



Modern Education Society's
Ness Wadia College of Commerce

**A Compilation of Information on
Funding for Startups**

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Compilation of Government of India Schemes promoting startup businesses in India

1) Startup India Initiative

The Prime Minister of India launched the Startup India Initiative in the year 2016. It changed the definition of a startup in terms of the scale and the horizon. The idea is to increase wealth and employability by giving wings to the entrepreneurial spirit. The government gave startups tax benefits under this scheme and 798 applicants made use of the tax break. The Department of Industrial Policy and Promotion is maintaining this initiative and is treating it as a long term project. Moreover, the overall age limit for startups has increased from two years to seven years. And for biotechnology firms, the age limit is ten years from the date of incorporation. It is one of the best Indian government startup schemes for entrepreneurs as it is providing several policies for entrepreneurship programs.

For more details, visit : [Startup India Scheme](#)

2) ASPIRE (A Scheme for Promoting Innovation and Rural Entrepreneurship)

The government has made continuous efforts to improve the social and economic aspects of life in rural areas of India. Since 56% of the Indian population lives in the rural areas, the government is promoting entrepreneurship and innovation in this sector. The ASPIRE scheme aims at increasing employment, reducing poverty, and improving innovation in rural India. However, the main idea is to promote the agribusiness Industry. The Ministry of Medium and Small Enterprises has tried to get economic development at the grassroots level. The total budget plan is of Rs. 62.5 crores for the years 2014-2016.

For more details, visit

<https://www.startupindia.gov.in/content/sih/en/government-schemes/aspire-scheme-promotion-innovation-entrepreneurship-and-agro-industry.html>

3) MUDRA Bank

Micro Units Development Refinance Agency (MUDRA) Bank has been created to enhance credit facility and boost the growth of small business in rural areas. The government has introduced this scheme to support small business in India. In 2015, the government allocated 10,000 crores to promote startup culture in the country. The MUDRA banks provide startup loans for Rs. 10 lakh to small enterprises, businesses which are non-corporate, and non-farm small/micro enterprises. It comes under Pradhan Mantri Mudra Yojana (PMMY) which was launched on 8 April 2015. The loans have been categorized into Tarun, Kishore, and Shishu. The assets are created through the bank's finance and there is no collateral security.

For more details, visit : <https://www.mudra.org.in/>

4) Ministry Of Skill Development and Entrepreneurship

This task of promoting entrepreneurship was earlier given to different departments and government agencies. In 2014, the Prime Minister decided to dedicate an entire ministry to build this sector as he felt that skill development required more push from the government's side to promote and encourage it among the people. Furthermore, the idea is to reach 500 million people by the year 2022 by providing gap funding and skill development initiatives.

For more details, visit : <https://www.msde.gov.in/>

5) Atal Innovation Mission

In the budget of 2015, the government established the Atal Innovation Mission (AIM) with the name coming from the Former Prime Minister of India, Atal Bihari Vajpayee. The Atal Innovation Mission was established to provide a promotional platform which will involve academicians and draw upon national and international experiences to foster a culture of innovation, research, and development. The government allocated AIM about Rs. 150 crores in the year 2015.

For more details, visit : <https://aim.gov.in/>

6) eBiz Portal

This is the first electronic government-to-business(G2B) portal. The main purpose of the portal is to transform and develop a conducive business environment in the country. The eBiz portal was developed by Infosys in a public-private partnership model. It is a communication center for investors and the business communities in India. The portal has launched 29 services in 5 states of India, viz., Andhra Pradesh, Delhi, Haryana, Maharashtra, and Tamil Nadu. The government will add more services to the scheme in the future.

For more details,visit :

<https://www.india.gov.in/content/ebiz-%E2%80%93-india%E2%80%99s-g2b-portal>

7) DIDF (Dairy Processing and Infrastructure Development Fund)

The Dairy Processing and Infrastructure Development Fund of DIDF is a fund structure under NABARD by GoI where the primary businesses of Milk producing companies, milk unions, etc. will find support.

Launched in December 2017, the objectives of this initiative are to provide technological improvements, efficiency, and consolidation to milk processing units and dairy units.

For more details,visit : <https://www.nddb.coop/didf>

8) SIP-EIT(Support for International Patent Protection in Electronics & Information Technology)

The Support for International Patent Protection in Electronics & Information Technology focuses on helping technology start-ups which are the recent trending category of business.

It focuses on international filing, has a reimbursement scheme for charges on filing by a startup, and also provides guidance about the protocol. It is very important for new players to have the right mentor and counselor, especially in legal matters.

For more details, visit:

<https://www.startupindia.gov.in/content/sih/en/government-schemes/international-patent-protection-sip-eit.html>

9) Multiplier Grants Scheme

Launched under the Department of Electronics and Information technology, **MGS focuses on increasing Research and Development to develop key products and packaging structures.**

The scheme connects business houses and academicians, while also giving support to any developed product which can go commercial. **Depending on the association tenure, grants of Rs 2-3 crores are given.**

For more details, visit:

<https://www.meity.gov.in/content/multiplier-grants-scheme>

10) Credit Guarantee Scheme for Startups

Commonly known as CGSS, this scheme also focuses on providing financial stability to micro and small industries.

It provides loans with zero collateral, with additional help in the form of subsidized interest rates. **The scheme has been known to target manufacturing units, while also managing a corpus of Rs 100 lakhs** For more details, visit :

<https://www.startupindia.gov.in/content/sih/en/government-schemes/cgtsme.html>

MSME (Micro, Small and Medium Enterprises)

Funding: Nine schemes for women entrepreneurs in India

1)TREAD (Trade Related Entrepreneurship Assistance and Development) scheme

This scheme aims to empower women by providing credit to projects, conducting specific training and counselling, and eliciting information on related needs. The scheme provides for a government grant of upto 30 percent of the total project cost as appraised by lending institutions. These institutions would finance the other 70 percent.

For more details, visit :

<https://www.startupindia.gov.in/content/sih/en/government-schemes/tread.html>

2)Mahila Udyam Nidhi Scheme

Offered by Small Industries Development Bank of India (SIDBI), this scheme provides financial assistance of up to Rs 10 lakh to set up a new small-scale venture. It also assists with upgrading and modernisation of existing projects. The loans are to be repaid within 10 years, and this includes a five year moratorium period. Further, interest rates on these loans can vary according to market rates.

For more details, visit : <http://www.dcmsme.gov.in/schemes/sfnsb02z.htm>

3)Mudra Yojana Scheme

This general government scheme for small units is also applicable to women who want to start a small enterprise such as a beauty parlour, tuition center, tailoring unit, etc. It is also useful for a group of women who want to startup together. Loans from Rs 50,000 onwards and upto Rs 50 lakh are sanctioned under this scheme. Collateral and guarantors are

required only if the loan amount exceeds Rs 10 lakh. There are three plans under this: Shishu plan (loans upto Rs 50,000 for new businesses), Kishor plan (loans between Rs 50,000 and Rs 5 lakh for well-established enterprises), and Tarun plan (loans between Rs 5 lakh and Rs 10 lakh for business expansion).

For more details, visit :

<https://www.mudra.org.in/mudra-kahaniyaan-v2/women.html>

4)Annapurna Scheme

This scheme applies to women entrepreneurs who have started a food catering unit. They can avail a loan of up to Rs 50,000 to purchase kitchen equipment such as utensils and water filters. A guarantor is required to secure the loan. After securing the loan, it can be repaid in 36 installments. Further, interest rates under this scheme as per prevailing rates and assets will be taken as collateral by the concerned bank.

For more details, visit : <http://www.techno-preneur.net/Women-Schemes.htm>

5)Stree Shakti Package For Women Entrepreneurs

It is offered to women who have majority ownership (over 50 percent) in a small business. The women also need to be enrolled in the Entrepreneurship Development Programmes (EDP) organised by their respective state agency. Under the scheme, an interest concession of 0.05 percent can be availed on loans above Rs 2 lakh.

For more details, visit :

<http://www.techno-preneur.net/Women-Schemes.htm>

6)Bhartiya Mahila Business Bank Loan

This scheme involves a loan of upto Rs 20 crore for women business owners of manufacturing enterprises. Under the Credit Guarantee Fund

Trust for Micro and Small Enterprises, there is no need for collateral for loans up to Rs 1 crore. The loans under this bank loan scheme are to be repaid in seven years. The scheme was implemented by Bhartiya Mahila Bank which was merged with State Bank of India in 2017.

For more details, visit :

<http://www.techno-preneur.net/Women-Schemes.htm>

7)Dena Shakti Scheme

This scheme provides loans up to Rs 20 lakh for women entrepreneurs in agriculture, manufacturing, micro-credit, retail stores, or similar small enterprises. There is a concession of 0.25 percent on the rate of interest. Under the scheme, loans up to Rs 50,000 are offered under the microcredit category.

For more details, visit :

<http://www.techno-preneur.net/Women-Schemes.htm>

8)Udyogini Scheme

Women entrepreneurs between the ages of 18 and 45, who are involved in agriculture, retail and similar small businesses, can avail loans up to Rs 1 lakh under this scheme. Further, her family's annual income should be below Rs 45,000 in order to avail the loan. However, no income limit exists for widowed, destitute or disabled women. For widowed, destitute or disabled women from SC/ST categories, a subsidy of 30 percent of the loan, up to Rs 10,000, is provided.

For more details, visit :

<http://www.techno-preneur.net/Women-Schemes.htm>

9)Cent Kalyani Scheme

Offered by the Central Bank of India, this scheme is for women business owners in multiple areas such as agricultural work or retail trading. Under this scheme, loans up to Rs 1 crore are sanctioned and no collateral or guarantors are required. Interest rates on loans depend on varying market rates.

For more details, visit :

<http://www.techno-preneur.net/Women-Schemes.htm>