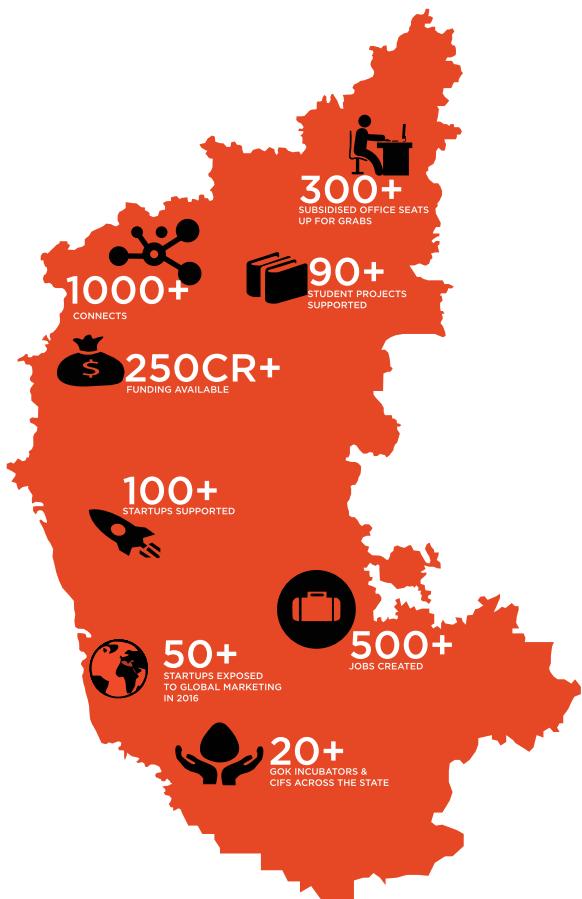


MANUFACTURING STARTUPS





HIGHLIGHTS, SNAPSHOT, UNIQUE ADVANTAGES



- Bengaluru is the startup capital of India and is among the 20 best start up city ecosystems in the world
- State is 4th largest technology cluster globally and 2nd fastest growing ecosystem in India
- Karnataka has over 4,000 start-ups with a share of nearly 30% of all start-ups in India
- USD 3.3 mn average valuation
- National Association of Software and Services Companies (Nasscom) and the Karnataka state government together have set up 725 seats in the warehouse to facilitate incubators, and among them new startups will have 325 seats
- The last four months of 2016 saw nearly 20 firms register with Karnataka's Startup Cell every day

Source : Karnataka start-up cell



WHY MANUFACTURING START-UPS, KARNATAKA?

1st

State government has come up with a dedicated Start-up Cell guided by the Start-up Policy, for the first time in India.

2016

Start-up booster kit launched in 2016 which contains software tools, cloud credits, access to mentors, legal and consulting accountants and access to government funding and government supported incubators for all the startups registered.

6lakh to
12lakh

State start-up policy envisages the growth of 20,000 new start-ups, including 6,000 product start-ups, 6 lakh jobs directly and 12 lakh indirectly, by 2020.



Pioneer in funding the growth of the IT industry through its KITVEN-I (Karnataka Information Technology Venture Capital Fund) and 2 other funds.

Policy

Government is nurturing the ecosystem with strong policies like the i4 Policy, BT Millennium Policy, ESDM Policy and the KAVGC Policy, giving the ecosystem a strong foundation to help entrepreneurs and the established industries to flourish.



GOVERNMENT INITIATIVES

Fostering strong partnerships between R&D institutions and industry

- Set up a Society or Section 8 company
- Equipments and Viability Gap funding
- Industry-Academia connect and Project Funding

Providing early stage/Idea2POC (proof of concept) funding

- Grants up to Rs.50 Lakhs (~USD 74,000)
- Validation of Proof of Concept
- Virtual Incubation

Encouraging entrepreneurship in education through New Age Incubation Network (NAIN)

- Support given to professional and post graduate colleges in tier-II and tier-III cities for setting up the incubator
- 10 student projects funded in each partner institute
- Mentor connects provided to student projects

Providing state support in the form of incentives and concessions

- Collect reimbursement of VAT and CST for early stage startups
- Collect reimbursements on Patent spends for both domestic and foreign filings
- Collect reimbursement on marketing expenditure upto 30% of the cost incurred subject to Rs. 5 Lakhs per startup annually
- 10% reservation for women in seats of partner incubators
- Self Certification under various enactments

Creating incubation infrastructure through PPP

- Selection of partners to happen through RFPs or with Industry Associations
- Infrastructure support, mentoring, legal & accounting services to be offered to incubatees
- Partners will help implement incentives and benefits to startups

Channelizing innovation for social impact

- 5 challenges to be announced every year
- Initial and follow on funding to be given based on achievement of milestones
- Pilots to be implemented through departments
- Winners to be provided with incubation space on a preferential basis

Start-up funding through fund of funds

- A fund manager being appointed
- The investment committee to consist of experts from industry academia and industry

Promoting capacity building through exposure visits and workshops

- Opportunity to attend global conferences to expand markets
- Opportunity to meet incoming trade delegations and foreign investors



MANUFACTURING STARTUPS COMPANIES MAKING IN KARNATAKA

