



Democratisation of entrepreneurship in India



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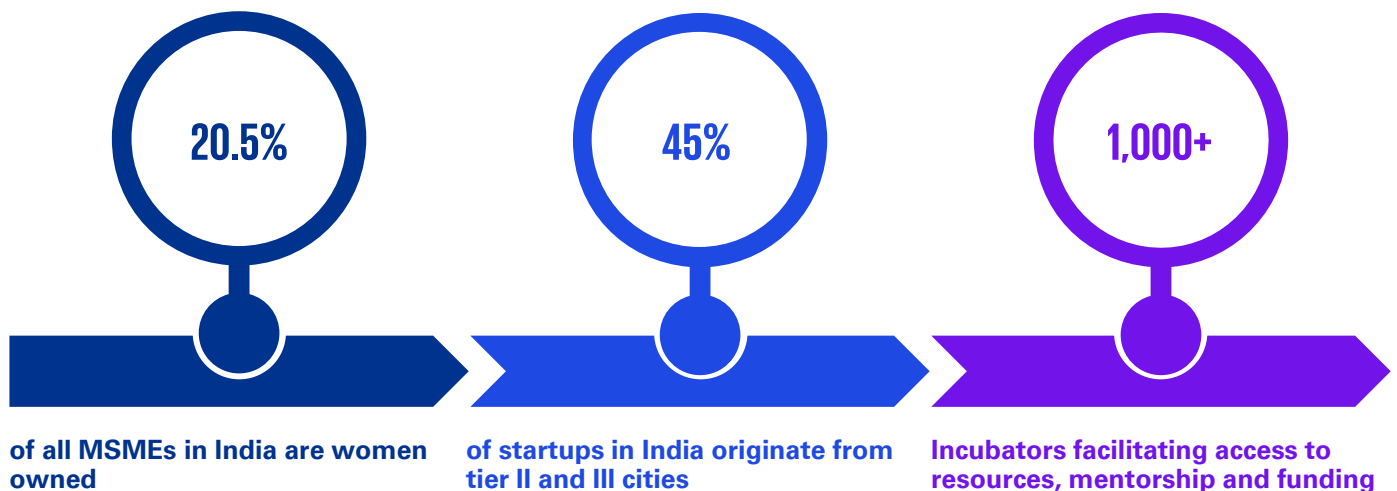


Executive summary

The democratisation of entrepreneurship in India represents a transformative shift in the entrepreneurial landscape, characterised by increased accessibility and inclusivity across diverse socio-economic groups. This movement is driven by a confluence of factors, including supportive government initiatives such as Startup India and the Atal Innovation Mission, which provide essential funding, mentorship and infrastructure tailored to local needs. Additionally, the rise of digital

technologies and platforms has facilitated broader market access for startups, enabling them to thrive even in tier II and III cities. The growing emphasis on social entrepreneurship highlights a commitment to addressing societal challenges while fostering economic growth, allowing aspiring entrepreneurs from varied backgrounds, especially women and marginalised communities, to participate actively in the ecosystem.

Indicators of democratisation in India



Drivers of democratisation of entrepreneurship

Promoting entrepreneurship in tier II and tier III cities of India

The burgeoning startup economy in India is becoming more localised and inclusive with the growth of tier II and III cities, such as Jaipur, Coimbatore, Indore, Mysuru, among others, which are transforming the entrepreneurial landscape through improved infrastructure, talent influx and receptive markets.

Inclusivity as a catalyst for innovation

Initiatives such as Women Entrepreneurship Program (WEP) and Pradhan Mantri MUDRA Yojana are empowering women and low-income entrepreneurs, fostering local growth and future female leadership. Increased VC funding in women-led startups and startups led by low income entrepreneurs, enhancing India's diverse, innovative entrepreneurial ecosystem.

Leveraging grassroots innovation

Initiatives such as the Start-up Village Entrepreneurship Programme (SVEP) aids rural groups in setting up non-farm enterprises by providing business support, funding and dedicated information services. India is fostering localised innovation addressing regional problems through capital, technology and mentorship.

Providing access to resources

Government-backed incubators such as those under the Atal Innovation Mission (AIM) have played a crucial role in democratising entrepreneurship in India, offering vital support nationwide and significantly enriching the entrepreneurial ecosystem.

Access to global markets

The private sector is key to democratising entrepreneurship in India, driving innovation, global market access and R&D democratisation. Its resources, expertise and networks can significantly enrich the entrepreneurial ecosystem, making it more inclusive and widely accessible.



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01

Overview of India's entrepreneurial ecosystem

Over the past decade, India's entrepreneurial landscape has transformed significantly, making it the third-largest startup ecosystem globally with over 1,40,000 Department for Promotion of Industry and Internal Trade (DPIIT) – recognised startups¹ and more than 100 unicorns as of February 2024². This vibrant startup ecosystem has contributed 10 to 15 per cent to India's Gross Domestic Product (GDP) growth between FY16 and FY23³, demonstrating its resilience despite various challenges.

Startups and small businesses in India bring innovative ideas and technological advancements that cater to local needs and enhance India's global market position. In addition, they stimulate the growth of micro, small and medium enterprises (MSMEs), critical for the country's economic resilience and inclusive growth. This thriving entrepreneurial culture is fundamental for India's ambition to become a USD5 trillion economy⁴ and accomplish long-term socio-economic transformation.

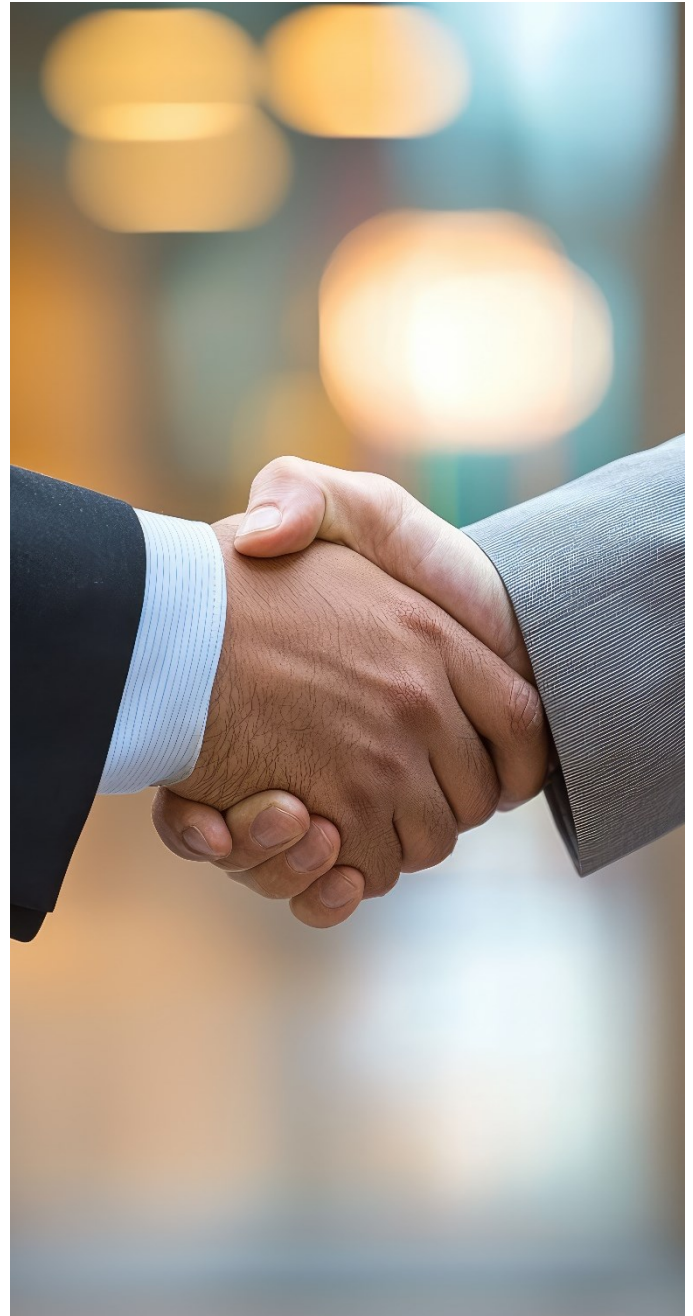
The proactive stance of the Government of India (GoI) at both the central and state levels in nurturing the startup ecosystem has significantly boosted entrepreneurship. As of mid-2024, 31 states and union territories⁵ have their own dedicated startup policies, offering various support mechanisms for entrepreneurs. Collectively, these factors have contributed to the evolution of a robust and thriving entrepreneurial ecosystem in India.

Despite this growth, Indian entrepreneurs undergo various challenges including accessing adequate funding, maneuvering through intricate regulatory frameworks and establishing a foothold in a fiercely competitive marketplace. Infrastructural inadequacies, procurement of skilled professionals, cultural predispositions favouring job security and economic volatility further compound these impediments.

1.1 How entrepreneurial mindset is changing in India

India's entrepreneurial mindset is shifting from traditional careers to innovative pursuits due to socio-economic factors and technological advancements. Today's Indian entrepreneurs are taking more calculated risks, encouraged by successful domestic and global tech companies. The current generation is considering entrepreneurship

as a viable career option, supported by a mature startup ecosystem that provides more resources and funding. This change is also spreading to smaller cities and diverse backgrounds, fuelled by increased internet penetration and digital literacy. The shift includes a broader purpose of solving social problems and contributing to sustainable growth, positioning India as a global leader in entrepreneurship and innovation.



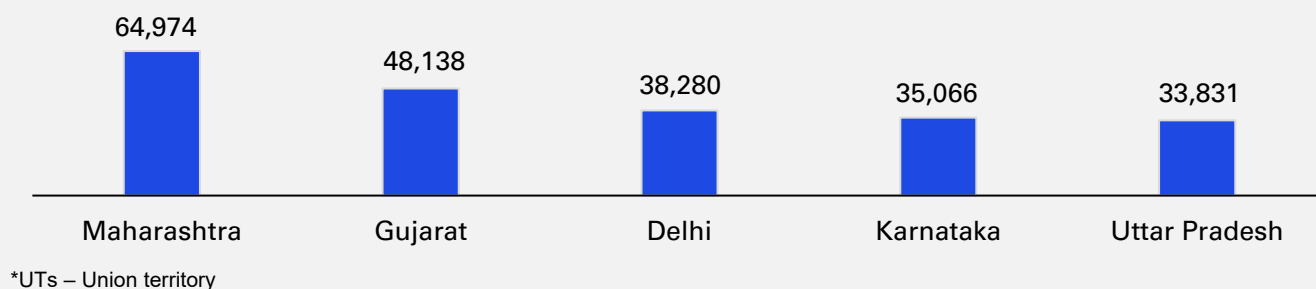
1. Over 1 lakh 40 thousand recognized Start Ups in the country, over 67 thousand have at least one women director, PiB, 9 August 2024
2. "Fragile 5" to "Top 5", India's journey of the last ten years is a case study in itself, which would amuse and enthuse any student of Economics, says Union Minister Dr Jitendra Singh, PiB, 10 February 2024
3. Indian startups may add US\$ 1 trillion to Indian economy by FY30, IBEF, 15 March 2024
4. Roadmap to making India a \$5 trillion economy, PiB, 01 August 2023
5. Startup India website, accessed on 28 October 2024

1.2 The role of entrepreneurship in job creation and the current job scenario in India

Entrepreneurship is a key driver of employment and economic growth in India, offering new job opportunities through the rise of startups and small businesses. The digital revolution and supportive government policies are enabling entrepreneurs with access to resources, leading to substantial job creation. Enhancing entrepreneurial activities and nurturing the startup ecosystem has led to the creation of more employment opportunities in the country.

The Department for Promotion of Industry and Internal Trade (DPIIT)-recognised startups are boosting job creation in India, especially in startup hubs, such as Maharashtra, Karnataka, Gujarat and Delhi NCR, with states, including Uttar Pradesh and Telangana among others emerging as new hubs. The increase in employment is attributed to supportive policies, strong infrastructure and entrepreneurial ecosystems in these states.

Top 5 states/UTs* with most direct jobs from DPIIT-recognised startups in 2023⁶



1.3 Role of MSMEs in creating jobs across India

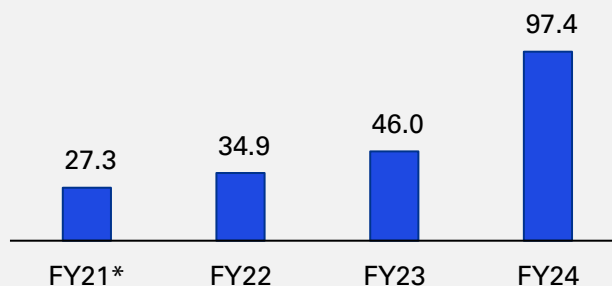
MSMEs in India bring an entrepreneurial mindset into regions that traditionally lack access to large-scale industry and infrastructure. MSMEs empower individuals not only as employees but as active participants in local economies, enabling them to develop skills and take part in the business growth journey. MSMEs possess the capability to tap into local talent reservoirs and leverage government schemes available, enhancing their operational efficiency and growth potential. By creating localised supply chains, driving small-scale innovation and encouraging a start-small-grow-big philosophy, MSMEs democratise economic opportunities and provide a blueprint for sustainable, grassroots-driven development.

In doing so, they not only contribute to job creation but also strengthen India's entrepreneurial ecosystem, making it more inclusive and accessible for future generations of business innovators. As of August 2024, with over 49 million MSMEs (registered under the Udyam portal), MSMEs employ more than 210 million people, making them critical players in India's employment landscape⁷. As the ecosystem becomes more inclusive, MSMEs are empowered to

expand their operations in urban centers and rural and semi-urban areas.

These enterprises often have lower barriers to entry, making them ideal for aspiring entrepreneurs who may lack access to large amounts of capital or sophisticated resources. MSMEs foster local innovation and create jobs that are tailored to regional needs, helping reduce urban migration and enabling balanced economic development across the country.

Yearly employment reported by MSMEs (In million)⁸



6. DPIIT recognises 1, 17,254 startups as on 31st Dec 2023, PIB, 2 February 2024

7. Celebrating MSMEs on National Small Industry Day 2024, PIB, 29 August 2024

8. Jobs in MSME sector, PIB, 29 July 2024

MSMEs also play a critical role in bridging the skills gap. Many provide on-the-job training to employees, allowing them to build competencies that match the evolving demands of various industries. As MSMEs grow, it fosters a skilled workforce, promoting job stability and economic growth. Supporting MSMEs with accessible financing, favourable policies and adequate business growth resources can enhance their contribution to job creation and economic advancement.

Governmental aid and its impact on MSMEs

The GoI and MSME ministry have bolstered the MSME landscape with strategies, including financial aid and market integration. Some of the key initiatives aiming to boost entrepreneurship, increase employment and formalise informal sectors include:

- Prime Minister's Employment Generation Programme (PMEGP)

- Scheme of Fund for Regeneration of Traditional Industries (SFURTI)

- A Scheme for Promotion of Innovation, Rural Industries and Entrepreneurship (ASPIRE)

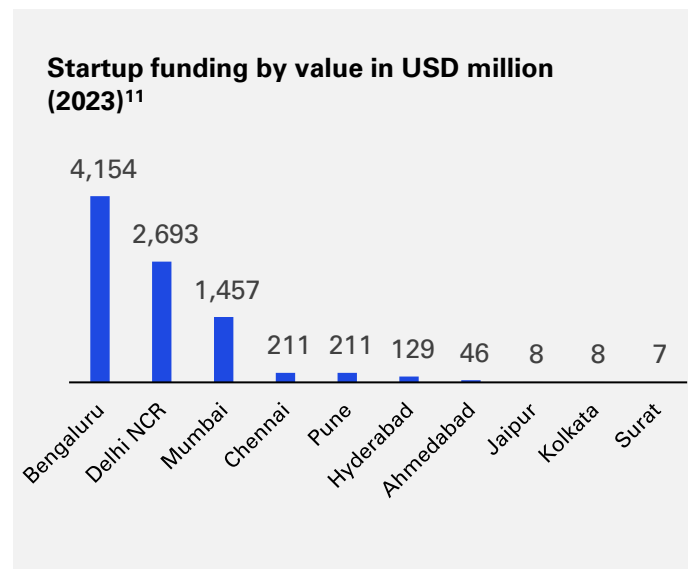
Employment creation through scheme/initiatives ^{9,10}	
PMEGP	From FY09 to 28 June 2024, employment provided to ~7.9 million people
SFURTI	Launched in FY06 and revamped in FY15, the policy has benefited 2,98,580 artisans through the creation of new job opportunities

1.4 Top hotspots for entrepreneurial ventures in India: Indicating a new wave of entrepreneurs

While the national framework serves as a solid base, the importance of local ecosystems in nurturing entrepreneurship cannot be overstated. The strength of India's entrepreneurial ecosystem derives from its varied regional diversity. Tier I cities, including Bengaluru, Mumbai, Delhi-NCR, Hyderabad and Chennai have historically functioned as the nuclei of India's startup ecosystem. These metropolises are distinguished by an abundance of resources - capital, human talent, infrastructure and international market accessibility - positioning them as the ideal convergence points for innovation-driven, high-value startups. Following factors are contributing to this growth:

a. Access to capital and talent

Tier I cities attract a significant share of venture capital (VC) and private equity funding. These cities are home to highly ranked universities, engineering colleges and business schools, providing a steady supply of highly skilled talent. Additionally, the presence of multinational corporations (MNCs) and research and development centres creates a fertile ground for entrepreneurship, as they bring advanced technologies, global best practices and a competitive environment that fosters innovation and skill development, inspiring local talent to pursue entrepreneurial ventures.



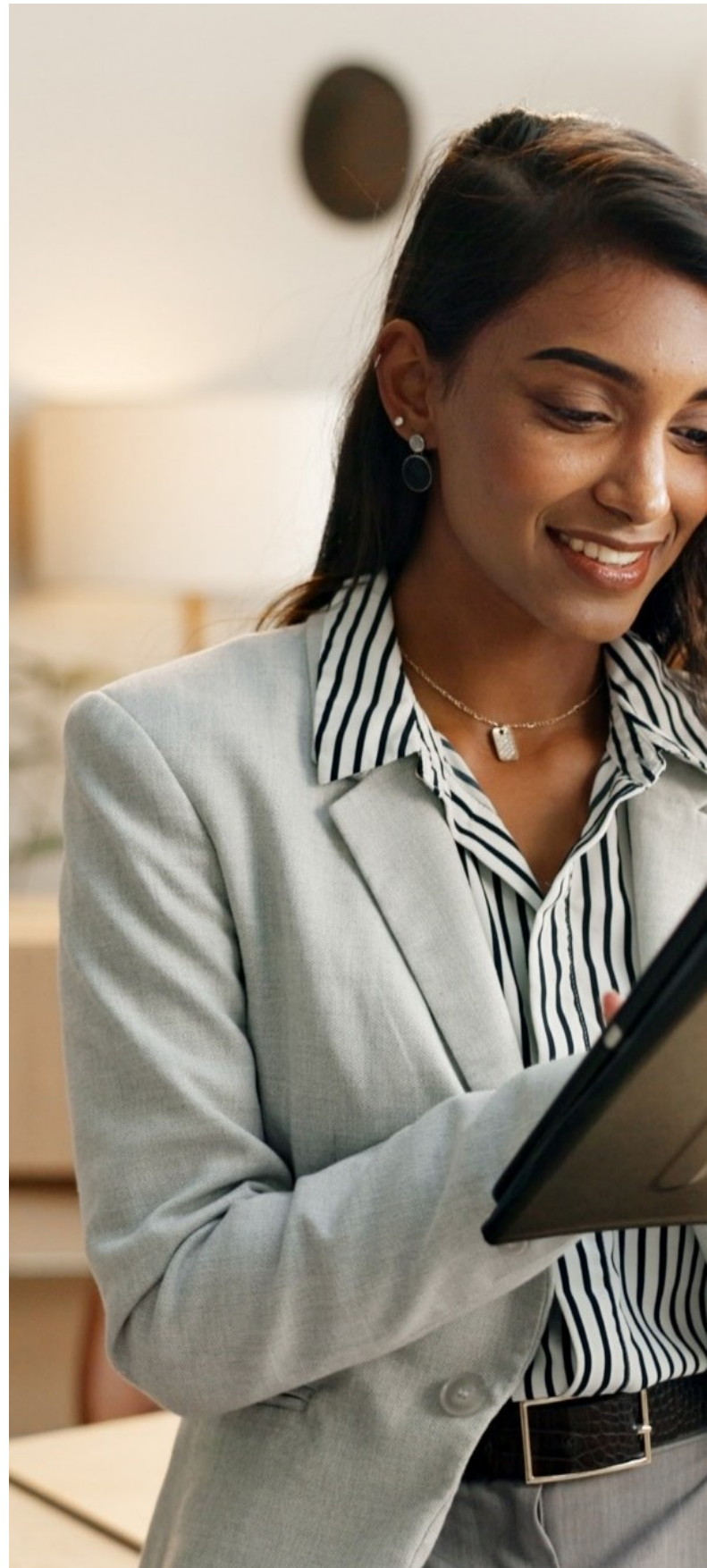
9. MSME insider, July 2024, Ministry of Micro, Small and Medium Enterprises (MSMEs)
 10. Celebrating MSMEs on National Small Industry Day 2024, PIB, 29 August 2024
 11. Leading cities for start-up funding in India in 2023, by value, Statista, 30 August 2024

b. Sectoral dominance

While tier I cities are hubs for innovation across multiple sectors, certain industries have taken precedence in these cities. For instance, Bengaluru is a prominent hub for technology-driven sectors, such as Software as a service (SaaS), Artificial Intelligence (AI), fintech and e-commerce. Mumbai has a significant financial ecosystem, hosting several fintech, media-tech and direct-to-consumer (D2C) startups. Delhi-NCR is a key hub for edtech, healthtech and e-commerce, while Hyderabad and Chennai have emerged as hubs for deeptech and logistics-driven innovation.

c. Mature support ecosystems

The tier I cities with their developed ecosystem comprising variety of accelerator initiatives, driven by various industry stakeholders, businesses and educational institutions, contribute to the enhancement of startups. Furthermore, these cities have a significant presence of angel networks that nurture early-stage startups and encourage innovation.





1.5 Evolving financial systems and its impact on entrepreneurship in India

India's evolving financial systems are reshaping its entrepreneurial landscape, driven by foreign institutional investments (FIIs) and domestic capital inflows. Foreign investments, totaling USD70.95 billion in FDI and USD44.42 billion in equity inflows in FY24¹², have provided Indian entrepreneurs access to resources, technology and global markets. This influx has spurred innovation and enhanced competitiveness, particularly in manufacturing, financial services and technology sectors. Foreign investors bring managerial expertise and best practices, improving productivity within the startup ecosystem.

Domestic capital inflows, particularly from domestic institutional investors (DIIs) and banks, have become crucial for India's entrepreneurial ecosystem, providing funding and stability amid global market fluctuations. This surge reflects a shift towards equities, driven by increased retail participation through SIPs and mutual funds. Banks now play a vital role in financing startups through tailored lending programmes and dedicated funds for SMEs and startups. Initiatives such as Mudra Yojana offer collateral-free loans, while partnerships between banks and fintech companies enhance access to capital by streamlining loan processes. Rising domestic inflows create a more resilient financial environment, allowing entrepreneurs to innovate without relying heavily on foreign investments, fueling entrepreneurial activity and contributing to a robust economic framework in India.

Due to this, India's startup ecosystem has seen unprecedented growth, setting globally competitive valuation benchmarks. Rapid expansion has attracted substantial investor interest worldwide, bringing capital and expertise. High valuations have enabled startups to expand rapidly and establish themselves in domestic and international markets. However, inflated valuations create pressure for exponential growth, potentially leading to unsustainable business practices. To maintain sustainable development and investor confidence, it's essential to strike a balance between robust growth and realistic valuation metrics.

12. Transforming India into a Global Manufacturing Powerhouse, PiB, 10 September 2024

02

The concept of democratising entrepreneurship in India

Democratising entrepreneurship is a critical concept for fostering an inclusive and diverse startup ecosystem in India. This approach emphasises creating equal opportunities for individuals from various backgrounds, regardless of gender, socio-economic status, or geographic location, to engage in entrepreneurial activities.

Democratising entrepreneurship in India is crucial to realise the country's economic potential and addressing deep-rooted, structural challenges across various sectors. Historically, much of India's economic growth has been concentrated in urban areas, particularly in a few metropolitan hubs. As a result, vast regions and a significant portion of the population have not fully participated in the economic benefits of India's rapid development. Democratising entrepreneurship, however, can provide a foundation for inclusive growth, empowering people in every corner of the country to contribute to and benefit from economic progress.

2.1 Democratisation can act as a solution to various societal entrepreneurial challenges

2.1.1 Creating women entrepreneurs

Inclusivity is a vital aspect of democratising entrepreneurship. Women entrepreneurs represent a significant yet often overlooked segment of the workforce. Among working women aged 15 to 59, 73.5 per cent in rural areas and 42.3 per cent in urban areas were self-employed, highlighting their potential as drivers of economic growth¹³. By supporting women in their entrepreneurial endeavours, India not only promotes gender equality but also enhances overall economic productivity.

2.1.2 Tackling the urban-rural divide

Location-specific challenges also necessitate a democratised approach to entrepreneurship. Urban centres often attract majority of resources and talent, leaving rural areas underdeveloped. However, vast skills exist in non-urban regions that remain untapped. Initiatives are crucial in bridging this gap by providing micro-entrepreneurship development programmes aimed at skill enhancement and financial support for rural entrepreneurs. By empowering individuals in these areas to start their own businesses, India can foster local economies and create sustainable livelihoods.

2.1.3 Overcoming agri-hurdles

One of the most pressing sectors that can benefit from this democratisation is agriculture. Despite being a cornerstone of the Indian economy, agriculture faces numerous challenges, including low productivity, inadequate market access and minimal value addition. For instance, a large amount of fruits and vegetables are wasted annually due to a lack of storage facilities and market linkages in India. By encouraging entrepreneurial ventures that focus on agri-tech solutions, such as precision farming and supply chain innovations, India can significantly enhance agricultural productivity and reduce waste. When local entrepreneurs, who understand regional challenges, are empowered to create solutions, it not only boosts the agricultural economy but also raises living standards for millions dependent on farming for their livelihoods.

2.1.4 Harnessing India's demographic dividend

Furthermore, democratising entrepreneurship is vital for creating employment opportunities and achieving inclusive growth. While India has a very young population, this demographic advantage can only translate into economic growth if opportunities are widely accessible. As entrepreneurship spreads to tier II and III cities, it generates local jobs, prevents the need for young people to migrate for work and helps retain talent within communities. The democratisation of entrepreneurship, particularly in tier II and III cities in India, has a catalytic effect on enhancing disposable income, improving infrastructural development and attracting increased attention from investors.

This growth in entrepreneurship not only creates direct jobs within startups but also stimulates ancillary industries, such as logistics, services and digital infrastructure, building a sustainable ecosystem of job creation. With more entrepreneurs emerging from diverse backgrounds and geographies, the Indian economy gains the resilience it needs to weather global disruptions and foster a more balanced economic structure.

13. PLFS annual report 2023-24, 10 October 2024

2.2 Factors supplementing democratisation

As India navigates its path toward becoming a global entrepreneurial hub, several emerging factors are playing a crucial role in the democratisation of entrepreneurship. While significant progress has been made in fostering an inclusive ecosystem, there remains a pressing need to amplify these factors to ensure that entrepreneurship is accessible to all segments of society. As these factors continue to evolve, a concerted effort is required from stakeholders across the ecosystem to strengthen their impact and drive sustainable economic development across the nation.

2.2.1 Promoting entrepreneurship in tier II and III cities of India

While tier I cities remain prominent in India's entrepreneurial domain, the rise of tier II and III cities signifies an evolving startup economy that is more localised and inclusive. The entrepreneurial ecosystem in India has expanded beyond its metropolises, with these smaller cities fostering startups in a transformative shift powered by enhanced infrastructure, a surge of talent and untapped markets. The rapid development of tier II and III cities, such as Jaipur, Coimbatore, Indore, Chandigarh, Bhubaneswar, among others, is reshaping the narrative of India's entrepreneurial ecosystem.

Over 45 per cent of DPIIT-recognised startups are originating from tier II and III cities¹⁴

The growth of entrepreneurship in these cities is driven by a unique confluence of local factors that create a conducive environment for new ventures. For instance, Mysuru is capitalising on its improved connectivity to Bengaluru, facilitated by the infrastructure support, combined with the emerging talent pool from the presence of local educational institutions. This strategic positioning is aimed at attracting investments in the Information Technology (IT), IT-enabled Services (ITeS) and Electronics System Design and Manufacturing (ESDM) sectors. In 2023, a seed fund of ~USD3 million* was established in partnership with the state government, banks and entrepreneurs of the region, to provide capital funding for eligible entrepreneurs launching their startups in Mysuru¹⁵.

Tier II and III cities are significantly nurturing startups marking a transformative entrepreneurial shift, driven by several key factors.

a. Infrastructure development

The expansion of physical infrastructure, including improved road networks, reliable electricity and upgraded public transport, is

transforming tier II and III cities into viable hubs for new businesses. This development reduces logistical challenges, enhances connectivity and allows entrepreneurs to establish operations with greater ease and efficiency. These cities offer several benefits to new business set-ups, including abundant land resources at relatively lower prices, cheaper labour and raw material costs.

Boosted by proactive government initiatives, infrastructure facilities, such as greenfield airports, flyovers, bypasses, industrial corridors, metro transit and rapid bus systems have greatly improved. These enhancements in connectivity and transportation have made these cities more accessible and easier to navigate. For instance, government initiatives, such as the UDAN scheme for regional air connectivity have heightened the appeal of these cities.

b. Local market focus

Startups in tier II and III cities typically focus on solving local or regional problems, often catering to underserved populations. Sectors, such as agritech, healthtech, fintech and edtech have seen substantial growth, with startups addressing rural and semi-urban needs.

The growth of tier II and III entrepreneurial ecosystems has enabled a more inclusive growth story, drawing attention to regional entrepreneurs who might otherwise be overlooked in the concentrated tier I landscape. This has also sparked the growth of hyperlocal startups, which use local knowledge and networks to address community-specific challenges. Initiatives, such as Startup Odisha and Kerala Startup Mission have encouraged local innovators to solve region-specific issues, ranging from healthcare access to waste management.

c. Surge in private consumption

Rising disposable incomes and aspirations are fueling increased consumption across sectors such as retail, healthcare and technology. This surge in spending power drives demand for diverse goods and services, providing ample opportunities for new businesses to capture untapped markets.

14. Economic survey 2023-24, Government of India, accessed on 25 October 2024

15. Proceedings of the government of Karnataka, accessed in November 2024

India's transition to a job-generating nation depends on widespread entrepreneurship. This requires a fair system where everyone can access resources to start their own business. Government, private sector and public-private partnerships (PPPs) are crucial, promoting entrepreneurship through policies and incentives.

2.2.2 Inclusivity as a catalyst for innovation

Inclusivity is key to democratising entrepreneurship. Traditionally, women and low-income individuals faced obstructions in obtaining capital, mentorship and market access. However, initiatives promoting inclusivity, including the Women Entrepreneurship Platform (WEP) and Pradhan Mantri MUDRA Yojana, provide support and financial aid to these entrepreneurs.



India has the potential to create 30 million+ new women-owned enterprises, potentially creating 150 to 170 million more jobs¹⁶

Boosting venture capital funding in women-led startups in India is essential to unlocking the country's untapped entrepreneurial potential and driving inclusive economic growth. Increasing VC support can help bridge the gap in capital access, enabling women founders to scale their businesses, create jobs and contribute to the economy on a larger scale.

Furthermore, investing in women-led ventures has a multiplier effect, as women entrepreneurs are more likely to reinvest in their communities, thus promoting local development and inspiring future generations of female leaders. A boost in VC funding would not only champion gender equity but also strengthen India's innovation landscape by fostering a more diverse and inclusive entrepreneurial ecosystem.

2.2.3 Leveraging grassroots innovation

Democratising entrepreneurship also leads to tapping into grassroots innovation. Many of India's most pressing problems can only be solved by those

who are closest to the problem. Rural entrepreneurs, for instance, have a deep understanding of local needs and challenges, yet they have historically lacked the resources to scale their solutions.

By providing access to capital, technology and mentorship, India can adopt a new wave of localised innovation that addresses regional issues with tailored solutions. The Startup Village Entrepreneurship Programme (SVEP), under the Deendayal Antyodaya Yojana, supports rural self-help groups to establish non-farm enterprises. It provides business support, funding through the community enterprise fund and a dedicated information centre.

- The Ministry of Rural Development (MoRD) is running the Rural Self Employment Training Institute (RSETI) scheme under the National Rural Livelihood Mission (NRLM). RSETIs are bank-led, MoRD-funded institutions that offer free skill and entrepreneurship training to rural poor youth aged 18-45.
- These programmes, currently available in 590 RSETIs across 572 districts, cater to local demands in agriculture, small businesses, trading and more. While the focus is on promoting self-employment, some trainees also seek regular jobs¹⁷.

2.2.4 The role of technology in democratisation

Technology has emerged as a critical equaliser in the entrepreneurial ecosystem. Digital platforms are making it easier for people from all backgrounds to launch businesses. From e-commerce platforms that enable rural artisans to sell their products nationally, to fintech solutions that simplify access to capital for underserved entrepreneurs, technology is helping to facilitate more access. The rise of digital payment systems, AI-driven business tools and online mentorship platforms is removing geographical and socio-economic constraints, enabling entrepreneurs from remote regions to compete on a national and global stage.

By leveraging technological advancements, even small and medium enterprises can access global markets, increasing their capacity to create jobs. This shift enables individuals from diverse backgrounds to harness innovation, leading to widespread job creation and economic empowerment.

16. Women Entrepreneurship Platform and TransUnion CIBIL Partner to Launch SEHER Program to Empower Women Entrepreneurs, PIB, 05 July 2024
17. Entrepreneurship Programmes in Rural India, PIB, 29 March 2023

2.3 Role of government in democratisation

The government plays a pivotal role in the democratisation of entrepreneurship in India, acting as an enabler for inclusive economic growth. Through targeted policies, financial support and infrastructure investments, the government is working to level the field for entrepreneurs across diverse regions and socio-economic backgrounds.

2.3.1 Providing access to resources

Government-backed incubation centres and private accelerators provide crucial support services, including office space, networking opportunities and access to industry experts. The role of government-backed incubators in democratising entrepreneurship in India is significant and multifaceted, providing essential support to aspiring entrepreneurs across the country. There are over 1,000 incubators in India, which serve as crucial platforms that not only nurture innovative ideas but also facilitate access to resources, mentorship and funding¹⁸. This growth reflects a deliberate effort by the government to create an inclusive environment where entrepreneurs from diverse backgrounds can thrive.

Government-backed incubators, such as those initiated under the Atal Innovation Mission (AIM) initiatives, have proliferated across various states, significantly contributing to the entrepreneurial ecosystem. As of 06 March 2024, AIM has established over 10,000 Atal Tinkering Labs (ATLs) across schools nationwide¹⁹. These labs are designed to cultivate creativity and a problem-solving mindset among students.

By providing resources and mentorship, ATLs empower young minds to develop innovative solutions to real-world problems, such as agricultural challenges in rural areas.

- For instance, students in Kerala have created projects, such as the 'Smart Farming System', which addresses water scarcity and wildlife threats, exemplifying how early exposure to innovation can lead to impactful entrepreneurial ventures.

By setting up incubation centers in rural and semi-urban areas, the government is ensuring that aspiring entrepreneurs outside major metropolitan hubs have access to the same resources and support as their urban counterparts.

- For instance, incubators such as iStart in Rajasthan focus on nurturing local talent by providing free facilities, operational advice, and banking support without charging fees. This model empowers startups in regions that traditionally struggle with access to capital and mentorship.

Similarly, the government has launched various initiatives to boost access to resources.

01

In September 2024, the Union Commerce and Industry Minister introduced Bharat Startup Knowledge Access Registry (BHASKAR), a digital platform for startups to enhance the Indian startup ecosystem and allow budding entrepreneurs from beyond the metro cities an equal access to resources²⁰.

02

In 2023, online e-mentoring platform UdyamDisha has been developed to handhold and guide aspiring and existing entrepreneurs and facilitate online mentoring services²¹.

03

Gol is promoting future skills, such as dronetech, Internet of Things (IoT), Robotics, EV, Artificial Intelligence (AI) and Machine Learning (ML) among others, through the Skill India Mission. In 2023, the Ministry of Skill Development and Entrepreneurship (MSDE) approved 146 courses in these areas to prepare the youth for Industry 4.0.²¹

18. Financial sustainability of startup incubators, Niti Ayog, July 2024

19. Atal Innovation Mission, NITI Aayog and Meta join hands to establish Frontier Technology Labs in schools to democratize access to future technologies and innovation, PIB, 6 March 2024

20. Union Minister of Commerce & Industry Shri Piyush Goyal launches Bharat Startup Knowledge Access Registry (BHASKAR) Portal, PIB, 16 September 2024

21. 2023 Year Ender Review: Ministry of Skill Development and Entrepreneurship, PIB, accessed on 29 October 2024

2.3.2 Working on regulatory reforms

Regulatory changes are pivotal in fostering entrepreneurship within a democratised framework. By streamlining the business registration process, easing compliance requirements and providing tax benefits, the government can cultivate an atmosphere conducive to small business growth. These amendments facilitate the initiation and expansion of entrepreneurial endeavours. A regulatory environment that is more favourable to entrepreneurs not only stimulates business development, but also spurs innovation, which in turn drives job creation across the country.



The Central Board of Direct Taxes' (CBDT) removal of angel tax from FY25 is expected to boost job creation by easing startups' fundraising, promoting business growth, innovation and entrepreneurship²²

2.3.3 Utilising technology to enhance access to opportunities

The government has leveraged technology to enhance access to entrepreneurial opportunities. The introduction of the Unified Payments Interface (UPI) has revolutionised payment systems across India, facilitating seamless transactions even in rural areas. UPI transactions processed 3,729 transactions per second in 2023²³, significantly boosting small businesses by reducing transaction costs and increasing customer reach. This digital payment infrastructure has empowered entrepreneurs in remote regions to engage with broader markets, thereby fostering economic growth and inclusivity.

- The government's commitment to enhancing access is further exemplified by the Open Network for Digital Commerce (ONDC) initiative. Launched to democratise e-commerce, ONDC aims to create a level playing field for small retailers and service providers by enabling them to connect with consumers through a unified platform.
- This initiative is crucial for small businesses that often struggle to compete with larger e-commerce giants. By facilitating greater visibility and accessibility, ONDC supports a diverse range of entrepreneurs, including those from rural backgrounds who may lack resources but possess innovative ideas.

Further, since the launch of the Technology Incubation and Development of Entrepreneurs (TIDE) 2.0 Scheme in 2019, 8,556 jobs have been created through 1,235 startups supported under the scheme²⁴. TIDE 2.0 scheme supports tech entrepreneurship by providing financial and technical assistance to Information and Communications Technology (ICT) startups in emerging technologies. The scheme supports an array of areas such as healthcare, education, agriculture, financial inclusion, infrastructure and transportation, environment and clean tech.



22. Startup related regulatory and notifications, Startup India, accessed on 26 November 2024

23. Global leader: UPI surpasses 3,700 transactions per second, up 58% on year, IBEF, 4 September 2024

24. Government initiatives to promote startups across the country, PIB, 29 July 2024

2.3.4 Access to capital

One of the primary obstacles for Indian entrepreneurs is the availability of capital. While urban founders might have easier access to VC firms and angel investors, those in tier II and III cities, as well as rural regions, often face significant challenges. Democratising access to capital is critical for inclusive entrepreneurial ecosystem.

Recent advancements have shown promising developments in this area. Government-led initiatives such as Startup India Seed Fund Scheme (SISFS) and the Mudra loan scheme have paved the way for aspiring entrepreneurs across socio-economic strata to access essential funding. Additionally, platforms such as crowdfunding and new age fintech companies are reshaping traditional methods of financing by providing decentralised and smaller pools of capital. Venture capital firms, too, are beginning to expand their focus beyond tier I cities, identifying opportunities in emerging markets across India.



SISFS: Launched in 2021 with an outlay of over USD112 million, this scheme provides financial assistance for proof of concept, prototype development and market entry. Eligible startups can receive up to ~USD24,000 for initial development and up to ~USD60,000 for scaling operations²⁵.



SIDBI Fund of Funds for Startups (FFS): With a corpus of USD1.2 billion, this initiative aims to facilitate funding for startups at various stages while reducing dependence on foreign capital²⁵.



Credit Guarantee Scheme for Startups (CGSS): This scheme offers credit guarantees for loans extended to DPIIT recognised startups by banks and financial institutions, thereby encouraging lending to high-risk ventures.



25. Startup India website, accessed in October 2024



2.4 Role of the private sector

The private sector plays a crucial role in democratising entrepreneurship in India, acting as a catalyst for innovation, providing access to global markets and facilitating the democratisation of research and development (R&D). By leveraging its resources, expertise and networks, the private sector can significantly enhance the entrepreneurial ecosystem, making it more inclusive and accessible to a broader range of individuals.

2.4.1 Access to global markets

One of the most significant contributions of the private sector is its ability to facilitate access to global markets for Indian startups. Collaborations with established international companies allow Indian entrepreneurs to tap into new customer bases, gain insights into local consumer preferences and understand regulatory requirements in foreign markets. For instance, partnerships with MNCs can provide startups with invaluable mentorship and resources that are essential for scaling operations internationally.

2.4.2 Democratisation of R&D

The private sector's involvement in R&D is another critical aspect of democratising entrepreneurship. While government institutions have historically dominated this space, there is a growing recognition that private investment is essential for fostering innovation. Currently, the private sector contributes less than 40 per cent to India's Gross Expenditure on R&D (GERD), compared to over 70 per cent in advanced economies²⁶. This gap presents a significant opportunity for private companies to invest in research initiatives that support startups. By engaging in public-private partnerships (PPPs), corporations can share risks and resources while promoting open-ended research that drives innovation across various sectors.

Moreover, many private companies are establishing their own incubators and accelerators to support early-stage startups. These companies have set up dedicated funds and incubation centres aimed at nurturing innovative ideas and providing startups with access to cutting-edge technology and expertise. These initiatives not only enhance the capabilities of startups but also create a more vibrant ecosystem where collaboration between academia, industry and entrepreneurs can thrive.

As Indian entrepreneurs continue to emerge as vital contributors to economic growth, the collaboration between private enterprises and government initiatives will be crucial for creating an inclusive entrepreneurial ecosystem. By embracing this collaborative spirit, India can harness its diverse talent pool and innovative potential, ensuring that entrepreneurship becomes a viable path for all aspiring business leaders across the country.

26. Study of Corporate Sector Data on Research & Development Expenditure by top 1000 Listed Companies in India, Indian Institute of Corporate Affairs, 4 June 2024

03

Limitations in democratisation of entrepreneurship

The progressive democratisation of entrepreneurship in India has been a focal point of interest, especially in the context of a marked increase in self-owned business ventures. However, this trajectory faces various limitations that hinder its advancement, thereby affecting the evolution and inclusiveness of the entrepreneurial landscape within the nation hence, creating the need for corrective measures.

Limitations	Mitigating strategies
<p>The monopoly of tech companies</p> <p>Large tech corporations in India, with their control over user data, financial power and opaque algorithms, are limiting democratisation. Their dual role creates a biased competitive environment, suppressing startup growth and fair competition.</p>	<ul style="list-style-type: none"> To encourage entrepreneurship, it is crucial to advocate for transparency, fairness and open competition. Initiatives undertaken by Gol: <ul style="list-style-type: none"> In May 2024, 40 Indian startups supported the draft Digital Competition Bill, urging Gol to fast-track it and modify Systematically Significant Digital Enterprises (SSDEs) thresholds. They believe the bill can stimulate their growth and address monopolies²⁷. The proposed bill aims to limit anti-competitive actions of big tech firms, fostering a more balanced and competitive digital landscape in India.²⁷
<p>Bridging the digital divide</p> <p>Despite technology's vital role in democratising entrepreneurship, the digital divide caused by unequal access to tech infrastructure hinders startups' competitiveness. This divide is particularly challenging for entrepreneurs in rural or less developed areas due to limited internet and tech resources.</p>	<ul style="list-style-type: none"> To bridge the digital divide, it is crucial to implement equal tech access policies, forge partnerships with tech companies and local Internet Service Providers (ISPs), promote digital literacy and mobile technology and offer online entrepreneurship training. Initiatives undertaken by Gol: <ul style="list-style-type: none"> India's union cabinet-approved BharatNet aims to provide broadband access to 2.5 lakh Gram Panchayats, enabling service providers to offer e-services such as health, education and governance in rural India. It is managed by Bharat Broadband Network Limited (BBNL)²⁸. As of October 28, 2024, 11,69,571 Fibre-To-The-Home (FTTH) connections have been established and 1,04,574 Wi-Fi hotspots have been set up to guarantee connectivity at the last mile.²⁸
<p>Funding disparities</p> <p>While strides have been made in improving funding accessibility via angel networks and incubators, imbalances persist in terms of location, gender and socio-economic status. Entrepreneurs from tier II and III cities often face more challenges in securing funding compared to those in metropolitan areas.</p>	<ul style="list-style-type: none"> To address funding disparities, expanding angel networks and incubators to tier II and III cities, encouraging gender equality and socio-economic diversity in funding ensures a balanced and inclusive funding environment for all entrepreneurs. Initiatives undertaken by Gol: <ul style="list-style-type: none"> The Tamil Nadu Government introduced a women's startup mission in FY24, managed by the Tamil Nadu Women Development Corporation, offering resources, financial aid, technical support, mentorship and a dedicated scaleup centre.²⁹

27. 40 Indian Startups support draft Digital Competition Bill, EMIS database, 16 May 2024, accessed on 29 October 2024

28. BharatNet project, Digital Bharat Nidhi Department of Telecommunications, India, accessed on 28 October 2024

29. Tamil Nadu startup and innovation policy 2023, Government of Tamil Nadu, accessed on 29 October 2024

Challenges	Mitigating strategies
<p>Cultural barriers</p> <p>Traditional mindsets that favour established careers could hinder the democratisation of entrepreneurship by inhibiting potential entrepreneurs.</p>	<ul style="list-style-type: none"> • Younger generations are fostering a culture of innovation and entrepreneurial risk-taking, with the internet and social media providing easy access to learn from successful entrepreneurs, thereby democratising entrepreneurship. • Initiatives undertaken by GoI: <ul style="list-style-type: none"> – The Ministry of Electronics and Information Technology (MeitY) established Centres of Excellence (CoEs) in key areas to promote self-reliance and foster new technologies. These CoEs aim to transform India into an innovation hub by encouraging innovation and facilitating prototype creation. – The Ministry of Tribal Affairs is boosting tribal entrepreneurship and livelihoods through the Pradhan Mantri Janjatiya Vikas Mission, implemented by the Tribal Co-operative Marketing Development Federation of India.³⁰
<p>Intellectual property concern</p> <p>Startups face challenges with Intellectual Property Rights (IPRs) due to the risk of their ideas being claimed by larger firms.</p>	<ul style="list-style-type: none"> • Enhancing IPR protections is vital to ensure a secure environment for startups to confidently invest in research and development. • Initiatives undertaken by GoI: <ul style="list-style-type: none"> – The Startups Intellectual Property Protection (SIPP) scheme aims to safeguard patents, trademarks and designs of innovative startups domestically and internationally. As of 30 June 2024, 12,796 patents were filled and 25,908 trademarks were approved.³¹

30. Initiatives taken by Ministry of Skill Development and Entrepreneurship to promote a supportive entrepreneurship ecosystem, PIB, 07 August 2024

31. Startup India website, accessed on 29 October 2024



04

**Global startup
ecosystems:
Key insights**

As we explore ways to democratise entrepreneurship in India, it is valuable to examine how other successful entrepreneurial ecosystems have achieved their goals. Internationally recognised entrepreneurial ecosystems highlight the crucial role that conducive policies, accessible capital and collaborative networks play in driving innovation and creating job opportunities. By drawing inspiration from these successful models, India could cultivate a more inclusive entrepreneurial ecosystem.

VC investment activity in leading countries (01 January 2024 to 21 October 2024)*³²

Country name	No. of deals	Capital invested
U.S.A.	10,708	USD161.12 billion
UK	2,071	USD16.18 billion
China	1,262	USD42 billion
India	1,123	USD12.94 billion
Germany	538	USD7.85 billion

VC stages covered here include: pre/accelerator/incubator, angel, seed, early stage VC, later stage VC and other stages, such as restart angel, restart early stage VC, restart later stage VC, equity for service and grants.

4.1 The U.S.A. ecosystem

It is believed that the entrepreneurial ecosystem in the U.S.A. serves as an example of how a democratised approach could potentially foster innovation and economic growth. The ecosystem is built on strong pillars of access to capital, a supportive regulatory framework and a culture of risk-taking and innovation. One of its entrepreneurial hotspots, Silicon Valley embodies this ethos by providing entrepreneurs with extensive venture capital networks, mentorship and access to cutting-edge research from top universities.

Silicon Valley is regarded as the epicentre of technological innovation and entrepreneurship. Additionally, the presence of renowned incubators and accelerators fosters an environment where entrepreneurs receive mentorship, networking opportunities and resources crucial for growth. These programmes not only help startups refine their business models but also connect them with potential investors.

4.2 China's strong entrepreneurship landscape

China's entrepreneurial ecosystem illustrates a unique model of democratisation that blends government support with a rapidly evolving private sector. Shenzhen's transformation into one of the global tech hubs, driven by government policies, made resources and infrastructure widely available, fuelling entrepreneurial growth. With initiatives such as Special Economic Zones (SEZs), simplified

regulations and affordable manufacturing facilities, the Chinese government facilitated both grassroots innovators and large corporations to thrive. Shenzhen's ecosystem encourages rapid prototyping and product development, making entrepreneurship attractive and accessible across socio-economic lines.



32. Pitchbook database, accessed on 21 October 2024

4.3 Learnings for India

India can draw several key lessons from the entrepreneurial ecosystems of U.S.A., China, among others, as it seeks to democratise entrepreneurship:

- a. **Building collaborative ecosystems:** Promoting partnerships between startups and established companies can facilitate knowledge transfer and resource sharing. Creating platforms for collaboration, similar to those seen in Shenzhen, can help bridge gaps in technology and expertise.
- b. **Leveraging technology for market access:** Embracing digital platforms that facilitate e-commerce can empower small businesses to reach global markets. Initiatives, such as Open Network for Digital Commerce (ONDC) can help democratise access to online selling channels for local entrepreneurs.
- c. **Enhancing access to capital:** Establishing more venture capital firms focused on early-stage investments can significantly enhance funding availability for startups across India. Government policies that incentivise private investment in startups can create a more vibrant funding landscape.
- d. **Focus on tech and deeptech innovations:** In the digital age, tech innovations such as AI, machine learning and blockchain are transforming industries with efficient and innovative solutions. The UK's AI regulatory structure aims to foster a strong start-up ecosystem, while the U.S.A.'s focus on data and AI technologies attracts foreign entrepreneurs seeking global expansion.
- e. **Pro-business approach:** In the current digital economy, a pro-business approach is essential for India to promote entrepreneurship with a supportive environment, accessible capital and favourable policies. It streamlines entrepreneurship and ensures equitable competition. For instance, Germany's thriving seed startup ecosystem and federal structure, which empowers its states, along with its focus on local economy solutions, such as affordable workspaces, ease of relocation and cheaper cost of living bolster its market expansion strategies.
- f. **Focus on domestic R&D:** Entrepreneurship democratisation has prompted a focus on domestic R&D. It values local innovation for global competitiveness and recognises its role in creating tailored solutions and bolstering the entrepreneurial ecosystem in India. For instance, China's focus on investing in domestic R&D and forming local partnerships have paved the way

for several native companies to achieve successful international expansion.

By leveraging these global methodologies, India could significantly enhance its entrepreneurial ecosystem. Initiatives, such as cost-effective workspaces, global talent acquisition and supportive policies are expected to position Indian cities as major players in the global startup ecosystem. This approach would foster a vibrant and inclusive entrepreneurial landscape across the country, democratising entrepreneurship and driving innovation and job creation.



4.4 Leveraging global standards for an effective Indian framework

Entrepreneurs who aspire to thrive in India's varied economy should adapt global strategies to match its distinct socio-economic, cultural and market conditions. The widespread adoption of entrepreneurship requires the cultivation of robust relationships with stakeholders, a crucial element of Indian business operations, which can drive business success and create socio-economic benefits. Given the large fraction of India's population living in rural regions with restricted technological access, the creation of affordable, readily available solutions is also crucial.

- Entrepreneurs are encouraged to acknowledge the distinct regional variations across India and leverage technologies, particularly AI and blockchain among others which is critical for innovation and competitiveness. Adherence to

these strategies can increase business relevance, thereby strengthening India's entrepreneurial ecosystem and facilitating resource accessibility.

- The Global Partnership on Artificial Intelligence (GPAI) Summit, hosted by India in 2023, saw participation from 29 countries, 150 AI experts and startups. The summit highlighted the commitment to promote safe, trustworthy and secure AI.³³
- It is fundamental for India to adopt hands-on entrepreneurship education, academia-industry partnerships and create networking platforms. This involves organising events, conferences, online communities to aid entrepreneurs and leverage India's large diaspora in connecting with peers, mentors and investors and enhance global connections for entrepreneurs.



33. Three-Day GPAI Summit concluded today at Bharat Mandapam!, PIB, 14 December 2023



05

Key ingredients for a successful entrepreneurial ecosystem

5.1 Key indicators of a budding entrepreneurial ecosystem

Traditionally, the growth of entrepreneurial ecosystems was assessed using indicators such as revenue, expansion rates and profitability. While these remain relevant, the landscape of entrepreneurship has evolved, driven by innovation, technology and a more inclusive and sustainable approach. Modern indicators now reflect a holistic view that embraces not just financial success but social impact, adaptability and long-term potential.

- **Access to government schemes:** The effectiveness and reach of government initiatives such as Startup India and the Fund of Funds for Startups (FFS) serve as key indicators. These programmes provide essential support in terms of funding, mentorship and infrastructure development specifically tailored for Indian entrepreneurs.
- **Policy adaptability and startup-friendly reforms:** The ecosystem is increasingly influenced by how quickly policies adapt to support startups. Recent initiatives such as startup-friendly tax regimes, streamlined processes for business registration and IP protections signal government efforts to nurture entrepreneurial growth.
- **Collaboration between startups and corporates:** Partnerships between startups and established Indian corporations can drive innovation and provide startups with access to resources, distribution channels and market insights. The frequency and quality of these collaborations reflect the ecosystem's collaborative spirit.
- **Government and private sector synergies:** The presence of supportive policies and private sector initiatives that foster entrepreneurship is a modern hallmark. This includes public-private partnerships that facilitate funding, R&D and market access.
- **Digital infrastructure readiness:** The level of digital infrastructure available in regions, including internet penetration, access to digital payment systems such as UPI and cloud services, reflects an ecosystem's preparedness to support tech-driven startups.
- **Sustainability practices among startups:** An increasing focus on sustainability within startup operations, such as eco-friendly products or practices, demonstrates an ecosystem's alignment with global trends toward responsible entrepreneurship while addressing local environmental challenges.

- **Integration of traditional industries with modern tech:** A startup environment that blends technology with traditional Indian industries such as textiles, ayurveda and food production highlight innovation that respects cultural heritage while ensuring economic growth.
- **Adaptability and crisis resilience:** The ecosystem's ability to withstand economic shocks, global crises or technological disruptions highlights the robustness of its entrepreneurial network and its readiness for long-term growth.

5.2 Potential roadmap for India's entrepreneurial ecosystem

India's economic expansion hinges on the democratisation of entrepreneurship. Implementing a strategy that emphasises inclusivity, sustainability and global alliances can spur innovation and employment. The strategic roadmap, designed to harness India's distinctive entrepreneurial prospects, aims to surmount present challenges and leverage India's potential, establishing it as an entrepreneurial and innovative powerhouse. It advocates for inclusivity, sustainability, technological progress and partnerships both locally and globally, in line with India's ambition to be a significant job generator.





Short-term goals

- **Focus on expansion of AI-powered startup ecosystem:** Three AI Centres of Excellence are being set up in agriculture, healthcare and sustainability with USD117.3 million* from FY24 to FY28, aligning with the Make AI in India and Make AI work for India strategies to boost the tech startup sector³⁴
- **Boosting employment via startups:** The startup economy in India is predicted to create around 50 million jobs by FY30, including 4-5 million organised jobs, 9-10 million gig workforce jobs (unorganised jobs) and 35-40 million jobs generated by suppliers in supply chain due to startups³⁵
- **Rural innovation hubs:** Numerous states and innovation centers are fostering inclusive entrepreneurship to bolster rural job creation and sustainable growth. These hubs create an ecosystem where aspiring entrepreneurs from rural areas can develop and implement innovative ideas without the barriers typically faced in urban-centric models. This approach not only stimulates local economies but also ensures that the benefits of innovation and economic growth are distributed more evenly across the country, bridging the urban-rural divide.



Long-term goals

- **Regional hub development:** Setting up startup hubs in smaller cities to increase job opportunities using local resources.
 - With a unified vision for India 2047, Ministry of Skill Development and Entrepreneurship (MSDE) plans to set up 30 Entrepreneurship Development Centers (EDCs) and four incubation centres in northeastern states to empower youth and create a sustainable ecosystem³⁶
- **Decentralised innovation ecosystem:** The implementation of blockchain-based platforms for secure IP protection and licensing aspires to set up community-driven innovation centres in every district. It is expected to foster entrepreneurship democratisation and create forward-looking opportunities
- **Global Indian startup network:** Establishing partnerships with top international incubators and accelerators, global mentorship programs for Indian startups and a cross-border collaborations platform would provide equal resources and opportunities thus democratising entrepreneurship
- **Sustainable entrepreneurship focus:** Democratising eco-friendly entrepreneurship by mandating environmental assessments, fostering green-tech startups with incubators for sustainable businesses, would ensure a balance between profit and environmental stewardship

**(The currency across the document has been converted as per the currency conversion rate of INR1 = USD0.012, as of 26 November 2024)*

34. Shri Dharmendra Pradhan to announce 3 AI - Centres of Excellence on Healthcare, Agriculture and Sustainable Cities, PIB, 14 October 2024

35. 2024 Unicorn 2.0 adding the next trillion, CII, accessed on 21 October 2024

36. Hon'ble Minister Jayant Chaudhary Unveils 30 Entrepreneurship Development Centres, Urges Northeast States to Drive Regional Cooperation Under "Act First for Northeast" at Skill Development Conclave 2024, Indian Institute of Entrepreneurship (IIE), 01 October 2024

Initiatives undertaken by TiE for democratising entrepreneurship³⁷

TiE (The Indus Entrepreneurs) has been at the forefront of democratising entrepreneurship in India through a multifaceted approach that addresses various dimensions of the entrepreneurial ecosystem. Here's how TiE is contributing to this movement across different parameters:

- Youth engagement:** TiE has made significant strides in engaging the youth through initiatives such as TiE Young Entrepreneurs (TYE) and TiE U. Through TYE, TiE actively engages with youth from 30 TiE chapters across North America, Asia and North United Kingdom, by providing them with mentorship, workshops and exposure to real-world business challenges. With over 30,000 participants since its inception, TYE programs help young minds develop essential entrepreneurial skills such as critical thinking, leadership and problem-solving. By fostering an entrepreneurial mindset early on, TiE equips the next generation with the tools needed to navigate the complexities of starting and running a business.

The TiE U program, part of TiE's broader mission to foster entrepreneurship, focuses on empowering university students to develop their entrepreneurial skills and launch innovative ventures. Through a comprehensive curriculum that includes mentorship, workshops and networking opportunities, TiE U provides students with practical insights into the entrepreneurial process. The program emphasises experiential learning, encouraging participants to engage in business plan competitions and pitch events that simulate real-world scenarios. With over 20,000 participants from over 270 colleges and educational institutions, TiE U has laid the foundation for over 870 startups. In 2023-24, the TiE U program has hosted over 180 boot camps, mentoring sessions, coaching and workshops in 25 countries.

- Empowering women entrepreneurs:** TiE is committed to promoting gender diversity within

the entrepreneurial ecosystem through its TiE Women initiative. This program offers tailored resources, mentorship and funding opportunities specifically designed for women entrepreneurs. The program initiative has accelerated over 400 women-led startups and provided USD350,000 equity-free grants among women-led startups. The organisation actively encourages female participation and leadership in entrepreneurship and hence has received 6,000 applications from 62 countries. This focus not only helps bridge the gender gap but also fosters a supportive community that inspires women to pursue their entrepreneurial aspirations, ultimately contributing to a more inclusive economic landscape.

- Geographical reach beyond metro cities:** Recognising the potential of Tier 2 and Tier 3 cities, TiE has expanded its reach beyond metropolitan areas to foster entrepreneurship in smaller regions. By establishing chapters in cities such as Vizag, Lucknow, Chandigarh, TiE provides local entrepreneurs with access to resources, mentorship and networking opportunities that were previously limited. This geographical diversification not only democratises entrepreneurship but also stimulates local economies by empowering individuals to launch businesses that cater to regional needs and preferences.
- Sectoral diversity beyond technology:** While technology is a significant focus area for many startups, TiE encourages entrepreneurs from diverse sectors such as food, health, retail, energy and architecture. Through sector-specific workshops and networking events, TiE facilitates knowledge sharing and collaboration among entrepreneurs from various industries. This diversification allows for the emergence of innovative solutions tailored to India's unique challenges, fostering a more resilient entrepreneurial ecosystem that is not solely reliant on tech-driven ventures.

37. TiE insights

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- 5. Access to capital:** TiE plays a crucial role in enhancing access to capital for startups through initiatives like TiE Global Angels. By connecting entrepreneurs with investors who understand their unique challenges and opportunities, TiE helps facilitate funding for early-stage ventures that may otherwise struggle to secure financing. These efforts are particularly important for startups in underserved regions or sectors, ensuring that diverse entrepreneurial ideas have the financial backing needed to thrive. The program has invested over USD21 million in over 13 investing chapters.
- 6. Constructive feedback on startup pitches:** Beyond merely facilitating successful pitches, TiE emphasises the importance of providing constructive feedback to startups at all stages of their journey through its initiatives such as TiE Nurture. Through masterclasses and mentorship sessions focused on pitch improvement and business strategy refinement, TiE equips entrepreneurs with the tools they need to enhance their business models. This approach not only prepares startups for investor meetings but also fosters a culture of continuous learning

and improvement within the entrepreneurial community. The program has over 70 graduated startups and over 400 individual participants.

- 7. Global networking opportunities:** TiE's extensive global network serves as a vital resource for entrepreneurs looking to expand their horizons beyond their home regions. With 61 chapters across 13 countries, TiE connects local entrepreneurs with international markets, mentors and investors. This global perspective enables entrepreneurs to tap into best practices from around the world while also showcasing their innovations on larger platforms. By fostering these connections, TiE enhances the visibility of different startups globally and encourages cross-border collaborations that can lead to new opportunities.

Through these multifaceted initiatives, TiE is playing a pivotal role in democratising entrepreneurship across various dimensions in India. As it continues to adapt and expand its efforts, TiE is well-positioned to further empower diverse groups of entrepreneurs while contributing to a more inclusive and vibrant economic landscape.



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