



CSE332

Unit3:- Government Funding and startup schemes

**Topics: Start-up India, 10000 startups
-A NASSCOM Initiative**

1. **Start-up India**, launched on **January 16, 2016**,
2. Aims to **promote entrepreneurship, innovation, and job creation**
3. Through **financial support, legal simplifications, and mentorship**.

Examples : Benefiting startups like **BYJU'S, Zomato, and Paytm**.

Benefits & Incentives for Startups



- **Simplified Compliance:** Self-certification for labor and environmental laws.
- **Tax Exemptions:** 3-year income tax holiday for eligible startups.
- **Funding Support:** ₹10,000 crore **Fund of Funds** for startups.
- **Fast-Track Patent Process:** 80% reduction in patent filing fees.

Example: Ather Energy (EV Startup) leveraged government incentives to scale its business.

- **Must be incorporated as a Private Limited Company, LLP, or Partnership Firm**
- **Should be less than 10 years old**
- **Annual turnover should not exceed ₹100 crore**
- **Must be working on innovation, development, or improvement of products/services**

Example: Zerodha (Fintech Startup) registered under Start-up India and grew into a market leader.



- **Fund of Funds Scheme (FFS)**
- **Start-up India Seed Fund Scheme (SISFS):** ₹945 crore to support early-stage startups.
- **Government Grants & Incubation Centers:** Provides infrastructure, networking, and financial support.

*Example: **Cure.fit (HealthTech Startup)** received funding through various government and private investors.*

Challenges Faced by Indian Startups



- **Funding Constraints:** Many startups struggle to secure investment.
- **Regulatory problems:** Compliance and legal formalities take time.
- **Market Competition:** High competition from global and local players.
- **Scaling Issues:** Difficulties in expanding due to operational challenges.

Example: Kirana King (Retail Startup) overcame scaling challenges through digital transformation.

Impact & Future of Start-up India



- **Over 100,000 startups recognized** by the DPIIT (Department for Promotion of Industry and Internal Trade).
- **India is the 3rd largest startup ecosystem** globally.
- **Focus Areas for Growth:** DeepTech, AI, Green Energy, FinTech, Agritech.
- **Government's Next Steps:** Improving ease of doing business, increasing startup funding, and promoting exports.

*Example: **Nykaa (Beauty Startup)** started as a small business and became a publicly traded company.*



10000 startups -A NASSCOM Initiative

National Association of Software and
Service Companies

Introduction & Launch – NASSCOM initiated in **2013** for startups.

- **Objective & Vision** – Support, mentor, and scale **10,000 startups**.

- **Key Focus Areas** – AI, FinTech, HealthTech, SaaS, EdTech.

- **Startup Support** – Funding, mentorship, global expansion, acceleration.

- **Impact Created** – Thousands incubated, billions in funding.

Example Success – Freshworks scaled, India's first SaaS unicorn

Key Features of 10,000 Startups



- Startup Incubation & Acceleration Programs
- Funding Support via Investor Connects
- Mentorship from Industry Experts
- Global Expansion & Market Access
- Corporate & Government Partnerships

Example: Razorpay – Grew rapidly through startup mentorship and funding.

Impact of 10,000 Startups



- Over 7,500 startups incubated
- 300+ startups scaled globally
- 50+ Accelerator programs conducted
- \$4 billion+ funding raised

Example: Unacademy – Benefited from NASSCOM's ecosystem and became a leading EdTech platform.

- **Funding & Investment Barriers**
- **Market Competition & Scalability Issues**
- **Regulatory & Compliance Challenges**
 - *Example: Many AI-based startups struggle with data privacy regulations and funding gaps.*

Future of 10,000 Startups Initiative



- Expanding to Tier-2 & Tier-3 Cities
- Focus on AI, DeepTech, and Sustainability
- More Collaboration with Government & Enterprises
- Scaling Indian Startups for Global Markets

Example: Digit Insurance – A startup that took profit from NASSCOM's network to expand in the InsurTech sector.

- **10,000 Startups is driving India's startup ecosystem**
- **Provides funding, mentorship, and global opportunities**
- **Helps startups overcome challenges & scale efficiently**
- **Continuous support for emerging technologies & entrepreneurs**

Final Thought: India's future as a global startup hub depends on initiatives like NASSCOM's 10,000 Startups!