

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

**UNSTARRED QUESTION NO. 3652.  
TO BE ANSWERED ON TUESDAY, THE 17<sup>TH</sup> DECEMBER, 2024.**

**BENEFITS FROM STARTUP INDIA INITIATIVE**

**3652. SHRI P C MOHAN:**

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

**वाणिज्य एवं उद्योग मंत्री**

- (a) the details and the number of startups in Bengaluru district have benefited from the Startup India Initiative in terms of financial support, regulatory relief and tax exemptions since its launch, and what has been the impact on job creation;
- (b) the details of the specific measures are being implemented by the Government to promote women's entrepreneurship and support startups in Bengaluru district under the Startup India Scheme;
- (c) whether the funding has been allocated to the Startup India Scheme in the current fiscal year and the details of the scheme's major achievements during the last 12 months; and
- (d) whether any new initiatives or policy changes under consideration to enhance startup support, especially in emerging sectors like health-tech, agri-tech and green technologies and if so, the details thereof ?

**ANSWER**

**वाणिज्य एवं उद्योग मंत्रालय में राज्य मंत्री (श्री जितिन प्रसाद)**

**THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE & INDUSTRY  
(SHRI JITIN PRASADA)**

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

As per eligibility conditions prescribed under G.S.R. notification 127 (E) dated 19th February 2019, entities are recognized as 'startups' under the Startup India initiative by the Department for Promotion of Industry and Internal Trade (DPIIT). In Bengaluru district (Rural and Urban), DPIIT has recognized 13,649 entities as startups that have reportedly created over 1,63,345 direct jobs as on 31<sup>st</sup> October 2024.

Under the Startup India initiative, the Government is implementing three flagship Schemes, namely, Startup India Seed Fund Scheme (SISFS), Fund of

Funds for Startups (FFS) and Credit Guarantee Scheme for Startups (CGSS) to support startups at various stages of their business cycle.

SISFS provides financial assistance to seed stage startups through incubators. Specifically for Bengaluru district (Rural and Urban), selected incubators have approved a total of Rs. 63.99 crore to 281 startups, as on 31<sup>st</sup> October 2024.

FFS has been established to catalyze venture capital investments and is operationalized by Small Industries Development Bank of India (SIDBI), which provides capital to SEBI-registered Alternative Investment Funds (AIFs) who in turn invest in startups. Specifically for Bengaluru district, selected AIFs have invested Rs. 6,470.8 crore in 346 startups as on 31<sup>st</sup> October 2024.

CGSS is implemented for enabling collateral free loans to the DPIIT recognised startups through eligible financial institutions. CGSS is operationalized by the National Credit Guarantee Trustee Company (NCGTC) Limited and has been operationalized on pilot basis from 1st April 2023. Specifically for Bengaluru (Urban) district, a total of 24 loans amounting to Rs. 49.24 crore have been guaranteed to eligible recognised startups, as on 31<sup>st</sup> October 2024.

Since the launch of the Startup India initiative in 2016, the Government has taken various measures to enhance ease of doing business, raising capital, and reducing compliance burden to simplify the regulatory environment and create a conducive business environment. These also include tax exemptions under Section 80-IAC and Section 56(2)(viib) of the Income Tax Act 1961. As on 31<sup>st</sup> October 2024, in Bengaluru district (Rural and Urban), a total of 348 and 1,601 startups have been issued Certificate of Eligibility under Section 80-IAC and exemption under Section 56(2)(viib) of the Income Tax Act 1961, respectively.

**(b):** Startup India is an initiative and not a scheme. The Government is implementing specific initiatives/programmes under the Startup India initiative to promote women entrepreneurship across the country including Bengaluru. The details of such initiatives are placed as **Annexure-I**.

**(c) & (d):** Under the Startup India initiative, the Government constantly undertakes various efforts for the development and growth of startup ecosystem across sectors. 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. The Government also implements periodic exercises and programs including States' Startup Ranking, National Startup Awards, and Innovation Week which play an important role in the holistic development of the startup ecosystem. Initiatives to improve market access and enable public procurement support startups in growing and scaling up their businesses. Digital platforms such as the Startup India portal and Bharat Startup Knowledge Access Registry (BHASKAR) enable easy access to resources and startup ecosystem

collaboration. These measures are complemented by regulatory reforms and other ecosystem development events and programs.

All the steps undertaken by the Government under the said initiative are inclusive and are implemented across States/Union Territories (UTs) and across sectors.

Sustained efforts by the Government under the Startup India initiative have led to an increase in the number of DPIIT recognised startups to 1,52,139 as on 31<sup>st</sup> October 2024 across multiple sectors. Of these, more than 34,800 entities were recognized as startups in the last year i.e. 2023. Specifically for emerging sectors like health technology, agri-tech and green technologies, DPIIT has recognized more than 13,000 entities as startups as on 31<sup>st</sup> October 2024.

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## **ANNEXURE-I**

### **ANNEXURE REFERRED TO IN REPLY TO PART (b) OF THE LOK SABHA UNSTARRED QUESTION 3652 FOR ANSWER ON 17.12.2024.**

**Programs implemented to promote women entrepreneurship across the country, including Bengaluru are as under:**

1. To promote flow of both equity and debt to women led startups, 10% of the fund in the Fund of Funds for Startups Scheme operated by Small Industries Development Bank of India (SIDBI) is reserved for women-led startups.
2. Alternative Investment Funds (AIFs) led by women are eligible to be considered for a higher level of management fee (0.1% per annum). The same benefit is also extended to AIFs which are focused on women led startups.
3. Under Credit Guarantee Scheme for Startups (CGSS), for availing the guarantee cover, the Member Institution pays Annual Guarantee Fee (AGF) of 2% p.a. of the disbursement/outstanding amount. For units from the North East region as well as those of women entrepreneurs, the Member Institution pays a standard rate of 1.5% p.a. of the disbursement/outstanding amount.
4. Women Capacity Development Programme (WING) is a unique Capacity Development Program for women-led startups, to identify and support both aspiring and established women entrepreneurs in their startup journeys. The workshops are open to variety of business sectors including Tech, Construction, Product, Machine, Food, Agriculture, Education, etc. The workshops serve as a platform for emerging women entrepreneurs and other stakeholders to discuss the key challenges facing women entrepreneurs. WING workshops create a conducive environment to share best practices and experiences in overcoming challenges and to gain insights learned from the business models adopted in the Indian context.
5. A Virtual Incubation Program for Women Entrepreneurs was conducted to support women-led tech startups with pro-bono acceleration support.
6. Startup India Hub: A webpage dedicated to women entrepreneurs has been designed on the Startup India portal. The page includes various policy measures for women entrepreneurs by both Central and State Governments.
7. ASCEND Startup Workshop Series and Women for Startups Workshops: The Government organized a series of startup workshops - ASCEND (Accelerating Startup Calibre & Entrepreneurial Drive), for the entrepreneurs, aspiring entrepreneurs, and students from North-eastern region. In addition, the workshops are conducted with a specific focus on women entrepreneurs across the north-eastern states. The workshops have witnessed participation from ecosystem stakeholders such as government officials, startups, aspiring entrepreneurs, investors, academic institutions, etc.

8. SuperStree Podcast: With a vision to inspire a greater number of women across all regions in India to become entrepreneurs, the SuperStree video podcast series has been launched on women in the Indian Startup Ecosystem. The podcast spreads awareness related to innovations from women and to further strengthen women entrepreneurship in the country.
9. Through various awareness programmes and capacity building programmes organized by the Government, and through print media and social media platforms, the Government also creates awareness about the existing schemes which support micro, small and medium entrepreneurs, including women entrepreneurs.
10. Women For Startups: State Workshops for Women Entrepreneurs were held across States to build the capacity of aspiring and existing women entrepreneurs. The workshops focused on government scheme awareness, mock pitching, and finance-related training.
11. President's Interaction with Women Entrepreneurs: On 18th January 2024, as part of the "The President with the People" initiative, 25 women entrepreneurs had the opportunity to interact with the Hon'ble President of India. The interaction highlighted the role of women-led startups in driving innovation, creating jobs, and contributing to India's growing startup ecosystem. The Hon'ble President acknowledged their efforts in turning ideas into ventures and emphasized the importance of their success in inspiring future generations.
12. The States' Startup Ranking on support to startup ecosystems is primarily an exercise to identify good practices across all the Indian states. The evaluation includes a specific provision to gauge the formulation and implementation of policies and special incentives to promote women-led startups in each state. The particular action point has witnessed active engagement and thereon reporting of measures undertaken by participating States and UTs.
13. To identify the depth, quality and spread of innovation, inclusivity and diversity, and entrepreneurship in country, the Government instituted the National Startup Awards (NSA). NSA recognizes and promotes startups across 20 sectors and special categories. All four editions of the NSA (2020, 2021, 2022 and 2023) have featured a special category and award for women-led startups.