

Anand Branch of WIRC of ICAI & SSIP Navadhara
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What is a Startup?

A stylized illustration of a teal unicorn rearing up, surrounded by various business and technology icons like a lightbulb, magnifying glass, bar chart, target, and code symbols, all set against a dark blue background.

An entity shall be considered as a Startup:

- If it is incorporated as a private limited company or registered as a partnership firm or a limited liability partnership in India
- Up to 10 years from the date of its incorporation/registration
- If turnover for any of financial years has not exceeded Rs 100 Crore
- If it is working towards **innovation, development or improvement of products or processes or services**, or if it is **a scalable business model** with a high potential of employment generation or wealth creation.

What is
MSME ?

MICRO, SMALL & MEDIUM ENTERPRISES



REVISED MSME CLASSIFICATION - Composite Criterion:
Investment in Plant & Machinery/ Equipment and Annual Turnover



Investment in
P&M/ Equipment:
Not more than
Rs.1 crore &
Annual Turnover;
not more than
Rs. 5 crore



Investment in
P&M/ Equipment:
Not more than
Rs.10 crore &
Annual Turnover;
not more than
Rs. 50 crore



Investment in
P&M/ Equipment:
Not more than
Rs.50 crore &
Annual Turnover;
not more than
Rs. 250 crore

MSME & Start-up is same ?

- Thin Line of Difference in both
- All new Enterprise are under MSME but not All MSMEs are Start-up
 - Unique Idea
 - Scalable Idea

Why Funds/ Subsidy to Startups & MSME ?





MAKE IN INDIA



आत्मनिर्भर भारत



आज़ादी का
अमृत महोत्सव

Stages of Startup



PRE-SEED



SEED / STARTUP



EARLY STAGE



GROWTH



EXIT

For Startup,
1st Requirement is ...

iDea



Startup
IDEA
BANK



TIME PASS ?

Entrepreneurial Mindset

Even if you are an Employee, think like an entrepreneur

Take Risks

Think out of the box

Don't be an employee if you can become a partner

Attitude matters :

No matter what your educational or social background is, your attitude decides your achievements



मैं झुकेगा नहीं 🔥 🔥
साला 🍌 🍌 🍌 🍌

BRANDKA THAPPA
आदमि के कपड़ो में नहीं होता



Benefits of Recognition
with
Dept. for Promotion of
Industry & Internal Trade

Startup India Recognition

DPIIT-Recognised Startups Are Eligible For The Following Benefits:

- Intellectual Property Rights (IPR)
- Relaxation in Public procurements norms
- Self-certification under Labour & Environment laws
- Fund of Funds for Startups (FFS)
- Faster exit for Startups
- Startup India Seed Fund Scheme (SISFS)
- Section(56)(2)(viib)
- Programs on Startup India website

1

Intellectual Property Rights (IPR)



- Fast-tracking of startup patent applications
- Rebate on filing of application
- Panel of facilitators to assist in IP applications

2

Relaxation In Public Procurement Norms



- Prior Turnover
- Prior Experience
- Earnest Money Deposit
- **GeM Startup Runway**
a unique concept initiated by Government e Marketplace in partnership with Startup India, to promote entrepreneurship through innovation

3

Self-Certification Under Labour & Environment Laws



- Startups are allowed to self-certify their compliance under 9 Labour and 3 Environment laws for a period of 3 to 5 years from the date of incorporation
- In respect of 3 Environment laws, units operating under 36 white category industries (as published on the website of Central Pollution Control Board) do not require clearance under 3 Environment related Acts for 3 years.



4

Faster Exit For Startups – 90 Days

5

Tax Exemption :

for a period of 3 consecutive years out of 10 years since incorporation

Start-up Funding

Startup India Seed Fund Scheme

This aims to provide financial assistance to startups for proof of concept, prototype development, product trials, market entry and commercialization



Fund of Funds

#StartupIndia



The fund is in nature of Fund of Funds, which means that the government participates in the capital of SEBI registered Venture Funds, who invest twice the amount in startups. The flow of funds is **Government > SIDBI > Venture Capitals > Startups**

The background features a collage of financial data visualizations. On the left, a bar chart with purple bars and a blue line graph is visible. On the right, there are two pie charts with various colored segments and another line graph. In the foreground, several gold coins are scattered on a reflective surface. The word 'SUBSIDY' is prominently displayed in the center using wooden blocks.

S U B S I D Y

Central Govt – State Govt. – Industries Specific



Gujarat Industrial Policy-2020

Scheme for assistance for Start Ups/ Innovation

(Applicable from August 2020 to August 2025)

Scheme for assistance for Start Ups/ Innovation 2020

Sustenance allowance

- Rs. 20,000 Per Month per startup will be provided to the Startups
- Startups having at least one-woman co-founder, Rs. 25,000 per Month

Seed support

- Seed support up to Rs. 30.00 lakh will be provided to the Startup on following :-
 - Cost of raw materials / consumables/ hardware & software /other equipment/ tools required for **prototype / product/ process development**
 - Market research
 - Testing & trials
 - Marketing/ publicity assistance

Scheme for assistance for Start Ups/ Innovation 2020

Assistance to Startups having a significant impact on Society

- An additional support up to Rs. 10.00 lakh assistance will be provided to **startups having innovative projects which have a significant impact on society**

Pre- Series A funding

- Startups will be assisted in getting venture capital :-
 - Initially From Gujarat Venture Finance Limited (GVFL)
 - This assistance will be specifically to cater the startups that have already received seed support from the government

Scheme for assistance for Start Ups/ Innovation 2020

Regular Benefits under MSMEs

- The Startup project is entitled to avail other regular benefits under the schemes for assistance to MSMEs.

Assistance to participate in Acceleration Program

- Startups will be eligible for assistance up to Rs. 3 lakh to participate in recognized acceleration program...
- An Acceleration program is typically a 3-4 month program for startups at early traction and scaling stage. It is a process of intense, rapid, and immersive education aimed at accelerating the growth of the startup.

Assistance under Scheme for assistance for Start Ups/ Innovation 2020

Interest subsidy

- The startups will be eligible to avail an additional interest subsidy of 1%, maximum up to 9% on term loans under the provisions of **scheme for assistance to MSME**

Assistance for skill development

- Startups will be eligible for assistance up to Rs. 1 lakh to participate in skill Development Training Program...
- Specific to soft skills, managerial skills, marketing skills, financing skills for the startup project which supports the startups in understanding the ecosystem, fund raising, commercializing and scaling up the startup project.

Student Start-up and Innovation Policy (SSIP 2.0)

- Eligibility Criteria for Individual Beneficiaries (Age limit 35 Years)
 - A school student of Up to Class 12
 - A Diploma / Vocational / Undergraduate / Postgraduate / Doctoral student
 - Any dropout from school / institute / university
- Support to Individual Beneficiaries
 - Class 9 to 12- Max. Rs 20,000 per PoC/Prototype /Innovation
 - Above 12 (Higher and Technical Education) - Max. Rs 2.50 Lakh per PoC/Prototype /Innovation



AATMANIRBHAR GUJARAT

S C H E M E S 2022

for Assistance to Industries

for Assistance to Industries

Applies to MSMEs

Assistance under Aatmnirbhar Scheme for assistance for MSME

Capital Investment Subsidy to Micro enterprises

Taluka Category 1
(Tarapur, Anklaav,
Sojitra)

- 25% of term loan amount
- Max. Rs 35 lakhs

Taluka Category 2
(Umreth, Khambhat,
Borsad, Petlad)

- 20% of term loan amount
- Max. Rs 35 lakhs

Taluka Category 3
(Anand) & Municipal
Corporation

- 10% of term loan amount
- Max. Rs 10 lakhs

Assistance under Aatmnirbhar Scheme for assistance for MSME

Interest Subsidy to Micro, Small and Medium Ent.

Taluka Category 1
(Tarapur, Anklav, Sojitra)

- 7% on Term Loan
- Max. Rs 35 lakhs p.a. for 7 Years

Taluka Category 2
(Umreth, Khambhat, Borsad, Petlad)

- 6% on Term Loan
- Max. Rs 30 lakhs p.a. for 6 Years

Taluka Category 3
(Anand) & Municipal Corporation

- 5% on Term Loan
- Max. Rs 25 lakhs p.a. for 5 Years

- 1% additional to differently abled entrepreneur, Women entrepreneur and registered startup in manufacturing sector
- 1% additional to young entrepreneur below age of 35 years
- In Any Case, Minimum 2% to be paid by unit.

Assistance under Aatmnirbhar Scheme for assistance for MSME

Net SGST reimbursement to MSME Manufacturing Ent.

Taluka Category 1 (Tarapur, Ankla, Sojitra)

- 100% of net SGST for 10 years
- upto 7.5% of eFCI p.a.

Taluka Category 2 (Umreth, Khambhat, Borsad, Petlad)

- 90% of net SGST for 10 years
- upto 6.5% of eFCI p.a.

Taluka Category 3 (Anand) & Municipal Corporation

- 80% of net SGST for 10 years
- upto 5.0% of eFCI p.a.

- eFCI = Eligible Fixed Capital Investment
- Net SGST = SGST Paid from Cash Ledger

Assistance under Aatmnirbhar Scheme for assistance for MSME

Other Incentives

CGTMSE FEE

- Assistance for reimbursement of CGTMSE fees

RENT

- @65% of rent paid with maximum limit of Rs. 1 Lakh p.a. for five years.

SERVICE LINE CHARGE

- Assistance @ 35% of charges paid for LT/HT service line, maximum limit up to Rs. 5 lakhs

EPF

- EPF Reimbursement to MSMEs

Quality Certification

- Assistance for Quality Certification ISI etc.



कामये दुःखप्रदानम्।
प्राणिनाम् आतिशयम्॥



सत्यमेव जयते

Khadi & Village Industries Commission

Ministry of Micro, Small & Medium Enterprises, Government of India



PMEGP योजना



आत्मनिर्भर सेना

PMEGP Guidelines

| CATEGORY | PROMOTER MARGIN | RATE OF SUBSIDY – URBAN | RATE OF SUBSIDY –RURAL |
|-----------------------------|-----------------|-------------------------|------------------------|
| GENERAL | 10% | 15% | 25% |
| SPECIAL – SC,ST, OBC, WOMEN | 5% | 25% | 35% |

| MAXIMUM COST ELIGIBLE | MANUFACTURING SECTOR – RS 50 LAKH | SERVICE SECTOR- RS 20 LAKH |
|-----------------------|--------------------------------------|-------------------------------|
|-----------------------|--------------------------------------|-------------------------------|

If Project Cost Exceeds Above Limit, Balance Amount can be provided by banks without any Govt Subsidy.



**ANY
QUESTIONS?**

Presentation By

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Thank you!

HDNK & ASSOCIATES

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