

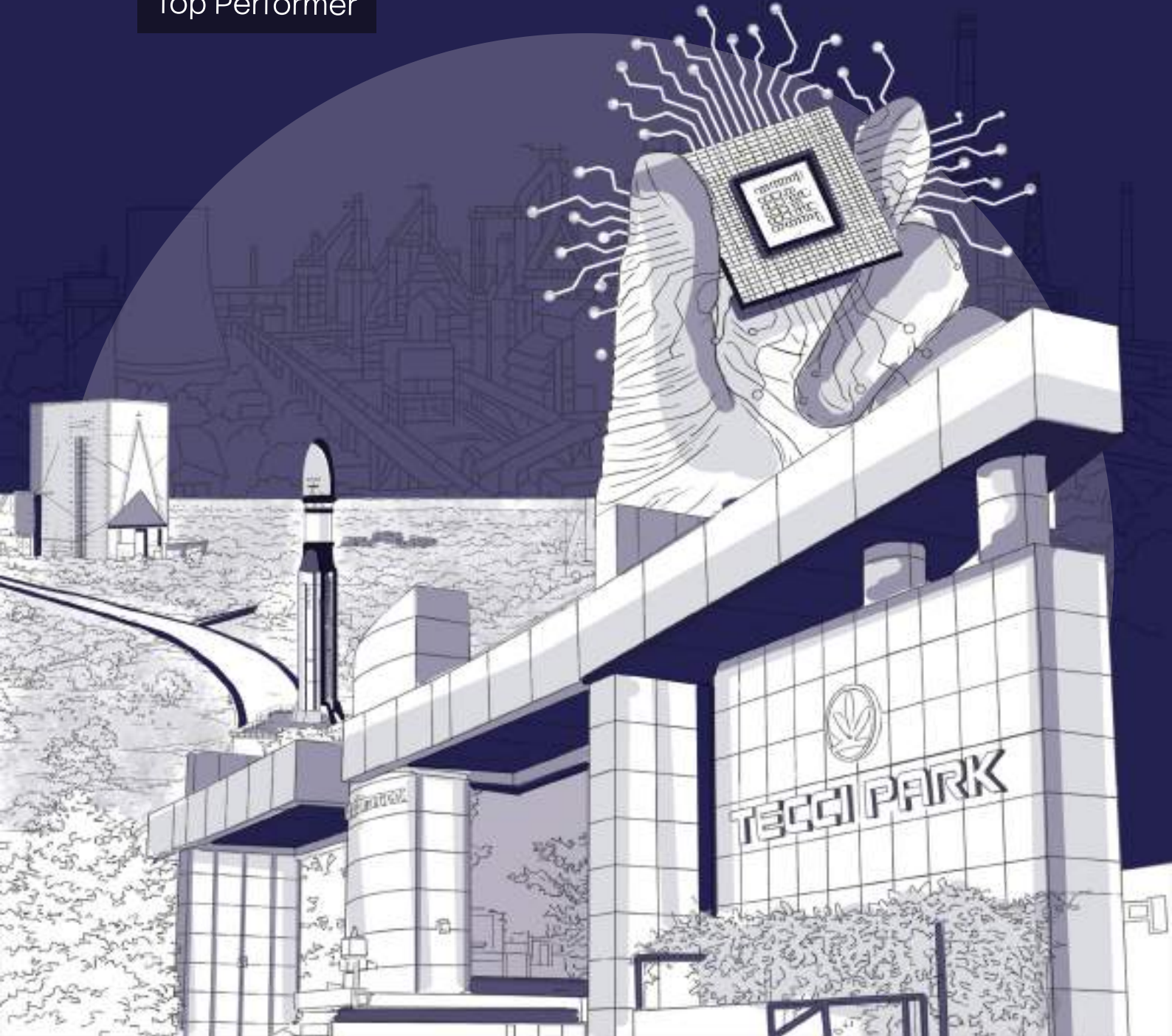


5<sup>th</sup> Edition

# States' Startup Ecosystem Ranking

# Tamil Nadu

Top Performer

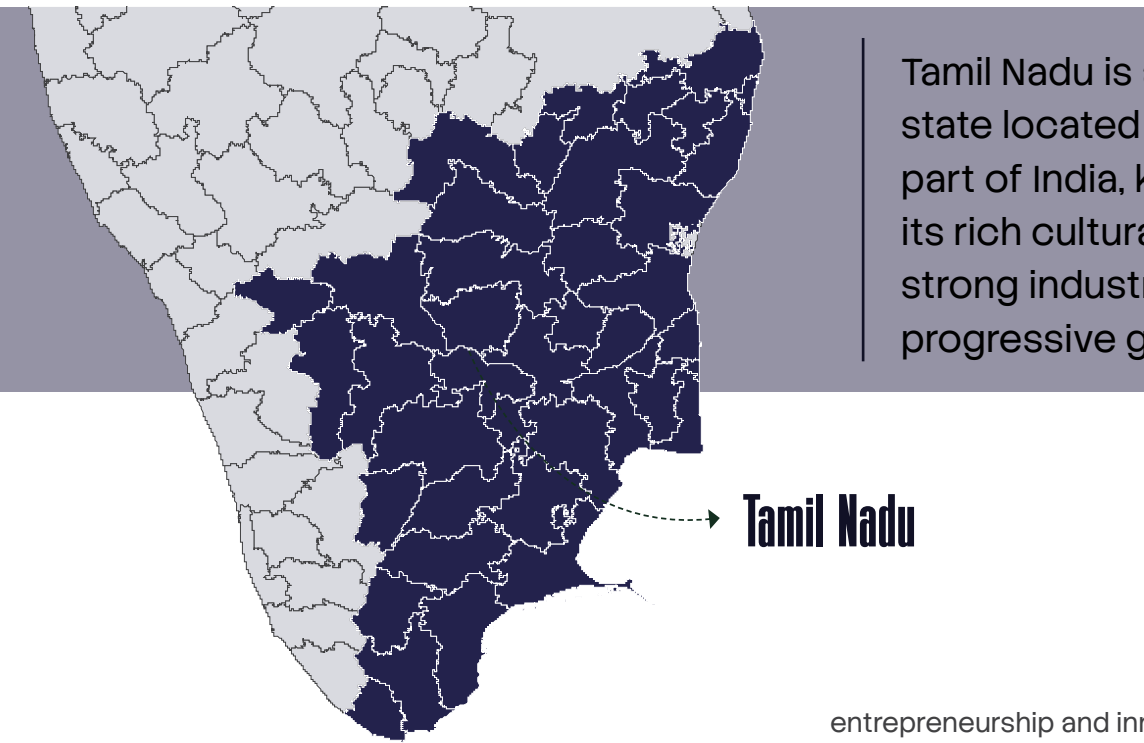




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# 1. About the State



Tamil Nadu is a prominent state located in the southern part of India, known for its rich cultural heritage, strong industrial base, and progressive governance.

**Tamil Nadu**

Tamil Nadu is a prominent state located in the southern part of India, known for its rich cultural heritage, strong industrial base, and progressive governance. According to the 2011 Census, Tamil Nadu has a population of 7.21 crore and an urbanization rate of 48.4%, making it one of the most urbanized states in India.

The high level of urbanization reflects the state's strong infrastructure, thriving industrial cities, and growing service sector, which together creates a favorable environment for

entrepreneurship and innovation. Tamil Nadu's Gross State Domestic Product (GSDP) recorded a CAGR of 10.88 % between 2013–14 and 2023–24 and making it one of the largest economies in the southern region of India.

Tamil Nadu ranked among the top three states in the research and development in the country. It is one of the most progressive states in the country and has been a driving force in the nation's economic growth.

The Department of MSME serves as the nodal department of Tamil Nadu for promoting startups and innovation in the state.



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# 2. State Startup Policies and Initiatives

## 2.1 State Startup Policies

Tamil Nadu has emerged as one of India's leading innovation-driven economies, offering a conducive environment for startups across diverse sectors. The State Government has formulated several sector-specific policies that collectively nurture entrepreneurship, foster research and innovation, and provide a structured incentive framework for startups.

- **The Tamil Nadu Startup and Innovation Policy:** Provides financial aid, incubation support, and market access incentives to help startups scale through funding, mentoring, and inclusive entrepreneurship programs.
- **Tamil Nadu Blockchain Policy:** Offers R&D support, forums, and pilot project incentives for blockchain startups, enabling them to develop secure, transparent, and government-integrated digital solutions.
- **Tamil Nadu Electric Vehicle (EV) Policy:** Provides tax rebates and subsidies for EV manufacturing and infrastructure startups, encouraging innovation in clean mobility and supporting local EV production.
- **Tamil Nadu Information & Communication Technology (ICT) Policy:** Grants tax benefits, regulatory sandbox access, and infrastructure support to facilitate testing of ICT innovations and boost IT/ITeS startup growth.
- **Tamil Nadu Industrial Policy:** Offers fiscal incentives, infrastructure access, and fast-track clearances to support startups with investment-friendly facilities and innovation clusters.
- **Tamil Nadu MSME Policy:** Provides incubation funding, credit access, and export incentives for startups to increase their participation in manufacturing and exports.

- **Tamil Nadu R&D Policy** – Encourages startups through research grants and innovation-linked incentives while promoting collaboration with academia to develop new technologies.
- **Tamil Nadu State Policy for Women:** Gives financial and training incentives for women-led startups to enhance women's participation in entrepreneurship and digital innovation.
- **Tamil Nadu Electronics Hardware Manufacturing Policy:** Provides infrastructure, R&D, and design incentives to ESDM startups to help build a competitive electronics manufacturing ecosystem.
- **Tamil Nadu Aerospace and Defence Industrial Policy:** Offers capital subsidies, R&D grants, and land support for startups to encourage innovation and local production in aerospace and defense
- **Tamil Nadu Safe and Ethical AI Policy:** Supports AI startups through research collaboration and pilot project funding, promoting responsible, ethical, and socially beneficial AI innovation.

## 2.2 Key Initiatives Driving Growth

The Government of Tamil Nadu has introduced several pioneering initiatives to strengthen the startup ecosystem and promote innovation-led growth across the state.

- **Financial Support Mechanisms:** Establishment of dedicated funds such as the Tamil Nadu Startup Seed Grant Fund

(TANSEED), Emerging Sector Seed Fund, Tamil Nadu SC/ST Startup Fund, and the Innovation Voucher Program to provide early-stage financial assistance and foster innovation among startups. It funds aim to strengthen the financial base of startups and support innovative projects, helping early-stage entrepreneurs convert their ideas into viable business ventures.

- **TN SC/ST Startup Fund:** This unique fund enables entrepreneurs from the Scheduled Caste and Scheduled Tribe Communities (SC/ST) to explore and expand their business capabilities.
- **TANSCALE:** The Government of Tamil Nadu can make investments of up to INR 50 lakh in association with private investment agencies. Each year, 10 growth-state startups benefit through this scheme.
- **AngelsTN:** This initiative will provide a single platform for Startups in Tamil Nadu to connect with potential investors
- **Startup Thamizha:** It is a television reality show designed to raise awareness of entrepreneurship, innovation, and investment in Tamil Nadu-based startups. The initiative aims to attract investments and foster a culture of entrepreneurship and seed investing in the State
- **Startup Smart Card:** Smart card for Start-STEPs and Startups are issued to support startups with the registration, apply for patents, trademarks, statutory compliance, web presence, technology upgradation, financial services and other support services. The beneficiaries of this initiative may also access facilities developed by State / select Government of India-supported labs and institutions.

# 3. States' Startup Ecosystem Ranking Results

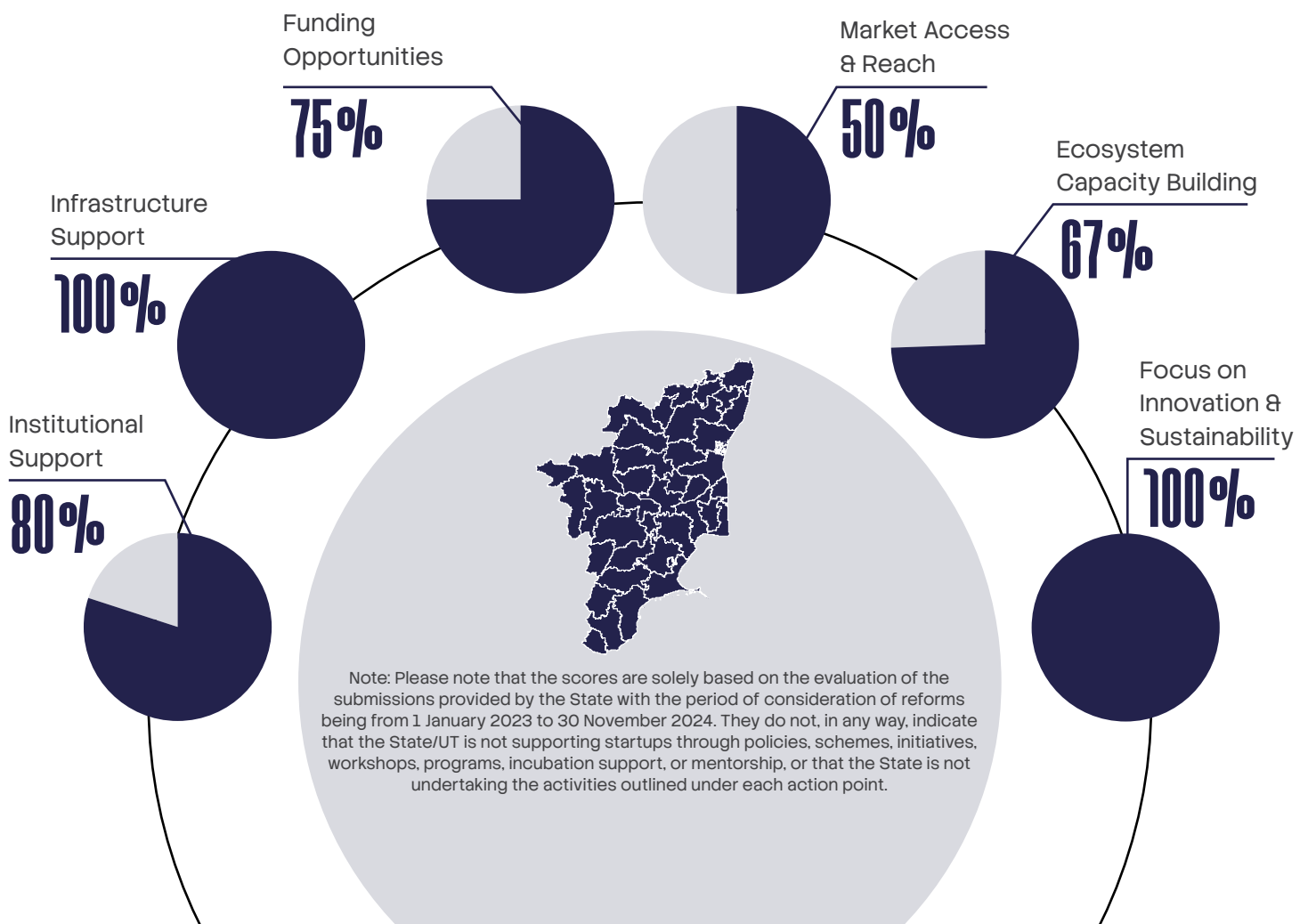
Tamil Nadu participated in all 6 Reform Areas and 19 Action Points of the 5<sup>th</sup> edition of States Startup Ecosystem Ranking Framework, and has been positioned as a 'Top Performer' State in Category A.

Tamil Nadu's performance in each of the Reform Area has been graphically represented. Data presented below is the percentile score, which is the relative performance of the State in each Reform Area as compared to other participating States/UTs in Category A. For example, if the state has a score of 100<sup>th</sup> percentile in the 'Institutional Support' reform area, this implies that the State has scored higher than all the

participating States/UTs in Category A, in that reform area.

The state has been evaluated on six Reform Areas that have a significant contribution towards propelling the startup ecosystem in the State. Detailed analysis with insights into the initiatives taken by the State to promote its startup ecosystem are discussed in the subsequent sections.

**Figure 1: Reform area wise scores for Tamil Nadu**



# 4. Reform Area 1 - Institutional Support

## 4.1 Introduction

**Institutional Support** focuses on the foundational support provided by state governments to foster startup ecosystems. It evaluates whether states have active startup policies, designated nodal departments, and

dedicated teams. It also assesses the extent of support provided by other government departments beyond the nodal agency. Key action points include the presence of a startup policy, identification and development of priority sectors, support for women entrepreneurs, and initiatives for young student entrepreneurs.

It covers 6 action points:



**Action Point 1:**  
Support Provided to Startups  
by State/UT Department(s)



**Action Point 2:**  
For Development with a Futuristic  
and Disruptive Focus



**Action Point 3:**  
Women Entrepreneurial  
Development



**Action Point 4:**  
For the Growth of  
Young Entrepreneurs



**Action Point 5:**  
Entrepreneurial Growth in the  
Social Innovation Landscape

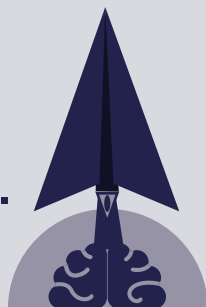


**Action Point 6:**  
Mentorship Support  
Provided to Startups

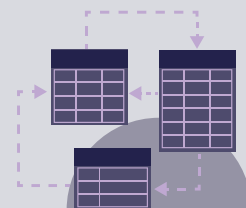
## 4.2 Performance

**185+** Startups supported  
in the priority

sectors through  
policies/schemes/  
activities/partnerships.



**22+**



schemes / initiatives / activities  
and/or programs provided  
Educational Institutions to  
support student entrepreneurs

115+

Startups supported  
in the public  
welfare sphere



180+



Women-led startups supported  
from 25+ unique districts

### Institutional support provided to Startups:

The state has put in place an institutional framework to support startups through its Startup Policy Tamil Nadu Startup and Innovation Policy 2023 with its nodal department being Micro, Small and Medium Enterprises Department. Several incentives have been extended under this policy, including early-stage funding, incubation support, and market access. It offers seed funding, fund-of-funds support, and co-creation mechanisms to attract private investment and strengthen startup financing. The policy emphasizes government procurement, pilot opportunities, and access-to-market support to help startups scale their solutions. It also promotes mentorship, infrastructure, innovation hubs, and talent development to build a robust and sustainable startup ecosystem in the state.

The State also has a dedicated nodal officer and a dedicated team responsible for startup promotion and facilitation.

In addition to the nodal department, multiple line departments across the state have extended institutional support to startups in the form of financial assistance, procurement linkages, and regulatory facilitation, among others.

As per the documentary evidence submitted, **a total of 3+ departments** viz. Industries Investment, Promotion and Commerce Department, Information, Technology and Digital Services Department, and Finance Department, other than the nodal department have implemented startup-relevant schemes, benefitting 130+ startups during the evaluation period.

Figure 2: Tamil Nadu Startup and Innovation Policy 2023



### Development with a Futuristic and Disruptive Focus:

The State has identified priority sectors to guide the development of a futuristic and innovation-driven startup ecosystem. These priority sectors include AI, ML and IOT; Web 3.0; Agri and Food Technology; Automotive, EV and Smart Mobility; Blue Economy; Circular Economy; Climate Tech and Clean Energy; Healthcare and Life Sciences; Industry 4.0 and advanced manufacturing; Social Impact, Rural Livelihood, and Sustainability, among others. These priority sectors have been identified by the MSME

Department, under the Tamil Nadu Startup & Innovation Mission (TANSIM).

To promote startups operating within the identified priority sectors, the State had **3+ schemes, initiatives / policies / activities operational during the evaluation period**. These interventions include special incentives and packages for green-tech startups, rural impact startups and women-led startups, among others.

As per the documentary evidence submitted, a total of **185+ unique startups have been supported across the identified priority sectors**.

## Women Entrepreneurial Development

The State has undertaken focused measures to promote women entrepreneurship as part of its startup ecosystem development efforts. Dedicated incentives and support mechanisms for women-led startups have been introduced through special package for women-led startups under the Tamil Nadu Startup & Innovation Mission (TANSIM), covering the following incentives:

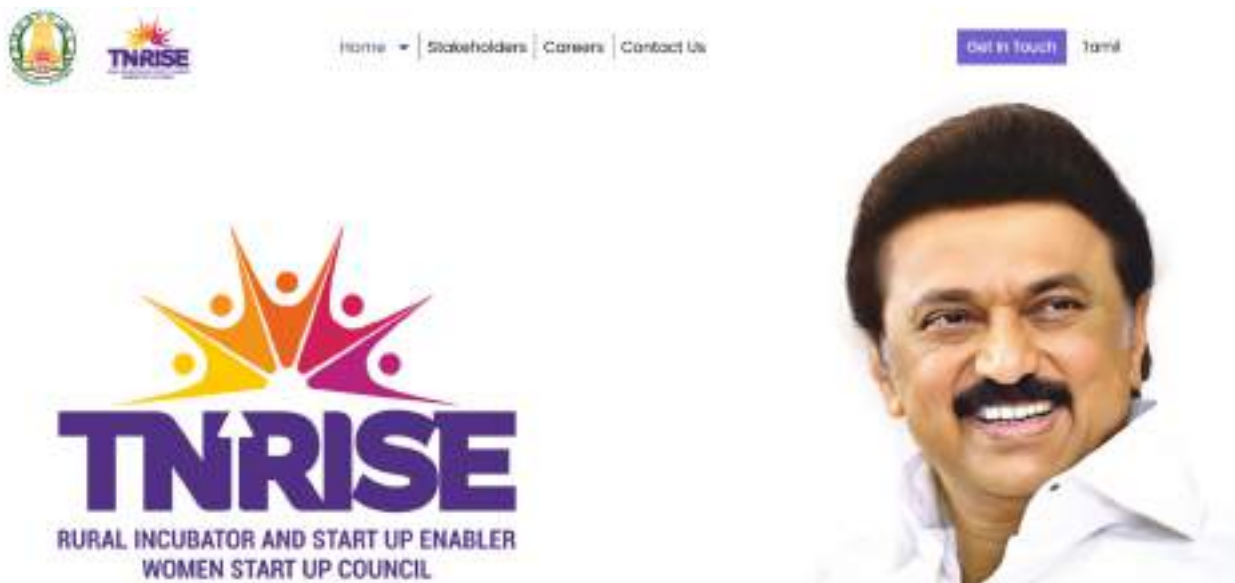
- The assistance under TANSEED scheme of StartupTN for eligible Women-led Startups shall be enhanced from INR 10 lakh to INR 15 lakh.
- StartupTN shall earmark 25% of the total TANSEED assistance to be Women-led Startups.
- Exclusive co-working spaces for Women-led Startups shall be made available in the State-supported incubation centres and incubation centres of State-funded

Universities. These facilities shall be made available with rent and membership free of cost for the first year, subject to a maximum subsidy of INR 2 lakhs, to the Women-led Startups.

- A web portal that can integrate the Startup ecosystem enablers supporting Women-led Startups shall be created.
- The Entrepreneurship Development and Innovation Institute (EDII), Tamil Nadu, shall implement a Special Entrepreneurship
- Training programme for aspiring and existing Women-led Startups.

These measures aim to improve participation of women entrepreneurs across sectors and regions within the State. Besides, the State also established TN-RISE (Tamil Nadu Rural Incubator and Startup Enabler) Women Startup Council (<https://www.tnrise.co.in/>) to address to the challenges faced by women entrepreneurs in accessing credit and marketing opportunities.

**Figure 3: TNRISE Portal for Women Entrepreneurs**



As per the documentary evidence submitted, the State has supported **180+ unique women-led startups** during the evaluation period. These startups are distributed across **25+ districts** within the State.

## For the Growth of Young Entrepreneurs

The State has implemented structured interventions to encourage entrepreneurship among students and young innovators through educational institutions. These include Techstars Startup Weekend @ Nagercoil, Startup & Ecosystem Enablers Meetup, Thadai Athai Udai, Innovation Conclave at Tirunelveli, Google I/O Extended Watch Party, Aadukalam 1.0 Erode Edition, TN4Startup Cycle Rally, SHEBootcamp, and Future Founders: Kickstarting Your

Entrepreneurial Journey, Startup TN – Idea Maker 2.0, among many others.

For instance, the State initiated the TechStars Startup Weekend in collaboration with StartupTN for the Kanyakumari district. The event provided a dynamic 54-hour experience, guiding participants from concept to prototype under the mentorship of industry leaders, entrepreneurs, and StartupTN representatives. It attracted aspiring entrepreneurs, students, and early-stage startups who brought a diverse range of ideas across sectors like tech, sustainability, and social impact.

Overall, during the evaluation period, the State implemented **22+ such comprehensive support structures / schemes / programs aimed at supporting student entrepreneurs.**

**Figure 4: Glimpses of the TechStars Startup Weekend**



## Entrepreneurial Growth in the Social Innovation Landscape

The State has extended targeted support to startups operating in the public welfare and social innovation space, through various schemes and initiatives such as the Innovation Voucher Programme Scheme, Special Package - Women Incubation Incentive, Market Access Support, SC/ST Startup Funding Scheme and TANSEED Scheme, among others. The

interventions include providing subsidized stall cost for startups, incentives for women-led startups, SC/ST startups, among others.

Some of the key initiatives/events undertaken to promote social innovation include the TANSEED Scheme, implemented by Tamil Nadu Startup And Innovation Mission ('TANSIM'), promoting social innovation startups by providing early stage seed funding and targeted incentives to ventures addressing public welfare challenges.

The scheme prioritises startups working in areas such as livelihoods, education, healthcare, climate action, rural development, and women-

led innovation, and offers financial support for prototype development, pilot projects, and early commercialisation.

**Figure 5: Glimpse of the StartupTN Webpage on TANSEED Scheme themes**



Additional incentives include higher funding preference for women entrepreneurs and impact-oriented startups, access to state-supported incubators and accelerators, structured mentoring, and enhanced visibility within the government-backed startup ecosystem. Together, these incentives reduce early-stage risks for socially focused startups and enable them to create scalable, sustainable solutions that deliver positive and lasting social outcomes in Tamil Nadu.

As per the documentary evidence submitted, the State has supported **115+ startups operating in the public welfare sphere** during the evaluation period.

## Mentorship Support Provided to Startups

The State has facilitated structured mentorship support for startups as part of its ecosystem development initiatives through a specific portal for mentors called StartupTN Mentors (<https://startuptnmentors.com/>). The portal connects and creates impactful interactions between Startups and Experts to bridge the gap between mentors and Startup founders and aspirants in the state.

As per the documentary evidence provided, a total of **175+ mentors have been engaged to provide mentorship support to startups** within the State during the evaluation period.

Figure 6: Glimpse of the MentorTN portal under StartupTN



# 5. Reform Area 2 - Infrastructure Support

## 5.1 Introduction

**Infrastructure Support** evaluates the availability and quality of both digital and physical infrastructure provided by states to startups. Digital infrastructure includes state startup portals with features like online registration, grievance redressal, and accessibility in local

languages and for people with disabilities. Physical infrastructure focuses on the establishment and upgrading of incubators, especially those supporting manufacturing and hardware startups. It also assesses the number of startups receiving incubation support and the facilities available to them.

It covers 2 action points:

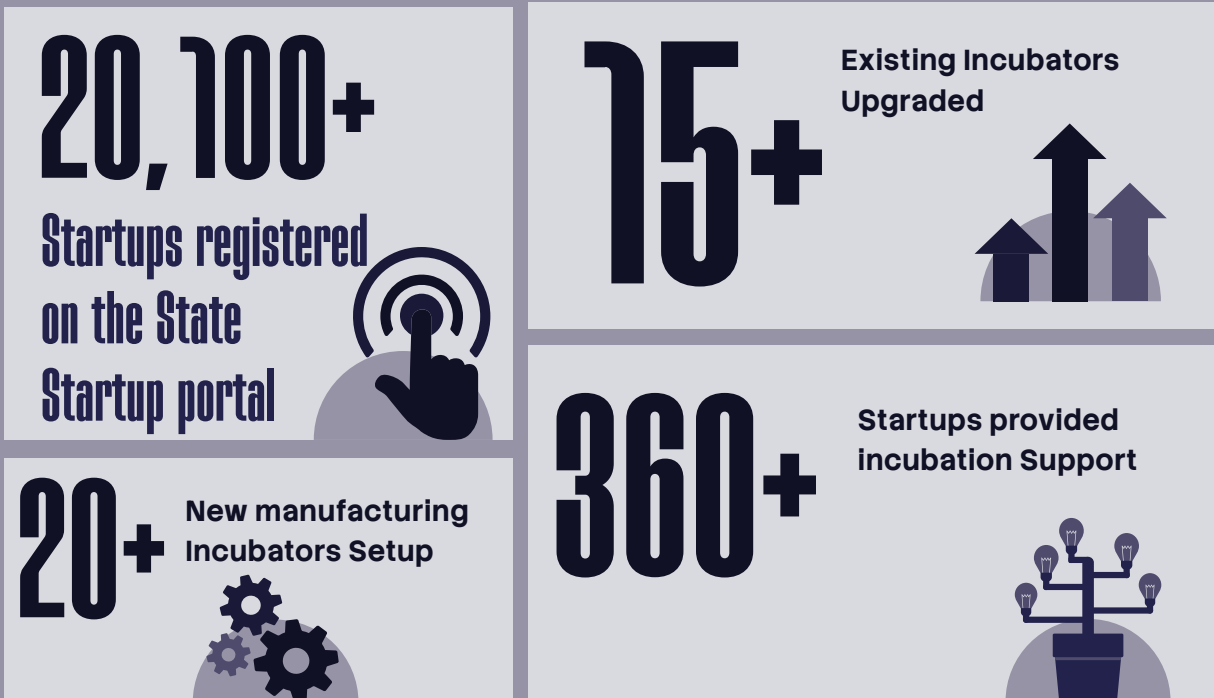


**Action Point 7:**  
Access to Digital Infrastructure



**Action Point 8:**  
Access to Physical Infrastructure

## 5.2 Performance



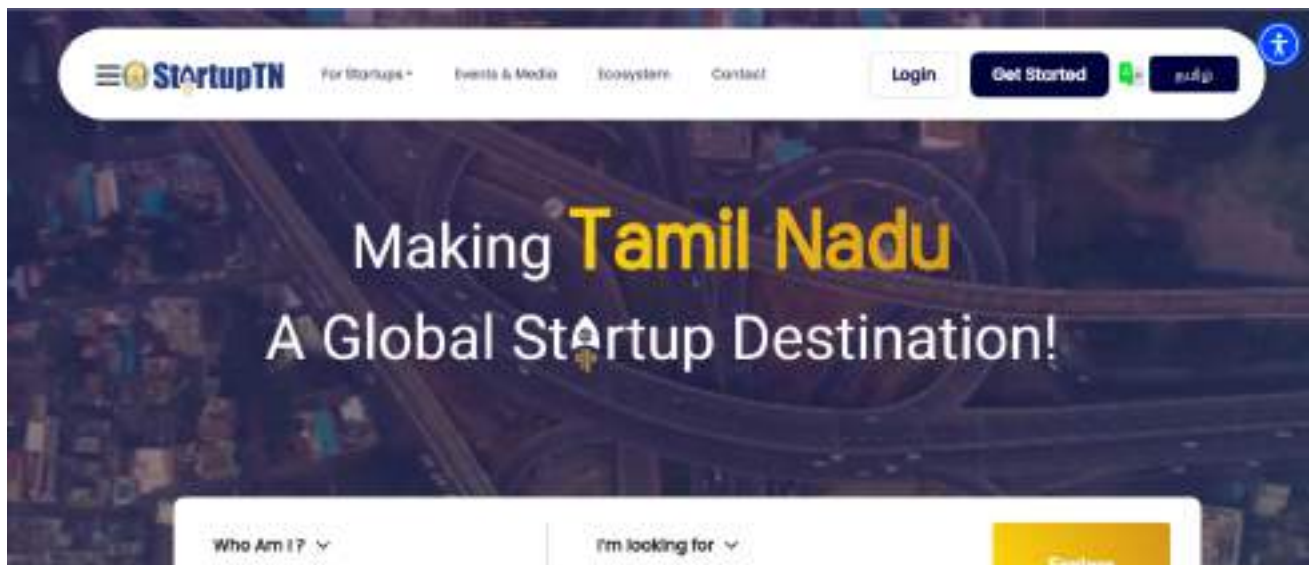
Digital infrastructure is active and accessible, wherein the portal is being used at scale, and accessibility features are indicated. On physical/manufacturing infrastructure, the State reports a wide base of incubator activity and supported startups.

More than 20,000 Startups are registered on the State's startup portal, with many features provided on the portal, including PwD accessibility, local language accessibility, among others. Besides, 15 existing incubators were verified to be upgraded during the period of consideration, wherein 360+ startups were provided incubation support.

### Access to Digital Infrastructure

The State has enabled digital access for startups through a unified State Startup Portal that serves as a single-window interface for registration, information dissemination, and service delivery. As per the records submitted, **20,100+ startups are registered on the State Startup Portal**, viz. StartupTN (<https://startuptn.in/>).

Figure 7: Glimpse of the StartupTN Portal



The portal offers simple online onboarding, paperless registration, and clear navigation for applying to schemes such as TANSEED, grants, accelerators, and challenges. Features such as dashboard-based application tracking, document uploads, and status notifications improve transparency and reduce procedural friction for early-stage founders.

The grievance redressal mechanism is provided on the portal including “Raise Online Ticket” along with dedicated numbers and email IDs of the officials. The portal claims to resolve the startup queries in 5 working days.

### Access to Physical Infrastructure

The State has strengthened physical infrastructure support for startups, particularly those engaged in manufacturing and hardware sectors, through the establishment and upgradation of incubators and acceleration facilities. Besides, the state has a dedicated page for Incubation Centres in the region, to support startups – StartupTN Catalyst (<https://indigital.lightning.force.com/lightning/n/Home>).

During the evaluation period, the State has set up **20+ new manufacturing incubators**, including Arifa Innovation and Incubation Council; Bharath TBI, Bharath University, Chennai; Bootstrappers’ Research Council; Centre for Entrepreneurship Development and Incubation- NIT Trichy; Chennai Institute Technology Business Incubation Forum; Dr. Vidhya Research, Innovation, and Incubation Centre; E-Yuva Center, Anna University; Ganesan Incubation and Entrepreneurship Centre; PSG - Science and Technology Entrepreneurial Park (PSG - STEP); TCE Technology Business Incubator, among others, while **15+ existing incubators** were upgraded. These include AIC NIFTTEA Incubation Centre for Textiles And Apparels; Sri Ramachandra Innovation Incubation Centre; AIC Anna University Incubation Foundation; Coimbatore Institute of Engineering and Technology - Technology Business Incubator; EDII Periyakulam Horti Business Incubation Forum; VIF TANUVAS; SSN Incubation Foundation, among others.

As per the documentary evidence submitted, a total of **360+ unique startups have received incubation or acceleration support** across State-supported incubators and accelerators during the period of consideration.

Figure 8: Incubation page on Tamil Nadu Startup Portal



# 6. Reform Area 3 - Funding Opportunities

## 6.1 Introduction

**Funding Opportunities** examine the financial mechanisms established by states to support startups. It includes the creation and management of seed funds, venture funds, and funds of funds, especially those

targeting priority sectors. It also evaluates the number of startups that have received funding through these mechanisms and the extent of collaboration with financial institutions. Additionally, it assesses initiatives like pitching sessions and investor connect programs that facilitate access to private capital.

It covers 3 action points:



**Action Point 9:**  
Access to Funding



**Action Point 10:**  
Number of Startups which have Received Funding through State Supported Funds or Mechanisms



**Action Point 11:**  
State Support in Fundraising Initiatives

## 6.2 Performance

# 195+

Startups received  
funding from the  
State



# 5+

Successful connects  
created between  
Startups and investors  
through state  
initiatives



The State of Tamil Nadu supports Startups in emerging and high-impact sectors through dedicated funding mechanisms. Key initiatives include the Tamil Nadu Emerging Sector Seed Fund (TNESSF) for sunrise and emerging sectors, TANSEED, a flagship seed equity initiative of StartupTN for early-stage Startups, the Tamil Nadu Green Climate Fund (TNGCF) as a SEBI-registered Category I AIF to support impact-oriented projects, and SIPCOT grants to promote deep-tech innovations from product development to pilot deployment and commercialization.

### Access to Funding

The State has instituted dedicated funding mechanisms to improve access to capital for startups. These have been operationalized under Tamil Nadu SC/ST Startup Fund, Emerging Sector Seed Fund by TNESSF, TANSEED, among others.

The state has various funds for startups, including the TANSEED (Tamil Nadu Startup Seed Grant Fund), the Tamil Nadu SC/ST Startup Fund, and the Emerging Sector Seed Fund, among others. TANSEED was launched by Tamil Nadu Startup and Innovation Mission under the MSME Department, with a state allocation of around INR 70 crore, and provides seed grants of up to INR

10–15 lakh to early stage startups, with priority for social impact, women-led, and emerging sector ventures.

The Tamil Nadu SC/ST Startup Fund, also anchored by StartupTN and supported through budgetary allocations of about INR 50 crore announced in 2022 focuses on equity and debt support for startups majority-owned by SC/ST entrepreneurs to promote inclusive entrepreneurship, whereas the Emerging Sector Seed Fund, operationalised through Tamil Nadu Emerging Sector Seed Fund and supported by state agencies such as TIDCO under the Industries Department, was created around 2020–21 with an anchor corpus of about INR 100 crore to invest in technology-driven startups and MSMEs in sunrise and strategic sectors, providing early growth capital to scale innovation within Tamil Nadu.

In addition to direct funding instruments, the State has initiated collaborative funding provisions for startups in partnership with banking and financial institutions through MoUs with DBS Bank and Federal bank and TANSIM, MSME Department. As per the documentary evidence submitted, details have been provided on sanctioned funding, proof of release of funds, total amount disbursed during the evaluation period, and associated sanction letters.

## Number of Startups which have Received Funding through State Supported Funds or Mechanisms

The State has extended direct financial support to startups through State-supported funds or funding mechanisms established or facilitated by the government.

During the evaluation period, a total of **195+ startups have received funding support** through these mechanisms wherein INR 200+ Cr. funds were disbursed with a minimum sanction amount of INR 5 Lakh, during the period of consideration.

## State Support in Fundraising Initiatives

The State has undertaken targeted initiatives to facilitate fundraising for startups by enabling structured interactions with angels, investors, and financial institutions. These initiatives include **7+ state-led programs** featuring Investor Connect - Pitch to VCs; Investor Connect Series - 100X; Investor Connect Series - Artha99; Investor Connect - TamilNadu Emerging Sector Seed Fund; Founders Talk Series - Aquaconnect; Investor Connect Series and Funding & D2C Program.

# 7. Reform Area 4 - Market Access & Reach

## 7.1 Introduction

**Market Access & Reach** focuses on how states help startups access markets by relaxing public procurement processes, awarding Government Work Orders, and domestic and international exposure. It evaluates the number of tenders

floated with startup-friendly relaxations, the number of startups awarded work orders, and the reach of market access initiatives across districts. It also considers programs that connect startups with government departments, corporates, and international trade bodies for product showcases and pilot projects.

It covers 3 action points:



**Action Point 12:**  
Market Access Opportunity  
Provided to Startups through  
Public Procurement



**Action Point 13:**  
Number of Startups  
Awarded Purchase Orders  
or Work Orders



**Action Point 14:**  
Access to Domestic  
and International Market  
Access Opportunities

## 7.2 Performance

# 55+



**Tenders/RFPs floated by the state govt/ PSUs**

# 105+

**Startups awarded work orders/ purchase orders**



# 40+

**Unique market access**



### Market Access Opportunity Provided to Startups through Public Procurement

The State has enabled market access for startups by facilitating their participation in public procurement through procedural relaxations in tenders and RFPs issued by State government departments and public sector undertakings. Such relaxations include exemption from payment of EMD; exemption from prior turnover, exemption from prior experience, and waiver of tender cost, by entities including Government Departments, PSUs, Local bodies of State, Co-operative institutions, Universities, and societies formed by the government, given that the value of procurement is less than INR 20 Lakh.

As per the documentary evidence submitted, the State has floated **55+ tenders or RFPs during the evaluation period that incorporated startup-specific relaxations.**

### Number of Startups Awarded Purchase Orders or Work Orders

The State has enabled tangible market access for startups by awarding purchase orders or work orders through State government departments, agencies, and public sector undertakings. The awarded work orders or purchase orders span multiple sectors and departments such as Vellore District Rural Development Agency, Trichy District Rural Development Agency, Tiruppur City Municipal Corporation, Tamil Nadu Cement Corporation Limited, Tamil Nadu Pollution Control Board, Tamil Nadu Rural Transformation Project, Tamil Nadu Small Industries Development Corporation Limited, Tamil Nadu Startup And Innovation Mission, Tamil Nadu Tourism Development Corporation, District Education Empowerment Programme, Electronics Corporation of Tamil Nadu Ltd (ELCOT), and Fisheries College & Research Institute (FCRI), among others.

As per the documentary evidence submitted, **310+ work orders were awarded to 105+ startups**, each valuing more than INR 1 Lakh during the evaluation period. These startups were distributed across **16+ districts** within the State.

### **Access to Domestic and International Market Access Opportunities**

The State has undertaken structured initiatives to enable startups to access domestic and international markets through programs that are funded or executed end-to-end by the State, as well as through facilitative partnerships with external agencies.

During the evaluation period, the State conducted/facilitated **40+ market access initiatives wherein 740+ startups were supported**, including Demo & Demand

days, GeM workshops, Hackathons & Grand Challenges, Startup expos and seminars, and partnership summits designed to improve visibility, customer acquisition, and business expansion opportunities for startups.

As per the documentary evidence submitted, these initiatives have benefitted startups across 17+ districts within the State.

Some of these include events such as D2C Meets in Then, Virudhunagar, and Sivagangai; GeM Workshops Erode; Vilupuram Thrives @ DRDA; TN BEAT Expo, and Innovation Conclave across different districts of the state. The Tamil Nadu Startup Thiruvizha 2024 – Madurai Edition – a two-day workshop organized by StartupTN to sensitize stakeholders on the startup ecosystem. The workshop featured expert sessions, government interactions, and pitch forums, creating awareness about state startup schemes and facilitating funding and investor connect for startups.

# **8. Reform Area 5 - Ecosystem Capacity Building**

## **8.1 Introduction**

**Ecosystem Capacity Building** evaluates efforts to strengthen the startup ecosystem through training and sensitization programs. It includes workshops for government officials, capacity development for incubators, and sensitization programs for ecosystem enablers like mentors,

investors, and accelerators. The focus is on building awareness, improving stakeholder capabilities, and fostering collaboration across the ecosystem. Capacity building ensures that all stakeholders, from policymakers to incubator managers, are equipped to support startups effectively.

It covers 3 action points:



**Action Point 15:**  
Capacity Building of Officials  
of State Government  
Departments on Startup  
Ecosystem of India



**Action Point 16:**  
Number of State-supported  
Incubators Trained Through  
Capacity Development  
Workshops



**Action Point 17:**  
Number of Programs  
Conducted to  
Sensitize Ecosystem  
Enablers

## 8.2 Performance

**12+** Sensitization workshops/programs  
have been conducted for officials of  
State government departments on  
the Startup ecosystem



**230+**

State-supported  
incubators trained  
through capacity  
development  
workshops



**20+**

Programs conducted/  
supported to sensitize  
existing and potential  
ecosystem enablers  
(Mentors / Investors /  
Accelerators / Startups)



## Capacity Building of Officials of State Government Departments on Startup Ecosystem of India

During the evaluation period, **12+ sensitization workshops or programs** have been conducted to familiarize officials with startup-related policies, regulatory frameworks, and the role of government in enabling entrepreneurship.

As per the documentary evidence submitted, officials from **2+ State departments** have participated in these sensitization programs.

Some of the capacity building workshops include Government Officials Sensitization Program in Karur, Erode, Dharmapuri, Kanniyakumari, Tenkasi, Tirunelveli, among others.

**Figure 9: Glimpses of Government Officials Sensitization Program under StartupTN**



## Number of State-supported Incubators Trained through Capacity Development Workshops

The State has undertaken capacity development initiatives to strengthen the operational and managerial capabilities of State-supported incubators through structured training workshops and programs.

As per the documentary evidence provided, **230+ State-supported incubators** have participated in capacity development workshops during the evaluation period, including Annamalai Innovation and Incubation Research Institute EDII, EDII-Tiruchirappalli Agribusiness Incubation Forum, MaDeIT Innovation Foundation, Sona Incubation Foundation, Sathyabama TBI, IIT Madras

Bioincubator, CIET-TBI, Mettupalayam Agroforestry Business Incubation Forum, Sri Ramachandra Innovation Incubation Centre, AIC AU Incubation Foundation, NGI TBI, VITTBI, Sathyabama Technology Business Incubator, Periyar TBI, MCC-MRF Innovation Park, Ganesan Incubation Center, SSN incubation foundation, Crescent Innovation and Incubation centre, Dr APJ Abdul Kalam COE in Innovation and Entrepreneurship, EDII Periyakulam Horti Business Incubation Forum, AIC-Great Lakes Balachandran Incubator (AGBI), Loyola Institute of Technology, Kalasalingam Technology Business Incubation Centre, among others.

The State conducted Raise Connect 2023 at AIC RAISE with the participation of 54 stakeholders to facilitate focused discussions on key challenges faced by startups and ecosystem enablers. The program enabled the State to gather stakeholder insights, identify ecosystem gaps, and promote a collaborative approach towards developing actionable solutions for strengthening the startup ecosystem.

## Number of Programs Conducted to Sensitize Ecosystem Enablers

The State has conducted targeted programs to sensitize existing and potential ecosystem enablers, focusing on themes such as Knowledge-based sessions, Basics of Angel Investment, Exit opportunities for angels and Successful case studies of angel funded companies, among others. The events & programs include AIC NIFTTEA Ecosystem Enablers Meet, Art of Angel Investing – Coimbatore edition/Erode edition/Chennai/ Karur edition/Madurai edition, HNI Sensitization Program, Raise Connect 2023, among others.

As per the documentary evidence submitted, the State has conducted or supported **20+ sensitization programs** during the evaluation period.



# 9. Reform Area 6 - Focus on Innovation & Sustainability

## 9.1 Introduction

**Focus on Innovation and Sustainability** assess how states promote innovation and sustainability through support for Intellectual Property Rights (IPR), Research and Development (R&D),

and startups focused on climate change and circular economy. It evaluates the presence of policies facilitating IPR, the extent of R&D support, and the number of sustainability-focused startups receiving incentives. Innovation and sustainability are key to long-term economic and environmental resilience.

It covers 2 action points:



**Action Point 18:**  
Initiatives Undertaken by the State/UT to Facilitate Research and Innovation

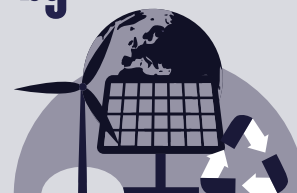


**Action Point 19:**  
Support to Startups for a Sustainable Focus

## 9.2 Performance

# 55+

Startups focused on renewable energy, climate change and sustainability supported by the state government



## Initiatives Undertaken by the State to Facilitate Research and Innovation

The State has undertaken initiatives to strengthen research and innovation within the startup ecosystem. The Tamil Nadu Startup and Innovation Policy 2023, integrates a strong focus on renewable energy and sustainability through a holistic and enabling framework. The policy promotes Startups developing sustainable and climate-positive solutions by embedding ESG principles, encouraging environmentally responsible innovations, and supporting enterprises that deliver triple bottom line outcomes economic growth, social impact, and environmental sustainability. This approach creates a conducive ecosystem for renewable energy and sustainability-focused Startups across Tamil Nadu.

In addition, the State has extended R&D support to startups operating in identified priority sectors through targeted incentives and programs. Such support includes prototype development using metal 3D printing for applications such as propulsion engines, medical endoscopy connectors, and precision tool inserts for the jewellery industry. Support extends to AI and high-tech digital solutions, robotics, CFD and engineering analysis, EV-related projects, and comprehensive IT and technical solutions. Startups are assisted with 3D scanning, designing, design validation, simulation, and feasibility studies, along with continuous incubation and R&D mentoring. In addition, focused upskilling programs help build technical and innovation capabilities, enabling startups to move efficiently from concept validation to product development and commercialization.

## Support to Startups for a Sustainable Future

During the evaluation period, **1+ active policies or schemes** supporting startups in the circular economy and sustainability domains have been implemented by the State. These include Tamil Nadu Startup and Innovation Policy 2023 wherein Green Tech (including sustainability, climate change, renewable energy, and circular economy) startups get priority at Government Procurement Facilitation Desks established in StartupTN hubs, which help pilot and test products with government and public agencies as part of access-to-market support. These desks also ease procurement processes to encourage broader adoption of green technologies.

Additionally, early-stage funding under the TANSEED Seed Fund offers enhanced financial support (up to INR 15 lakh) for Climate Action and Rural Impact startups alongside women-led ventures, encouraging green innovation. A Co-Creation Fund (Fund of Funds) also allocates government contributions to thematic funds, including those focused on climate and sustainability, helping attract private capital to these areas.

As per the documentary evidence submitted, the State has supported **55+ startups working in areas such as renewable energy, climate resilience, climate technology, resource efficiency, waste management, and other sustainability-focused solutions.**

# 10. Way Ahead

- The State may conduct more workshops/ programs to connect startups with the investors.
- The State may undertake more policies/ schemes for startups focused on renewable energy/sustainability.
- The State may strengthen inter-departmental coordination to ensure that policy initiatives, incentives and procurement reforms are uniformly implemented across all ministries.
- The State may enhance market-access mechanisms by creating a dedicated, user-friendly marketplace for government work orders and public-procurement opportunities, increasing visibility for startups.
- The State may promote innovation and sustainability by instituting dedicated R&D grant tracks for climate-tech, circular-economy and other green solutions, encouraging collaborative projects with research institutes and industry partners.
- The State may adopt a data-driven monitoring framework that continuously captures ecosystem metrics, enabling timely assessment of impact, identification of gaps and agile refinement of interventions.
- The state may also focus on setting up a dedicated fund for startups working in the priority sectors as identified by the state.



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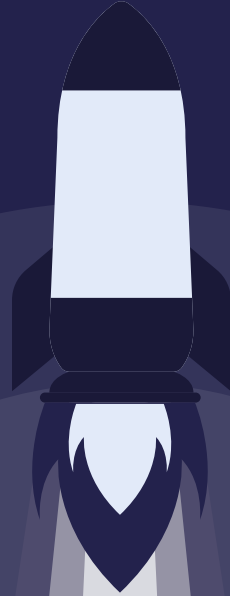
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**[www.startupindia.gov.in](http://www.startupindia.gov.in)**  
**1800 115 565**

