An entity shall be considered as a Startup by Department of Industrial Policy & Promotion:

- If it is incorporated as a private limited company (as defined in the Companies Act, 2013) or registered as a partnership firm (under section 59 of the Partnership Act, 1932) or limited liability partnership (under the Limited Liability Partnership Act, 2008) in India; and

- Up to seven years from the date of its incorporation/registration; however, in the case of Startups in the biotechnology sector, the period shall be up to ten years from the date of its incorporation / registration; and

- If its turnover for any of the financial years since incorporation / registration has not exceeded INR 25 crore; and

- If it is working towards innovation, development or improvement of products or processes or services, or if it is a scalable business model with a high potential of employment generation or wealth creation.

Provided that an such entity formed by splitting up or reconsturction of a business already in existence shall not be considered as a “Startup”.

Source: Notification, 2017 DIPP, Ministry of Commerce & Industry

### Indian Startup Ecosystem

**#3**

Rank, in terms of Startup base, out of 125 countries across the globe*

**#37**

Overall rank of Indian Startup Ecosystem out of 125 countries across the globe*

140+

Total Number of Startups

- 5000-5200
- 10500-11000

Total Talent Employed by Startups

- 100-105K
- 210-250K

Since 2014, $33.62 billion has been invested in Startups in India¹, with the fund flow increasing annually and angel and series A funding accounting for most of the fund flow. As many as 7 Startups in India have achieved unicorn status within first 9 months of 2018²

### Funding support provided to Startups by DIPP

- Fund of Funds with a corpus of INR 10,000 crores
- Credit Guarantee Fund for Startups
- Tax exemption to Startups for 3 years and tax exemption on Capital Gains and Investments above Fair Market Value
- Organising startup fests for showcasing innovation and providing a collaboration platform with VCs.

**Top sector in the Indian Startup Ecosystem by Investment in 2017**

1. Fin Tech US$2.59Bn
2. Travel Tech US$ 790 Mn
3. Enterprise Tech US$ 525Mn
4. Logistics US$ 405 Mn
5. Health Tech US$ 338 Mn
6. Consumer Services US$ 300 Mn
7. EdTech US$ 165.5 Mn
8. DeepTech US$ 87.85 Mn

Source: Inc 42, 2017

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1 The India Startup Report 2018, YourStory
2 Indian Starups in the League of Unicorns, PHD Chamber

* Startup Ecosystem Rankings Report 2017, StartupBlink
** Incubators/ Accelerators driving growth of Indian Startup Ecosystem 2017 NASSCOM
Efforts by Punjab Government to Boost Punjab Startup Ecosystem

- **Incubation**
  
  Some of the incubation facilities in Punjab are located at: STPI Mohali, ISB Mohali, IIT Ropar, STEP Thapar University, Punjab Biotechnology Incubator, Technology Business at IISER Mohali.

  The following incentives are available for Incubators:
  
  - Capital grant of 100% of Fixed Capital Investment up to INR 1 crores for Government incubators
  - Capital grant of 50% of Fixed Capital Investment up to 50 lakhs for private incubators
  - Operational subsidy & Mentoring Assistance up to INR 3 lakhs per year for a period of 5 years
  - INR 5 lakh per Startup competition fest to eminent education institutes

- **Fiscal Incentives/Funding Available to Startups located in Punjab**

  - Corpus fund of INR 100 crores for scaling-up of Startups
  - Seed Grant up to INR 3 lakh through State/Centre - recognised incubators
  - Interest Subsidy of 8% p.a. for 5 years
  - Reimbursement of Lease Rental up to INR 3 lakh p.a. for 1 year
  - 100% exemption from stamp duty & electricity duty
  - Financial assistance for access to finance, technology and market
  - All incentives provided to MSME units in Punjab Industrial and Business Development Policy 2017 are also extended to Startups.

- **Punjab Startup Hub**

  The Government of Punjab is to set up a Startup Hub in the hub and spoke model for contact with all elements of ecosystem: incubators, industry, academics, institutes, investors, and regulatory institutions. An MoU has been signed with STPI, Mohali for 33,026 square feet of area, wherein a General Investment Account of INR 10 crores will be provided by Government of Punjab. The Startup hub shall provide complete access to labs and support Startups throughout their life cycle.

- **Need for Investment in Agro-Startups**

  For agriculture diversification and sustainable farming innovative solutions for tackling growing crop losses are needed. Startups in precision farming, agriculture machinery marketplace and Farm to Business (F2B) domains have the potential to supercharge agriculture growth in the State.

  Source: Agri Startups in Punjab need fiscal boost, 2018, Tribune