



Government of India  
Ministry of Commerce and Industry  
Department for Promotion of Industry and Internal Trade

**#startupindia**

# STARTUP INDIA **KIT**

Starter kit for budding entrepreneurs,  
visionaries, and dreamers!



May, 2022

# About Startup India Kit

The Startup India Kit is a handbook to learn more about the benefits offered under the Startup India Initiative and the process to avail them. The kit details about incentives such as market access support, regulatory support, public procurement benefit, funding support, tax benefits, IPR support, amongst others.

The Kit also details about the Startup India Online Platform ([www.startupindia.gov.in](http://www.startupindia.gov.in)) which offers pro-bono services, knowledge modules, details on government schemes, idea bank, active programs in addition to network of mentors, investors, incubators, accelerators, corporates, startups and aspiring entrepreneurs.



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# Startup India Benefits



# Startup India Recognition

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## 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

## DPIIT-Recognised Startups May Apply To Inter-Ministerial Board (IMB) For The Following Benefits:

- Section 80-IAC: Income Tax exemption for 3 out of 10 years
- Section 54GB: Capital gain on transfer of residential property
- Section 79: Carry forward and set off of losses
- Sections 156, 191 and 192: Deferment of tax liability on ESOPs

# Startup India Hub

## Resources

<b>Learning and Development Programs</b>	Step-by-step guide to starting a business in India
<b>Government Schemes</b>	Centralized repository of entrepreneurship related government schemes for the startup and ecosystem enablers
<b>State Startup Policies</b>	Single point to access all notified startup policies by the respective state governments
<b>Pro Bono Services</b>	Get free applications, cloud credits, legal, and banking support from key ecosystem partners
<b>Knowledge Bank</b>	A quick walkthrough on all things related to startups, including company registration, investor engagement, legal considerations, etc.
<b>Tools And Templates</b>	A repository of sample templates for all legal and HR documents, investor decks, deeds, contracts, etc.
<b>Exclusive Innovation Programs</b>	Apply for programs and challenges for cash grants, mentorship, pilot projects and various other opportunities across the globe
<b>Networking</b>	Connect with mentors, investors, incubators and other enablers on the portal
<b>Idea Bank</b>	Brainstorm innovative ideas for the listed problem statements on the website

# Benefits of DPIIT Recognition

1

## Intellectual Property Rights (IPR)



To promote awareness and adoption of IPRs by Startups and facilitate them in protecting and commercializing the IPRs, Startup India provides access to high-quality intellectual property services and resources, including:

## Fast-tracking of startup patent applications

The patent application of startups is fast-tracked for examination and disposal. The process is much faster for DPIIT recognised startups

## Rebate on filing of application

Startups are provided with an 80% rebate in filing of patents vis-a-vis other companies, bringing down the cost from INR 8,000 to INR 1,600. This helps them cut down on costs in their early years. 50% rebate is also provided in filing of trademarks vis-a-vis other companies decreasing the cost from INR 10,000 to INR 5,000

## Panel of facilitators to assist in IP applications

Facilitators are responsible for providing general advisory on different IPRs, and information on protecting and promoting IPRs in other countries. Central Government bears the entire fees of the facilitators for any number of patents, trademark or designs, and startups only bear the cost of the statutory fees payable



Want to protect your innovative idea? Scan the QR code to contact the IPR facilitators.



# 11,398

Applicants Received Fee Benefits<sup>1</sup>



# 902

IPR Facilitators<sup>2</sup>



1. Data as of 28th February, 2022

2. Data as of 28th February, 2022



# 2

## Relaxation In Public Procurement Norms



Government of India has authorized its ministries, departments and public sector undertakings to relax norms in all public procurements. Startups are entitled to avail exemption on:

**Prior Turnover | Prior Experience | Earnest Money Deposit**

DPIIT recognised startups can now get listed as sellers on the Government of India's largest e-procurement portal: Government e-Marketplace.

Get recognised and visit <https://gem.gov.in/> to avail the benefits! "GeM Startup Runway" is a unique concept initiated by Government e Marketplace in

partnership with Startup India, to promote entrepreneurship through innovation. This program is an opportunity for agile and lean startups to reach out to the universe of Government buyers by offering products and services that are unique in concept, design, process, and functionality through the Startup Runway corner.

DPIIT recognised startups can also become preferred bidders on CPPP portals, which sees over 2,00,000 tenders every year. Visit [eprocure.gov.in](https://eprocure.gov.in) and [etenders.gov.in](https://etenders.gov.in) to know more about Government Department Procurement.

A grievance redressal form has

been hosted on the Startup India Website where any DPIIT recognized startup can submit their public procurement related grievance. The submitted application shall be reviewed and if found valid will be resolved by DPIIT in co-ordination with relevant Government Departments.

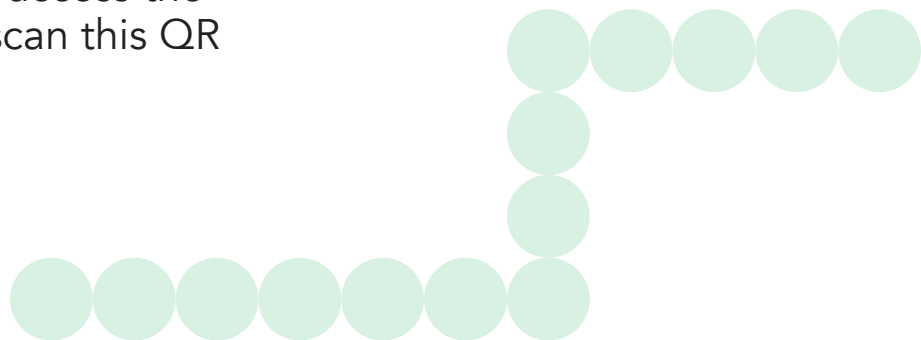


# 13,904

DPIIT recognized startups registered on GeM have made sales worth INR 7,533 Cr<sup>3</sup>



To know more about Public procurement and access the Grievance form, scan this QR code



3. Data as of 1st June, 2022

# 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.

- To reduce the regulatory burden on Startups, thereby allowing them to focus on their core business and keep compliance costs low

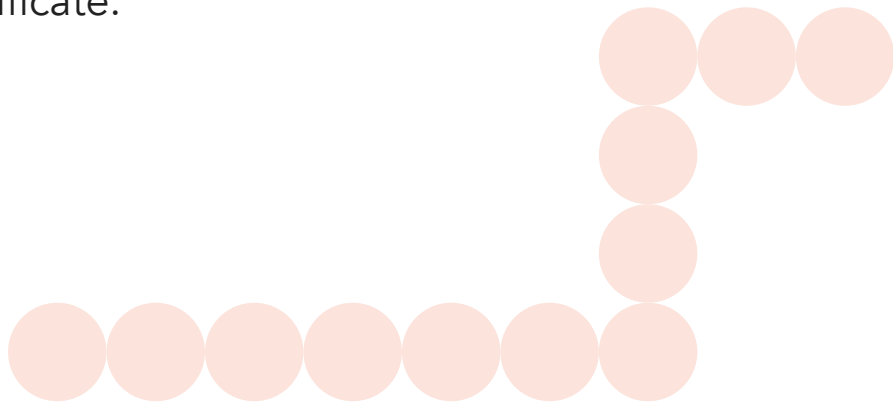


# 29 States

Offer Self-Certification to startups under 9 Labour laws<sup>4</sup>



Scan this QR code to apply for Labour law certificate.



4. Data as of 31st May, 2022

# 4

## Faster Exit For Startups

Ministry of Corporate Affairs has notified Startups as 'fast track firms' enabling them to wind up operations within 90 days vis-a-vis 180 days for other companies. Startups with simple debt structures or those meeting such criteria as may be specified may be wound up within a period of 90 days from making of an application for winding up on a fast-track basis.



# Tax Exemption

Startups incorporated on or after 1st April 2016 can apply for income tax exemption. The Inter-Ministerial Board validates the innovative nature of the business for granting Income Tax Benefits and is constituted by representatives from DPIIT, DBT, and DST.

**448** Startups granted income tax exemption under Section 80-IAC of the Income Tax Act<sup>5</sup>

**5,962** Cases which have received intimation regarding tax exemption under Section 56(2)(viib)<sup>6</sup>

5

## Tax Exemption For 3 Years

- The recognised startups that are granted an Inter-Ministerial Board Certificate are exempted from Income Tax for a period of 3 consecutive years out of 10 years since incorporation
- Startups incorporated on or after 1st April 2016 but before 1st April 2023 can apply for income tax exemption under Section 80-IAC of the Income Tax Act

5. Data as of 31st May, 2022

6. Data as of 31st May, 2022

# 6

## Exemption For The Purpose Of Clause (Viib) Of Sub-Section (2) Of Section 56 Of The Income Tax Act

- A DPIIT recognized startup is eligible for exemption from the provisions of section 56(2)(viib) of the Income Tax Act
- The Startup has to file a duly signed declaration in Form 2 to DPIIT {as per notification no G.S.R.127(E)} to claim the exemption from the provisions of Section 56(2)(viib) of the Income Tax Act



Scan this QR code to apply for tax exemption benefits.

# New Amendments

## Harmonization Of Startup Definition

Department of Expenditure has harmonized the Startup Definition under the Manual for Procurement of Consultancy and other Services, 2017 with the definition of DPIIT notified dated 19th February 2019. The Manual for Procurement of Consultancy and other Services, 2017 now considers an entity as startup up to a period of 10 years vis-à-vis 5 years and turnover threshold has been revised from INR 25 crore to INR 100 crore. Furthermore, an entity recognised as startup by DPIIT shall now be eligible for benefit granted under Procurement purposes as against the requirement of obtaining eligible business certificate by the Inter-Ministerial Board.



For more information on the amendment, scan this QR code.

## Patent Fees For Educational Institutions Reduced By 80 Per Cent

Startups are provided with an 80% rebate in filing of patents vis-a-vis other companies. The benefit of 80% rebate has now been extended to Educational institutions as well. Educational Institutions shall mean a university established or incorporated by or under Central Act, a Provincial Act, or a State Act, and includes any other educational institution as recognised by an authority designated by the Central Government or the State Government or the Union territories in this regard.



For more information on the amendment, scan this QR code.



## Tax Incentives Have Been Extended For 1 More Year For Eligible Start-Ups

Startups have emerged as drivers of growth for our economy. Over the past few years, the country has seen a manifold increase in successful start-ups. Eligible startups established before 31st March, 2022 had been provided a tax incentive for three consecutive years out of ten years from the date of incorporation. In view of the COVID pandemic, the Finance Bill 2022 extended the period of incorporation of the eligible start-up by one more year, that is, up to 31st March, 2023 for providing tax incentive.



For more information on the amendment, scan this QR code.

## Rationalization of Surcharge on the long-term capital gain on listed equity shares, units etc.

The Finance Bill 2022 provided that the surcharge on the long-term capital gain is capped at 15% for unlisted companies from existing 37% for high income group. This announcement will effectively reduce the tax rate from 28.5% to 23.9%.



For more information on the amendment, scan this QR code.

## 7

## Fund of Funds For Startups (FFS)

To provide equity funding support for development and growth of innovation driven enterprises, the government has set aside a corpus fund of INR 10,000 Cr managed by SIDBI. The fund is in the 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



# INR 7,225.45 Cr<sup>7</sup>

Committed to 86 VC Firms INR 9,571 Cr invested in 599 Startups



To contact the various AIFs for funding support, scan this QR code.

7. Data as of 30th April, 2022

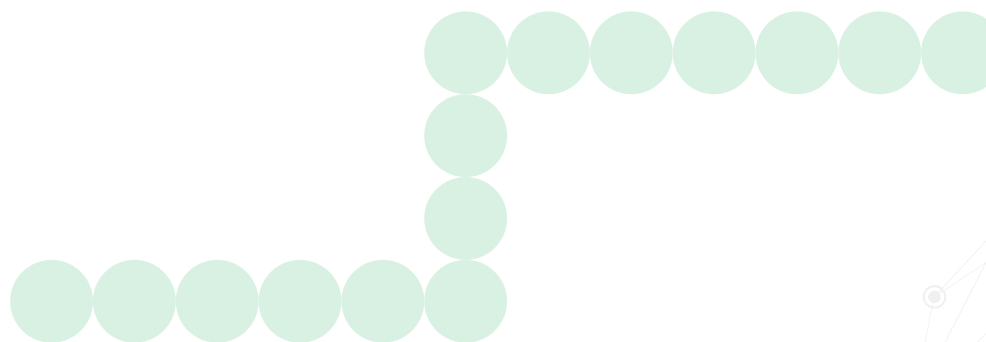
“

Now the employment generation is not confined merely to government services or factories, with job seekers becoming job creators. We are proud of the hard work and innovative ideas of our youth!

— **SHRI PIYUSH GOYAL,**

Hon'ble Minister of Commerce & Industry, Consumer Affairs & Food & Public Distribution and Textiles, Government of India.  
Leader of House in Rajya Sabha

”



## 8

## Startup India Seed Fund Scheme (SISFS)

Department for Promotion of Industry and Internal Trade (DPIIT), Ministry of Commerce and Industry is initiating Startup India Seed Fund Scheme (SISFS) with an outlay of INR 945 Crore. The scheme was announced by Hon'ble Prime Minister during Startup India International Summit "Prarambh" on 16th January 2021.

Startup India Seed Fund Scheme (SISFS) aims to provide financial assistance to startups for proof of concept, prototype development, product trials, market entry and commercialization. This would enable these startups to graduate to a level where they will be able to raise investments from angel investors or venture capitalists or seek loans from commercial banks or financial institutions. The target of the scheme is to disburse the Seed Fund to 3600 startups through 300 incubators across India.



# INR 338.75 Cr<sup>8</sup>

Sanctioned to 92 incubators

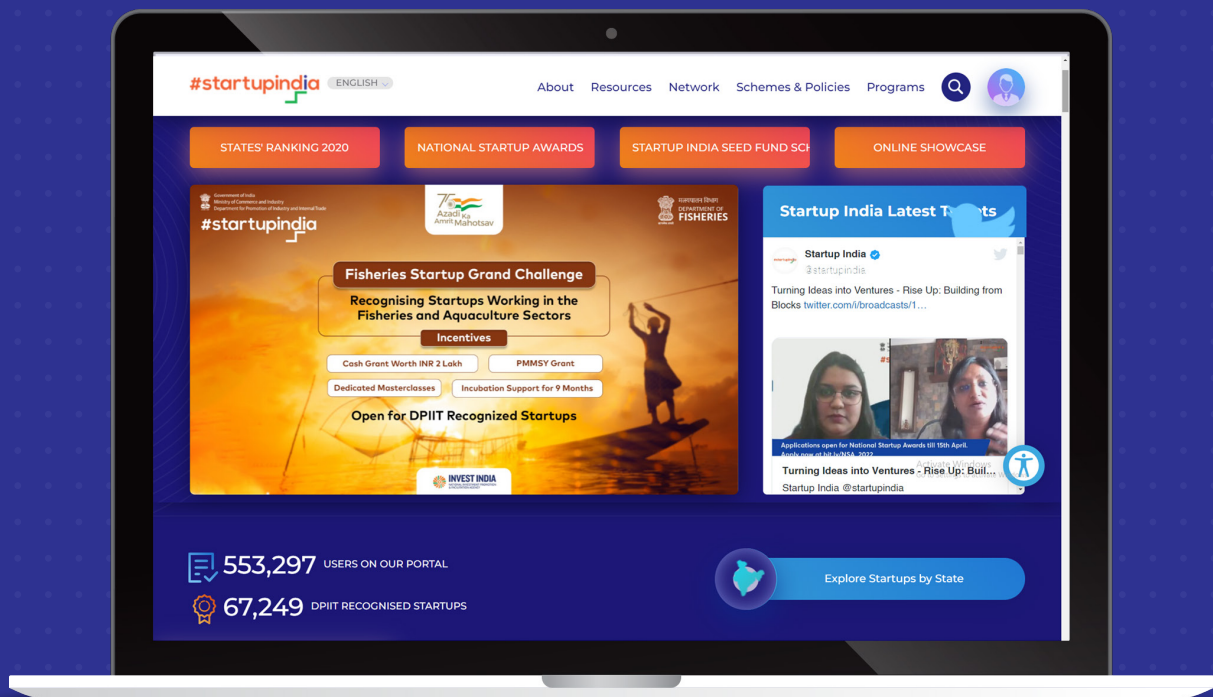


To apply for Seed Fund Scheme, scan the QR code.

8. Data as of 31st May, 2022

# Startup India Portal

Startup India provides pro-bono services, knowledge modules, details on government schemes, idea bank, active programs for all startups and startup aspirants to help them scale faster, better, and stronger. Unlock access to a host of opportunities and benefits through Startup India website [www.startupindia.gov.in](http://www.startupindia.gov.in) to navigate your way through the competitive startup world.





# 5,64,658

## USERS ON THE HUB<sup>9</sup>



**354,028**  
Evangelists and  
Entrepreneurs



**121**  
Investors



**185**  
Accelerators/  
Corporates



**66**  
Govt. Bodies



**792**  
Mentors



**826**  
Incubators



**2,08,640**  
Startups



## Learning and Development Programs

Start with an idea, end with a business plan! To guide budding entrepreneurs through the journey of their startup venture, Upgrad offers a free 4-week program on the key areas of starting up by 40+ top founders of India. Upon completion of the course, an acknowledgement certificate for the learnings in the program is also provided.



To start your free course today, scan this QR code.

## Government Schemes

Many Government departments are working to promote entrepreneurship in India. Startup India has collated over 100 schemes which can be filtered by relevant departments and ministries for easy access.



To explore the various Government schemes, scan this QR code.

## State's Startup Policies

Startup India presents to you a list of 30+ State Government policies<sup>10</sup> that offer benefits to startups. Startups and entrepreneurs across these states can access the policy documents, website links, and contact details of the respective nodal agencies.



Scan this QR code to know more about these policies

## Pro Bono Services

In our endeavor to make starting up easy, we bring you the best of some relevant services out there in the market, free of cost. We have collaborated with leading corporates and startups and others to bring you these services. Whether you want to seek legal support, build an app, use cloud credits or get cloud telephony services, everything here is free of cost for you.



To explore the various Government schemes, scan this QR code.

## Innovation Programs and Challenges

Startup India has been committed to working with various corporate and government departments that are scouting innovative startups. Startup India connects enablers such as corporate and government departments with unique and innovative startups in various sectors ranging from defense, agriculture to sustainability for mutually beneficial collaborations. Such challenges provide a unique opportunity for startups in terms of market access, opportunity, cash prizes, incubation/acceleration, mentorship, etc.



To apply for these programs, scan this QR code.





## Tools and Templates

We have a wide range of templates ranging from lease agreements, employment contracts, deeds, NDAs, etc. freely available in multiple Indian languages that will allow the startups to focus on what is important to the business. You'll need less than 2 minutes to customize this for yourself using our document builder.



Scan this QR code to find access to these templates

## Networking and Discussion

Members of the startup ecosystem – startups, investors, mentors, incubators, accelerators, and government bodies can connect with each other on the online forum of the Startup India portal. The platform provides the ecosystem members with the opportunity to discuss, express and opine on the forum through discussion threads, blogs, and one-to-one messaging.



To join the discussion forum, scan the below QR code.

## International Bridges

Startup India enables global market access and knowledge exchange for Indian startups through bilateral government collaborations. Commonly referred to as Startup Bridges, it enables startups, investors, incubators, accelerators and aspiring entrepreneurs of both countries to connect with one another by providing them with resources to expand and become globalised startups. Salient features include:



### Knowledge Exchange

Comprehensive guides and toolkits that assist startups in both countries to evaluate expansion opportunities and technology transfers



### Networking Opportunities

Enable connections among startups, mentors, investors, and incubators in relevant sectors from both countries



### Hosting Joint Programs

From startup exchanges to innovation challenges, the portal is a one-stop-shop to host all ecosystem programs



### Capacity Building Platform

Get access and applications to events, competitions, and workshops in both countries followed by partnerships with co-working spaces and accelerators



Portugal



Israel



Netherlands



Singapore



Sweden



United Kingdom



Japan



S.Korea



Russia



Brazil



Finland



Croatia



Canada



UAE



Qatar



To know more about these bridges, scan this QR code.

## Startup India Showcase

Startup India Showcase is an online discovery platform for the most promising startups of the country. These innovations span across various cutting-edge sectors such as Fintech, EnterpriseTech, Social Impact, HealthTech, EdTech, among others. 150+ startups have been onboarded on the Startup India Showcase Platform and received opportunities to be a part of the Expo 2020 Dubai, India Sweden Innovation Day, and InFINITY Startup Exhibition, France.



To visit the innovative startups showcased in the platform, scan this QR code.

## Blockchain-based Certificate Verification Platform

The Department for Promotion of Industry and Internal Trade (DPIIT) has launched a Blockchain-based Certificate Verification Platform to enable instant access and verification of the certificates issued to recognized startups through the Startup India Portal. The platform can be utilized by Government Departments, PSUs, Banks, and Investors to verify the authenticity of the information submitted by startups. This platform is the first step towards introducing emerging technologies within existing government frameworks to transform traditional processes.



To generate the Block chain based certificate, scan the QR code

## Ideabank

Looking for an Idea for your startup?

To guide the budding entrepreneurs through their startup journeys, Startup India has developed an Ideabank highlighting some of the problems across varied sectors. This ideabank guides the startups to brainstorm innovative ideas to tackle the various problem statements listed on the website.



To explore the Ideas in the Ideabank, scan this QR code.



An entity shall be considered as a Startup:

- If it is incorporated as a private limited company (as defined in the Companies Act, 2013) or registered as a partnership firm (under section 59 of the Partnership Act, 1932) or a limited liability partnership (under the Limited Liability Partnership Act, 2008) in India
- Up to ten years from the date of its incorporation/registration
- If its turnover for any of the financial years since incorporation/registration has not exceeded INR 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.

Provided that any such entity formed by splitting up or reconstruction of a business already in existence shall not be considered a 'Startup'.

“Never  
dream of  
becoming  
something.  
If you  
dream,  
dream  
of doing  
something!”

**SHRI NARENDRA MODI**

Hon'ble Prime Minister of  
India

To streamline the process of recognition of startups, the guidelines for recognition of Startups have been reformulated and supplemented in line with notification.



To download  
the recognition  
guidelines, scan  
this QR code.

# DPIIT Recognition



## Get DPIIT Recognised!

Startups can apply to get recognised by Department for Promotion of Industry and Internal Trade (DPIIT) to avail numerous benefits.

**69,000+**

startups Recognised by DPIIT

**47%**

of the recognised startups have atleast one women director

**630+**

districts with atleast 1 Recognised startup

**7.5 Lacs**

jobs reported by 69,000+ DPIIT Recognised Startups

**Top 3 States**

Maharashtra,  
Karnataka, Delhi

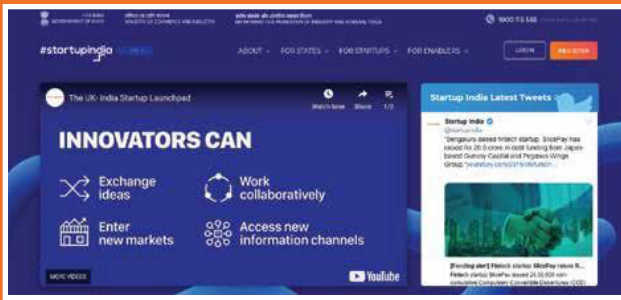
**Top 3 Sectors**

IT Services, Healthcare  
and Lifesciences,  
Education

11. Data as of 31st May, 2022



# Get Recognised & Avail Benefits



## STEP 01

Visit [www.startupindia.gov.in](http://www.startupindia.gov.in)



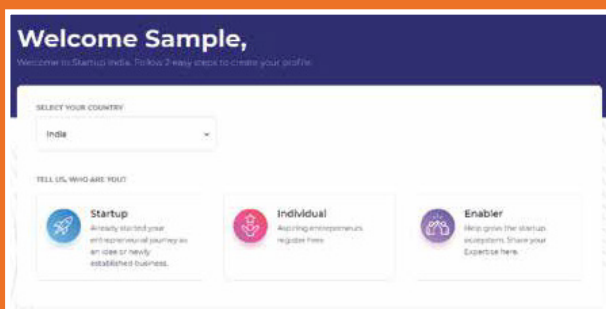
## STEP 02

### New User

Click on 'Register' and provide details OR Simply register using any of your social media accounts

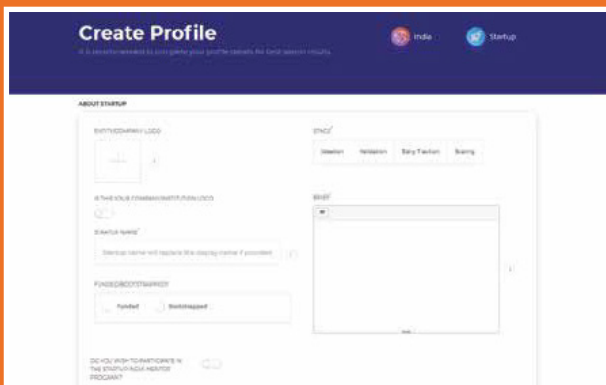
### Existing User

Login using your credentials (Go to step 4)



## STEP 03

Provide OTP and other details like, startup as type of user, name and stage of the startup, etc.



Congratulations!

Your startup profile is created

#### Your profile details have been successfully recorded.

- You may also consider getting Startup recognition, a process by which Department of Industrial Policy and Promotion recognizes you as a Startup. A startup recognition allows one to avail a host of benefits put in place by DIPP specially for Startups. These include self certification of certain environment and labor laws, access to taking part in government procurement, patent support and more.
- To get recognized, simply click on the Get Recognized button and furnish some additional information which the form asks for. Ensure you enter essential information like Incorporation number and entity type to apply for recognition.

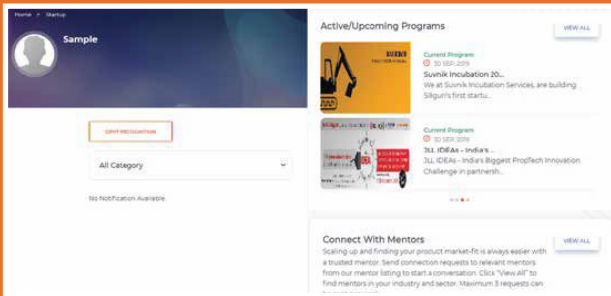
[Go to Dashboard](#)

[GET RECOGNIZED](#)

## STEP 04

Go to 'Get Recognised' directly (new users) OR

Dashboard > DPIIT Recognition (existing users)



## Recognition Application Detail

A screenshot of the 'Recognition Application Detail' page. It has a dark blue header. Below the header, there are sections for 'User Details', 'Registration Details', 'Recognition Form Status', and 'Application'. The 'User Details' section shows a table with columns for 'Name' and 'Registration Details'. The 'Registration Details' section has a 'View Details' link. The 'Recognition Form Status' section shows 'Current Status' as 'Not Applied for Recognition'. The 'Application' section has a link to 'Click here to edit/complete your application.'.

## STEP 05

On the 'Recognition Application Detail' page, click on 'View Details' under the Registration Details section

## Recognition Page

A screenshot of the 'STARTUP RECOGNITION FORM'. It has a dark blue header. Below the header, there's a note: 'Note: To make changes to any of the auto filled fields, please make the change in your profile settings first: View Profile > Edit Profile. To save particular section please click on corresponding save button.' The form is titled 'Entity Details' and has several fields: 'Nature of Entity' (Select), 'Industry' (Select), 'Sector' (Select), 'Categories' (Select), 'Company Incorporation Number(CIN)' (Text), and 'Name of the Entity' (Text).

## STEP 06

Fill up the 'Startup Recognition Form' and click on 'Submit'

## What Do You Need?

- Incorporation/Registration Certificate
- Director details
- Patent and trademark details (Optional)
- PAN Number
- A proof of concept (website link/video/pitchdeck) for startups in Validation stage. For Early Traction and Scaling stage, it is necessary to provide a video or pitch deck in addition to a company website. Ideation stage startups are not mandated to submit a proof of concept.

## No Requirement Of:

- Letter of Recommendations
- Sanction Letters
- Udyog Aadhar
- MSME Certificate
- GST Certificate

## At idea Stage?

Simply apply without any proof of concept and get recognised. Update later when you reach validation/early traction/scaling stage.

## Got funded or recognised?

Tell us by updating your proof of funding, awards, and recognitions received.

## Applied for patent/trademark?

Strengthen your application by providing us your patent, trademark, copyright, plant variety details.

**Submit your application and it will be processed within 48-72 working hours**

# Startup India Marquee Programs

## Prarambh

Prarambh, the Startup India International Summit was held on the 15th and 16th of January 2021, as the Startup India Initiative, commemorated 5 years of its establishment. Prarambh means 'an auspicious beginning' as a noun, and as a verb, implies 'to start'. The event was graced by Honorable Prime Minister, Shri Narendra Modi, where he interacted with startups from across the country. He highlighted the nation-building role that startups are playing while launching the "Startup India Seed Fund Scheme", which would allow early-stage startups to access capital to build their entrepreneurial dreams. Prarambh brought together innovators, government officials, investors, accelerators, incubators, global partners, and stakeholders from across ecosystems to discuss the journey and the future growth strategy for the Indian startup ecosystem.



To know more about Prarambh, scan the QR code.

## National Startup Awards (NSA)

National Startup Awards is a flagship initiative that aims to build a strong eco-system for nurturing innovation and Startups in the country that will drive sustainable economic growth and generate large-scale employment opportunities. The National Startup Awards have been conceptualized to further strengthen the startup ecosystem in the country. The National Startup Awards also seeks to recognize the players who act as enablers in the Startup ecosystem, especially the ones who are successfully helping startups across the spectrum, irrespective of the geographical location and strata of society. The

The first-ever National Startup Awards concluded in October 2020 which was followed by the commencement of National Startup Awards 2021 in January 2022. Together these awards have enabled recognizing and rewarding the outstanding startups and enablers who have been demonstrating exceptional capabilities both in terms of financial gain and quantifiable impact on the society,



To know more about National Startup Awards, scan the QR code

## State Ranking Framework (SRF)

The States' Startup Ranking is an annual exercise conducted by Startup India, leveraging the concept of competitive federalism to rank the startup ecosystems across states in India. The objectives of the exercise range from propelling States to implement best practices, creating avenues for knowledge exchange as well as building capacities of various enablers which are pivotal to the startup ecosystem.

The States' Startup Ranking Framework 2019 was conceived by acknowledging the evolving needs of a dynamic ecosystem and incorporating learnings and feedback from previous years. The impact of the second exercise reveal comprehensive efforts taken by States to support their startup ecosystems. 37 rules and regulations have been amended to support startups. There are more incubators, mentoring and funding options available for startups across the country. The first two editions of the States' Startup Ranking Exercise successfully provided insight into the scale and scope of State-driven initiatives and enabled mutual learning amongst ecosystem stakeholders



To know more about State Ranking Framework, scan the QR code



## NATIONAL STARTUP DAY

The Hon'ble Prime Minister during his interaction with over 150 startups in the Startup India Innovation Week by Department for Promotion of Industry and Internal Trade (DPIIT), declared 16th January as "**National Startup Day**" to acknowledge and support the invaluable contribution of Indian entrepreneurs towards the growth of the country's economy and to recognize India's thriving entrepreneurial ecosystem.

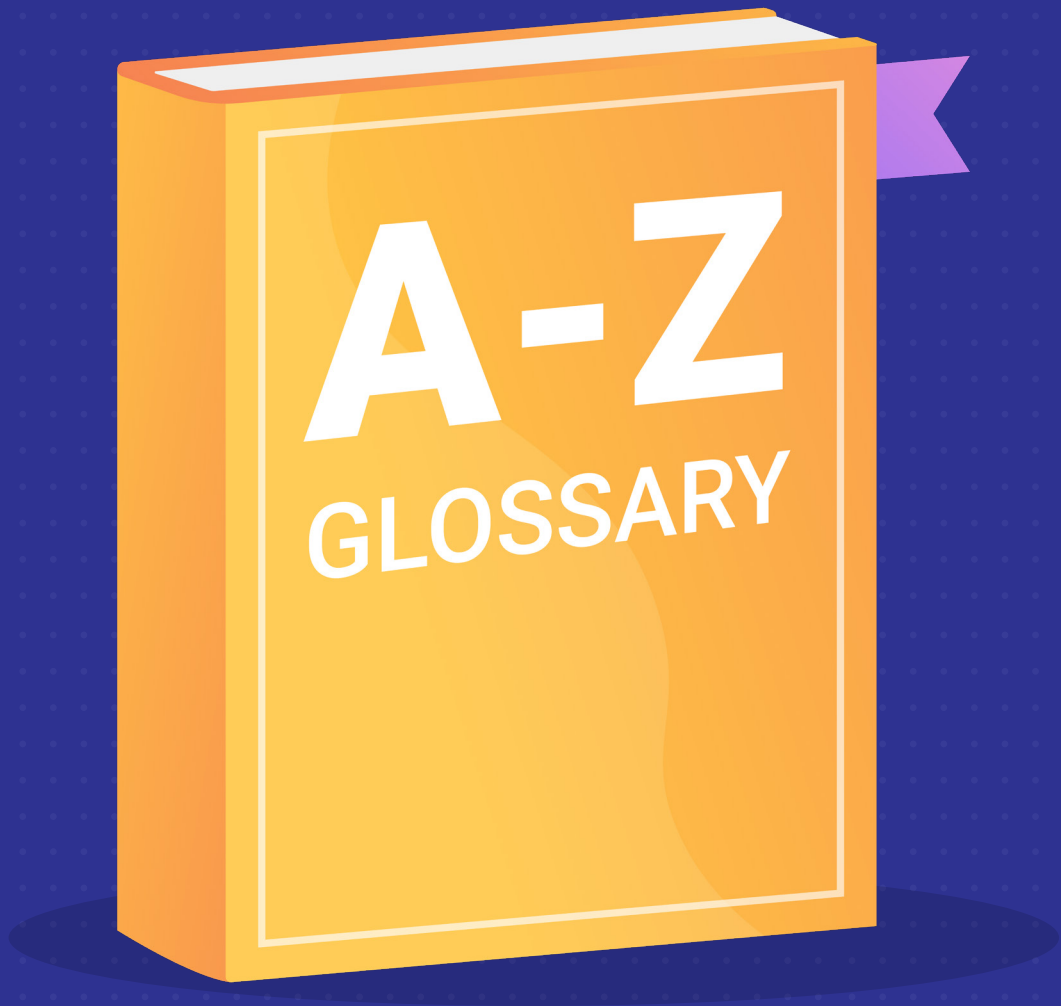
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"I see startups, technology, and innovation as exciting and effective instruments for India's transformation"

— **SHRI NARENDRA MODI**

Hon'ble Prime Minister of India

# Glossary





**A****Accelerator**

An accelerator 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. The accelerator may take a set amount of seed equity from the startups in their cohorts in exchange for capital and mentorship.

**Angel Group**

An angel group is a network of angel investors who invest collectively in small startups or entrepreneurs. They typically invest in angel, seed, and sometimes Series A rounds.

**Angel**

Angel rounds are the first round that a company may go through. Angel investors, friends, and/or family may invest in an angel round to get a new company off the ground.

**C****Convertible Note**

It is a loan where an investor provides cash to a startup company, and the investor gets an option to convert the debt to equity in the company.

**Co-working Space**

A co-working space is a company that provides a shared working environment for teams working typically for different employees, in the same office.

<p><b>I</b></p>	<p><b>Incubator</b></p> <p>An incubator is a workspace created to offer early-stage startups access to all resources they need under one roof. They provide office space, mentoring, business services, funding, and networking opportunities to the incubatees.</p>	<p><b>IPR</b></p> <p>The right of a person or a company to exclusively use its own plans, ideas, or other intangible assets without the worry of competition, at least for a specific period of time. These rights can include copyrights, patents, trademarks, and trade secrets. These rights may be enforced by a court.</p>	
<p><b>P</b></p>	<p><b>Product Crowdfunding</b></p> <p>A product crowdfunding round is where a company will provide its product in exchange to raise capital. This kind of round is also typically completed on a funding platform.</p>		
<p><b>S</b></p>	<p><b>Seed Funding</b></p> <p>Seed capital is the initial funding used to begin the creation of a business or a new product. Generally, seed capital is used to develop a business idea to the point that it can be presented effectively to venture capital firms that have large amounts of money to invest.</p>		
<p><b>T</b></p>	<p><b>Technology Transfer Office</b></p> <p>A product crowdfunding round is where a company will provide its product in exchange to raise capital. This kind of round is also typically completed on a funding platform.</p>		
<p><b>V</b></p>	<p><b>Venture Capital</b></p> <p>Venture Capital firms invest in startups at a later stage. Startups with a potential to grow, need a certain amount of investment. Wealthy investors like to invest their capital in such businesses with a long-term growth perspective. This capital is known as venture capital and the investors are called venture capitalists.</p>		

# Startup Funding Cycle



# Stages And Sources

01

## Pre-Seed

Working on ideas/prototypes.

**Fund sources:** Family, friends, grant, B-plan competitions, collateral-free debt.

02

## Seed

Product/service launched in market

**Fund Sources:** Angel investors, pitching competitions, collateral-free debt.

03

## Series A

Product/service gaining market traction

**Fund Sources:** Venture funds, bank loan.

04

## Series B,C

New consumers and rapidly increasing revenues

**Fund Sources:** Private Equity firms, Investment firms, Venture funds

05

## IPO

Established customer base and stable revenues

**Fund sources:** Stock market, acquisition by larger corporations



To know more about funding, scan the QR code

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