Tamilnadu – Tamil Nadu Startup and Innovation Policy 2023

Overview and Preamble

India ranks 4th in Asia-Pacific Startup Ecosystem, with Tamil Nadu as a vibrant startup hub.

The state hosts prominent startup centers in Chennai and Coimbatore, with emerging hubs in Tier II and III cities.

Policy aims to propel Tamil Nadu into the top global startup ecosystems by 2032 by nurturing innovation and inclusive entrepreneurship.

Vision and Mission

Vision: Make Tamil Nadu a top-20 global startup destination fostering innovation, equitable growth, and sustainable societal impact.

Mission: Upscale startup contributions to state GDP, provide seamless ecosystem support, enable access to markets and investment, and promote upskilling.

Objectives

Establish 15,000 startups by 2032.

Promote startups across all regions including Tier II/III cities.

Emphasize equitable growth involving women, marginalized communities, and underserved geographies.

Strengthen startup capacity through incubation, acceleration, mentorship, and sector-specific focus.

Definitions & Recognition

Startup defined as incorporated entities less than 10 years old, with turnover < ₹50 crore, engaged in innovative, scalable business models.

Recognition mechanism includes criteria for social impact, marginalized founders, and innovation.

Nodal Agency

Startup TN leads policy implementation, with a dedicated team, advisory board, and collaboration with key stakeholders.

Ecosystem Determinants

Seven focus areas: Startup literacy, innovation landscape, investment ecosystem, market access, support centers, stakeholder engagement, and equitable growth.

Key Programs and Initiatives

Startup Literacy: Curriculum integration, certified courses, legal and financial literacy portals, mentorship via 'MentorTN,' and student internship programs.

Innovation Landscape: Hackathons, ideathons, institutional startup circles, innovation vouchers, technology transfer offices, and creation of technology parks including Tamil Nadu Knowledge City.

Investment Ecosystem: State-backed seed funding (TANSEED), scale-up funding, dedicated funds for SC/ST entrepreneurs, angel networks (AngelsTN), and a ₹100 crore co-creation fund (TANFUND).

Market Access: Curated marketing portals, procurement facilitation, exemptions in tenders, and corporate connections.

Support Centers: Incubation facilities, plug-and-play office spaces, helplines, legal support, and certified compliance assistance.

Scaling and Acceleration: Programs for idea validation, acceleration, corporate collaborations, and global outreach including support for reverse migration of NRIs.

Sectoral Forums & Innovation Hubs: Dedicated support and platforms for 30+ sectors including deep tech, FinTech, AgriTech, healthcare, and green technologies.

Equitable Growth: Special focus on women-led startups, marginalized groups, and establishing social justice funds and mentoring.

Financial & Non-Financial Incentives

Tiered funding support linked to startup maturity and QRate evaluations (ideation, seed, growth).

Grants, subsidies, tax exemptions, rental subsidies, intellectual property support, and marketing funds.

Specific incentives for women, rural, SC/ST, and differently-abled founders.

Emphasis on reducing regulatory burdens through self-certification and streamlined compliance.

Governance and Administration

Advisory board comprising government, industry, academia, and social representatives to guide and monitor policy delivery.

Coordination with central initiatives through seamless interplay with DPIIT and other national programs.

Periodic audits, reviews and feedback mechanisms for adaptive governance.

Source: Tamil Nadu Startup and Innovation Policy 2023

Issued by: Government of Tamil Nadu

Nodal Agency: StartupTN

Vision Period: Up to 2032