Ministry is planning to create single implementing body for the entire startup ecosystem, if so, the details thereof;
- (b) whether the Ministry is taking any endeavour to decentralize and extend the startup ecosystem beyond major districts, i.e. in Tier 2 and Tier 3 cities of the country;
- (c) if so, the details thereof along with district wise startups in the State of Rajasthan; and
- (d) the details of the efforts being made by the Ministry to expand the presence of agri-based startups?

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):** The Government with an intent to build a strong ecosystem for nurturing innovation, startups and encouraging investments launched the Startup India initiative on 16th January 2016.

The Government also unveiled a Startup India Action Plan comprising of schemes and incentives envisaged to create a vibrant startup ecosystem in the country.

Department for Promotion of Industry and Internal Trade(DPIIT) by way of the Government of India (Allocation of Business) Rules, 1961 is the Department responsible for matters relating to startups, thereby implements the Startup India initiative and coordinates with the concerned line ministries and departments for execution of programs realising the objectives of the Startup India Action Plan.

- (b) & (c):** As on 31st October 2023, 1,14,902 entities have been recognized as startups under the Startup India initiative. More than 45% of these recognised startups are from tier 2 and 3 cities. The measures implemented under the said initiative are inclusive and are implemented across States/Union Territories (UTs), cities, towns, and rural areas. The list of such measures is placed at **Annexure-I**.

Specifically for the State of Rajasthan, there are a total of 4,029 DPIIT recognized startups as on 31st October 2023. The district-wise details of recognised startups from the State of Rajasthan are placed at **Annexure-II**.

- (d):** The Government has undertaken various efforts under the Startup India initiative to promote startups in the country across multiple sectors. The list of such measures is placed at **Annexure-I**.

Specifically for startups in agriculture sector, the Government has taken several measures under various programs and initiatives. The details of such measures are placed at **Annexure-III**.

As a result, there are a total of 6,224 DPIIT recognized agriculture startups in the country as on 31st October 2023.

ANNEXURE-I

ANNEXURE REFERRED TO IN REPLY TO PARTS (b) to (d) OF THE LOKSABHA UNSTARRED QUESTION NO. 2813 FOR ANSWER ON 20.12.2023.

The details of various measures undertaken by the Government under the 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. **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.
3. **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.
4. **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.
5. **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.
6. **Regulatory Reforms:** Over 55 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.
7. **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) also facilitates and promotes procurement of products and services by the Government from startups.

8. **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.
9. **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.
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. **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.
12. **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.
13. **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.
14. **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 20 countries that provides a soft-landing platform for startups from the partner nations and aid in promoting cross collaboration.
15. **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.
16. **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.

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, Government 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.
21. **ASCEND:** Under ASCEND (Accelerating Startup Caliber & Entrepreneurial Drive), sensitization workshops on startups and entrepreneurship were conducted for all eight North Eastern States with the objective to capacitate and augment knowledge on key aspects of entrepreneurship and continue efforts towards creating a robust startup ecosystem in these States.
22. **The Startup India Investor Connect Portal** has been co-developed under the Startup India Initiative with SIDBI, serving as an intermediary platform that links startups and investors in order to help entrepreneurs from various industries, functions, stages, regions and backgrounds in mobilizing capital. The portal has been built with the aim to enable in particular; early-stage startups located anywhere in the country to showcase themselves to leading investors/ venture capital funds.
23. **National Mentorship Portal (MAARG):** In order to facilitate accessibility to mentorship for startups in every part of the country, the Mentorship, Advisory, Assistance, Resilience and Growth (MAARG) program has been developed and launched under the Startup India Initiative.
24. **Sapno ki Udaan Campaign:** It was conceptualised and launched to target districts with limited recognised startups. This included outreach to these areas in the form of emailers, social media posts, along with state support for outreach.
25. **Startup India Yatra initiative:** It was also launched with an aim to reach tier 2 and tier 3 cities of India to search for entrepreneurial talent and to help develop the startup ecosystem around them. Entrepreneurs were scouted from non-metropolitan cities and provided with a platform for them to pursue their aspirations through incubation and mentorship from renowned institutions and fulfilling the need for such resources in their region.

ANNEXURE-II**ANNEXURE REFERRED TO IN REPLY TO PARTS (b) and (c) OF THE LOK SABHA UNSTARRED QUESTION NO. 2813 FOR ANSWER ON 20.12.2023.**

District-wise details of recognised startups in the State of Rajasthan, as on 31st October 2023 are as follows:

S. No.	Districts	Number of DPIIT recognized startups
1.	Ajmer	165
2.	Alwar	157
3.	Banswara	18
4.	Baran	8
5.	Barmer	35
6.	Bharatpur	24
7.	Bhilwara	66
8.	Bikaner	82
9.	Bundi	14
10.	Chittorgarh	46
11.	Churu	33
12.	Dausa	18
13.	Dholpur	17
14.	Dungarpur	17
15.	Ganganagar	32
16.	Hanumangarh	40
17.	Jaipur	2,188
18.	Jaisalmer	4
19.	Jalore	12
20.	Jhalawar	14
21.	Jhunjhunu	64
22.	Jodhpur	302
23.	Karauli	15
24.	Kota	171
25.	Nagaur	46
26.	Pali	45
27.	Rajsamand	16
28.	Sawai Madhopur	18
29.	Sikar	52
30.	Sirohi	28
31.	Tonk	15
32.	Udaipur	266
33.	Not Specified	1
	TOTAL	4,029

ANNEXURE REFERRED TO IN REPLY TO PART (d) OF THE LOK SABHA UNSTARRED QUESTION NO. 2813 FOR ANSWER ON 20.12.2023.

The details of various programs undertaken by the Government to promote agri-startups are as under:

1. Steps being taken under the Startup India initiative:
 - i. A dedicated sector team for startups in the agriculture sector has been established which assists startups by hosting mentorship sessions.
 - ii. The dedicated sector team for Agriculture startups is also involved in mapping relevant stakeholders and identifying new schemes and/or policies that could potentially be relevant for startups working in this sector.
 - iii. The National Startup Awards (NSA) has multiple categories to recognise agri-startups. For NSA 2021, agri-startups could participate in several categories such as: (i) Irrigation (ii) Farmer Education and Engagement (iii) Post-harvest and (iv) Productivity. Additionally, NSA 2023 introduced a new category to encourage innovation in agriculture startups, namely, "Innovators for Agriculture and Animal Husbandry".
2. **National Agriculture Innovation Fund**: Implemented by the India Council of Agricultural Research (ICAR), promotes the startups related to agriculture under Incubation activities in ICAR Network wherein it has established Agri-business Incubator (ABIs) centres in 50 Institutes across the country. These ABIs are provided infrastructure for agricultural technology incubation and skill up-gradation, leading to promotion of viable enterprises and sustainable start-up business operations such as business planning; office space; and advice on management, marketing, technical and financial issues; and shared resources, equipment and technical support services. Also provides facilitation for technical validation, mentoring and technical backstopping to the agriculture startups.
3. **RKVY-RAFTAAR**: Ministry of Agriculture and Farmer's Welfare is implementing the "Innovation and Agri-Entrepreneurship Development" programme under Rashtriya Krishi Vikas Yojana-Remunerative Approaches for Agriculture and Allied Sector Rejuvenation (RKVY-RAFTAAR) from 2018-19 with an objective to promote innovation and agri-entrepreneurship by providing financial support and nurturing the incubation ecosystem in the country. Startups under the programme are taking up projects in various fields of agriculture and allied sectors like Agro-processing, Food Technology and Value Addition, Artificial Intelligence (AI), Internet of Things (IoT), Information and Communication Technology (ICT), Block Chain Technology (BCT), precision farming, and Digital agriculture among others.

Under the programme, technical and financial support is provided to potential startups to launch their products, services, business platforms, etc and facilitate them to scale up their products and operations to attain business viability. Startups are trained and incubated at RKVY Agribusiness Incubator (R-ABI) centres appointed under the programme.

4. **Biotechnology Industry Research Assistance Council (BIRAC)**: The Department of Biotechnology through its specialized central enabling agency is supporting startups and entrepreneurs in the biotech sector including healthcare (medical devices, diagnostics, biopharma, vaccines, gene therapy, others), Agritech solutions, Nutrition and Food security, Clean energy and Environment, Enzymes and Biofuels etc. BIRAC has created a strong ecosystem and support mechanism across the country to facilitate startups and entrepreneurs in the biotech sector.
5. **Kisan Mela**: The Department of Agriculture and Farmer's Welfare (DA&FW) has been organizing Kisan Mela at different location inviting participation from agri-startups. Such event provides opportunities to agriculture startups to showcase their business idea to the farmers. Such event offers a platform for exchange of ideas between various key stakeholders including central & state government officials, startups, FPOs, Farmers, Academicians, as well as agri-business incubators. Agri-startups can network with stakeholders, market their innovations, and interact and seek funding from investors at this event. This event provides an opportunity to startups to learn from their peer startups and shared ideas in supporting the farmers.
6. **Agriculture Grand Challenge**: A grand challenge was organized by Startup India and Ministry of Agriculture to encourage new concepts and innovations in different areas. The objective was to support the technology base by funding the best fundamental concepts while helping talented and creative innovations to pursue promising avenues at the frontier of the technology.
7. **Domain specific Centres of Excellence (CoEs)**: Ministry of Electronics and Information Technology (MeitY) has operationalised CoEs in diverse areas of national interest for driving self-sufficiency and creating capabilities to capture new and emerging technology areas. These domain specific CoEs act as enablers and aid in making India an innovation hub through democratisation of innovation and realisation of prototypes.
