

Government Schemes for Startups in India

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Startup | Incubation | Innovation



Startup

- A new business venture aimed at solving a problem with an innovative product or service.
- An early-stage company with the potential for rapid growth.
- Driven by entrepreneurs, often leveraging technology, marketing.

Innovation

- The process of creating new ideas, products, or methods.
- Transforms ideas into practical solutions that add value.
- Drives competitive advantage and economic growth.

Incubation

- A support system for startups.
- Provides mentorship, funding, workspaces, and training.
- It helps early-stage businesses survive and grow during the initial period.

DPIIT & Startup India Recognition Benefits (1/2)

Compliance and Regulations

- Self-certification for 9 labour and 3 environmental laws
- Fast-track exit under the **Insolvency & Bankruptcy Code (IBC)** within **90** days

Tax Exemptions

- 100% Income Tax Exemption for 3 consecutive years (under Section 80 IAC)
- Exemption from **Angel Tax** on investments above fair market value (Section 56)

Funding Support

- Rs. 10,000 crore Fund of Funds (FFS)Startup India Seed Fund Scheme (SISFS):
- Up to Rs. 20 lakh for Proof of Concept
- Up to Rs. 50 lakh for scaling up

DPIIT & Startup India Recognition Benefits (2/2)

Public Procurement Benefits

- Exemption from prior experience & turnover in government tenders
- No Earnest Money Deposit (EMD) requirement
- Listing on Government e-Marketplace (GeM) for selling to government buyers

IPR Support

- 80% rebate on patent filing fees
- 50% rebate on trademark fees
- Fast-tracked patent examination
- Free support from IPR facilitators

Networking & Marketing Access

- Access to the **Startup India Portal & Community**
- Invitations to national & international events, pitch sessions, and competitions
- State-level incentives: Subsidies, grants, reimbursements, and more

DPIIT - Ministry of Commerce & Industry



- Startup India Seed Fund Scheme (SISFS): ₹945 Cr corpus; up to ₹ 201 grants & ₹ 501 debt via incubators. Focus: early-stage startups.
- Fund of Funds for Startups (FFS): ₹10,000 Cr; invests in SEBI-registered VC funds, not startups directly. Multiplier effect.
- Credit Guarantee Scheme for Startups (CGSS): Collateral-free loans up to ₹10 Cr; 80% loan guarantee via banks/NBFCS.
- **Tax Incentives:** 3-year tax holiday, capital gains exemption, IPR & procurement support. Only for DPIIT-recognized startups.

DST - Ministry of Science & Technology



- **NIDHI Program:** Umbrella scheme (PRAYAS, EIR, Seed, TBI, Accelerator). Supports full innovation lifecycle.
- **PRAYAS:** ₹ 10 L for prototype; for tech-based early-stage ideas via incubators.
- EIR: ₹20–30k/month stipend to aspiring founders for 12 months.
- Seed Support: ₹ 25 L per startup (via incubators); scaling from prototype to market.
- TDB: Soft loans/equity for late-stage tech startups. ₹ 501–₹10 Cr for commercialisation.

MeitY – Ministry of Electronics & IT



- Meity Startup Hub (MSH): Central platform for 5,500+ startups, connects to incubators, mentors, tenders.
- TIDE 2.0: Grants ₹4–7 L (ideation), ₹ 7 L (PoC), via 51 incubators. Focus on societal tech impact.
- SAMRIDH: ₹ 401 matching fund + accelerator support for growth-stage startups.
- **GENESIS:** Multi-tier support for startups in Tier II/III cities. Funding up to ₹1 Cr for deeptech.
- CoEs: 20+ Centres of Excellence (AI, Iot, MedTech). Provide labs, domain mentoring.

MSME Ministry



- MSME Incubation: ₹ 15 L per idea, ₹1 Cr to incubators. Prototype support for MSME/startups.
- **ASPIRE:** Rural/Agro incubation; ₹ 5l seed funding; 80 LBIS and 20 TBIS approved.
- **PMEGP:** Subsidy-linked loans (up to ₹ 25 L) for new micro-units. Focus: employment generation.
- **CGTMSE:** Credit guarantees up to ₹2 Cr for MSE loans (including startups). 75–85% coverage.
- **CLCSS & SFURTI:** Support for modernisation & traditional industries. Many are relevant for rural or women-led startups.





- BIG: ₹ 50 L early-stage grant for biotech PoC. ~500 projects funded since 2012.
- **Bionest:** 74 bio incubators with wet labs, mentoring, and equipment access.
- **SBIRI:** ₹1 Cr+ support for SME biotech R&D; grant + soft loan model.
- **BIPP:** Multi-crore funding for high-risk biotech innovation. Industry-academia collaboration.
- **SEED, SPARSH:** Equity/impact-focused funds (₹30–50l), targeting health, agri, social biotech. All active under BIRAC.

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NITI Aayog - AIM & WEP



- **Atal Innovation Mission (AIM):** Nationwide innovation ecosystem builder with over 10,000 ATLS and 70+ incubation centres (AICS).
- **Atal Incubation Centres (AICS):** Support startups with grants, mentorship, and infrastructure. Pan-India presence in universities and institutions.
- ANIC (Applied Research & Innovation Challenge): Open challenges with funding for innovative solutions in national priority sectors.
- Atal New India Challenges: Product-level innovation funding to address public sector problems.
- **WEP (Women Entrepreneurship Platform):** Provides networking, funding access, and learning support to women entrepreneurs across India.

Ministry of Agriculture & Farmers' Welfare (MoA&FW)



- RKVY-RAFTAAR: Startup Agribusiness Incubation program. Grants up to ₹ 25 L for market-ready Agri-startups.
- Agri-Clinics & Agri-Business Centres (ACABC): Financial support and training to agripreneurs for setting up advisory/agribusiness ventures.
- **Startup Agri India Fund:** Proposed equity fund to support rural/Agri-tech ventures (announced in Budget 2024).
- Krishi Vigyan Kendra's (KVKS): Incubation and field trial support for Agri innovations.
- Status: Active schemes to boost rural innovation and AgriTech entrepreneurship.

Ministry of Fisheries, Animal Husbandry & Dairying (MoFAHD)

- **NLM** (**National Livestock Mission**): Startup support under entrepreneurship subcomponent especially for fodder, breed improvement.
- **PMMSY** (**Fisheries**): Innovation grants and support to fishery startups for sustainable aquaculture and logistics.
- Support: Subsidies, training, credit-linkage for innovative rural agribusinesses.
- Status: Focused schemes in dairy/fisheries for rural youth and entrepreneurs.

Ministry of Food Processing Industries (MoFPI)



- **PMFME** (Formalisation of Micro Food Enterprises): ₹10K Cr scheme for supporting unorganised food processors and micro-enterprises.
- Grants up to ₹ 10 L per enterprise; support includes branding, marketing, and capacity building.
- **SAMPADA** (now merged into PMKSY): Capital subsidy and infrastructure grants for startups in the food supply chain.
- **Incubation Centres**: Support under universities or state Agri institutions for food innovation and pilot production.
- Status: Active; key for startups in value-added food, health food, and processing sectors.

Ministry of Defence - iDEX & TDF



- **iDEX (Innovations for Defence Excellence):** Grants up to ₹1.5 Cr to startups with dual-use or defence innovations. Run by DIO (Defence Innovation Organisation).
- **TDF** (**Technology Development Fund**): Provides up to ₹10 Cr for indigenous defence tech by startups/MSMES.
- Objective: Involve the private sector in defence R&D and manufacturing.
- Selection via open challenges; support includes mentorship from DRDO and Armed Forces users.
- Status: Active, flagship program for defence-tech startups. Portal: idex.gov.in

Ministry of Tourism – Indirect Startup Ecosystem Support



- No dedicated startup funding scheme, but programs support tourism enterprises.
- Swadesh Darshan Scheme: Infrastructure development in tourist circuits boosts opportunities for tourism startups.
- **PRASHAD Scheme:** Pilgrimage Rejuvenation opens up local enterprise opportunities (homestays, guides, apps).
- Capacity Building for Service Providers (CBSP): Skills for local youth in hospitality and travel.
- **Startup India-supported Tourism Hackathons:** Platforms to pitch innovative ideas (e.g., apps, heritage tech).
- Status: Indirect but valuable ecosystem support for tourism and cultural startups.

Thank you

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