



# Indian Incubator – Accelerator Ecosystem

MISSP is a facilitative platform led by Embassy of India, Berne, to connect Swiss SMEs, making up more than 99% of Swiss companies, with the vibrant New India. For further information, please write to [missp2@missp.ch](mailto:missp2@missp.ch)

## ABOUT MOMENTUM IN INDIA: SWISS SMES PROGRAMME (MISSP)

India has made a jump of 79 positions to 63 in 2019 from 142 in 2014 in World Bank's Doing Business rankings. The World Bank has hailed India as one of the top 10 improvers for the third consecutive year. The Government of India is targeting US\$ 1.4 trillion infrastructure investment over 2020-25 to enable economic growth. Switzerland is an ideal partner for India as it is amongst the leaders in the world in innovation, international competitiveness and environmental performance.

India provides a great opportunity for the Swiss SMEs sector to invest and grow.

The Embassy of India, Berne, has been promoting India as an active economic partner and investment destination for Swiss SMEs, which make up 99% of the Swiss companies. In line with this, the Embassy of India, Berne, launched the 'Momentum in India: Swiss SMEs Programme' (MISSP) to facilitate Swiss SMEs explore, enter, and expand in the Indian market.

The MISSP programme responds to the need for an organized platform dedicated to assist Swiss SMEs establish successful business models across the value chain in India. The Business support services provided by the MISSP programme to Swiss SMEs India entry/expansion strategy include the following:

- Strategy consulting
- M&A
- Operational market entry support
- Tax & legal support
- Financial services
- Project financing
- Location services
- Technology collaboration
- Partner Search and Due diligence

As you would have noticed, the MISSP is a true one-stop source for Swiss SMEs requiring support services, with the additional benefits of:

- Participation in Specialized Common Workshops by subject matter experts
- Regular tax & legal updates
- Access to the MISSP Network and Exchange Platforms to facilitate member companies to share their experiences, best practices, success stories and network among themselves

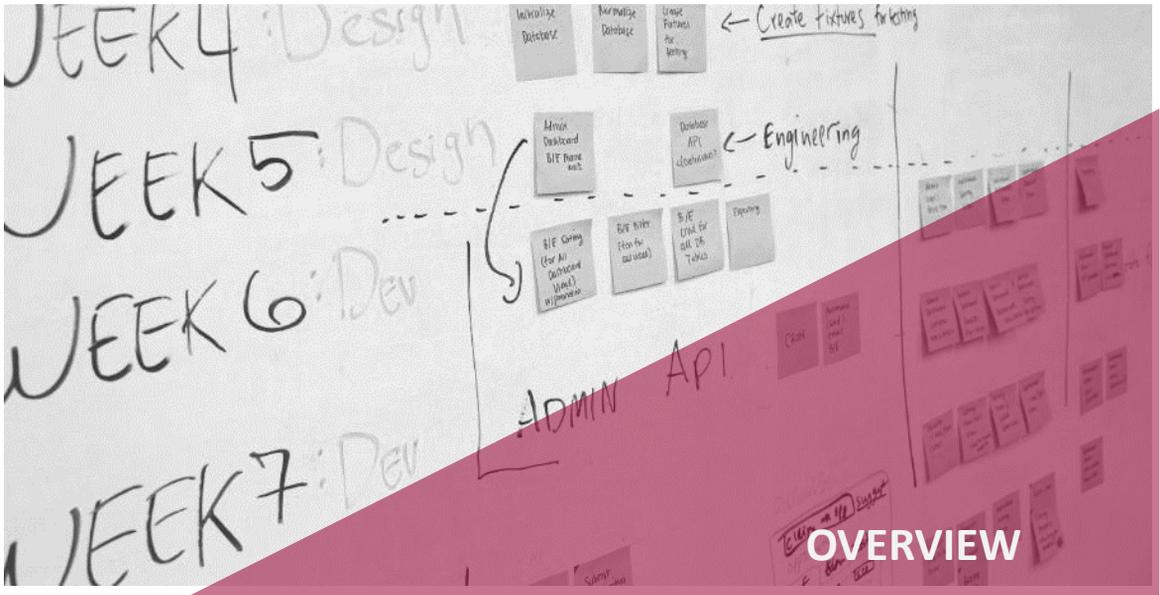
The program is implemented with the support of Central and State Governments in India and other key Indian and Swiss industry partners, who assist the Swiss SMEs have a smooth experience in various aspects of doing business in India.

As on date, 83 Swiss companies from various sectors have onboarded on the MISSP programme.

The MISSP programme is implemented and monitored by the Embassy of India, Berne, with T&A Consulting as Knowledge Partner responsible for the day-to-day management of the program and Rödl & Partner as the Legal & Tax Partner.

The MISSP team wishes you a great read of this teaser and looks forward to having you join us as the next MISSP member company.

We also invite you to visit our website [www.missp.ch](http://www.missp.ch) and follow us on Twitter at @misspeoi



**Industry Snapshot**



Active start-up programs

**OVER 520**

**OVER 100**

Cities with start-up programs



**3<sup>rd</sup>** Largest start-up programs in the world



**6,200 +** start-ups can be enabled each year



**350+ Academia Based** Accelerators and incubators



**97%** of total incubators are sector agnostic

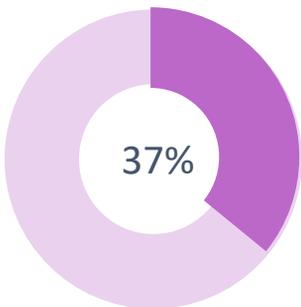
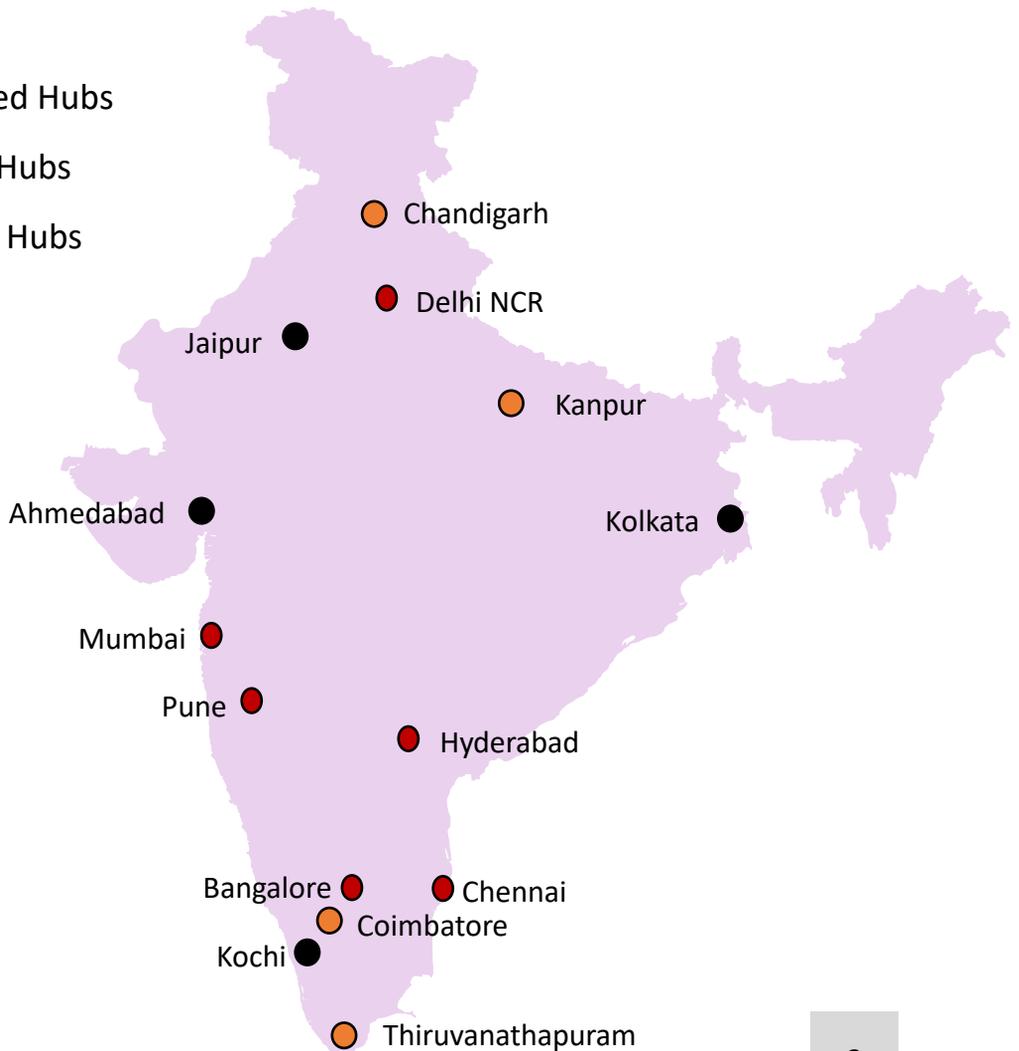
**Notable Trends**

- Growth in programs outside established start-up hubs is primarily due to incubators set-up by academia, industry associations and government agencies
- Public and academic programs are more focused on idea & prototype stage, private and corporate programs are more suited for start-ups needing market access and funding
- Corporates and investors have a clear preference for start-ups with problem or solution fit. This is also reflective of market needs – for providing structured support for start-ups to achieve product/market fit



## Geographical Distribution

- Established Hubs
- Nascent Hubs
- Emerging Hubs



Share of top 6 cities with the greatest number of active programs

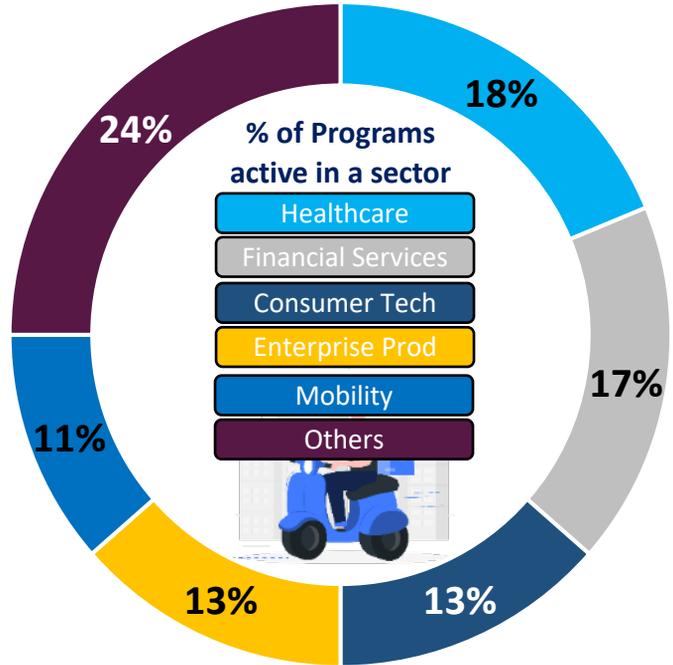
## Focus Sectors for Programs

97% of the incubators in India are sector agnostic as against 17% of accelerators

Healthcare space is one of the major focus areas of accelerators and incubators due to higher margins and growth prospects

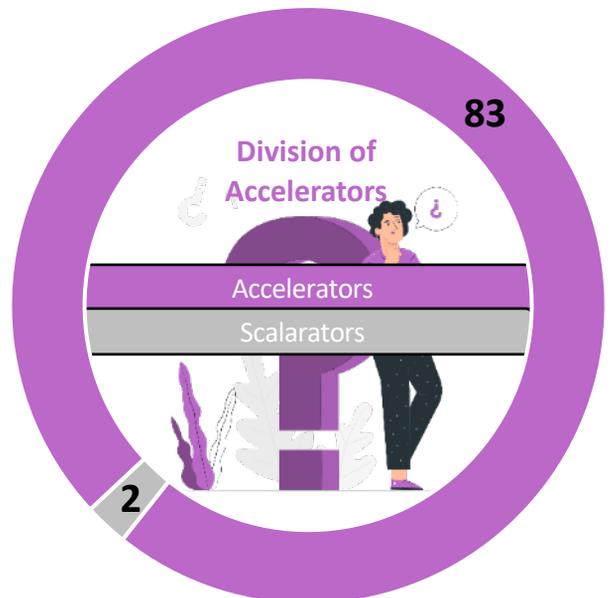
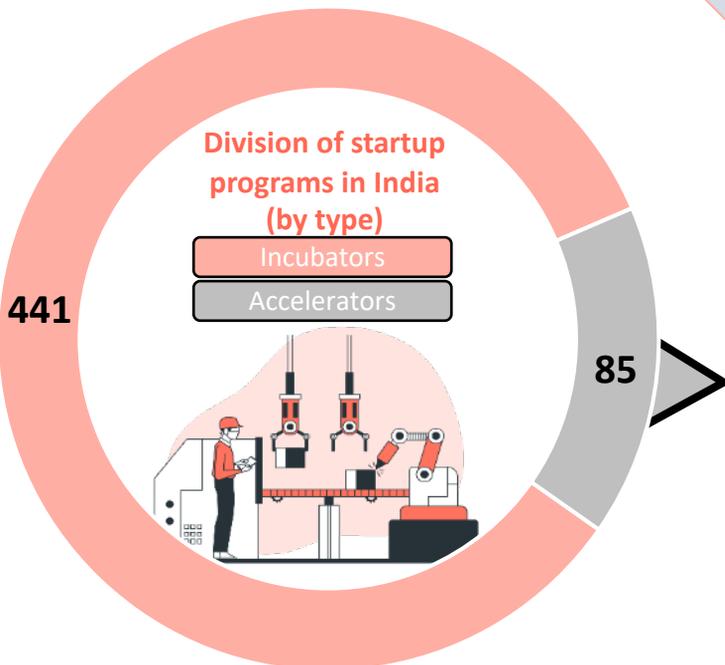
In terms of funding, fintech has seen multifold growth in the past five years

Edtech is not the major focus area for incubators and accelerators even though some of the top Indian startups are from this sector.



## Acceleration or Incubators

A choice between incubator and accelerator depends on the owner of the program. Trends shows that Indian private and corporates prefer accelerators while academic institutions and public sector prefer incubators.





## GROWTH DRIVERS



### Changing Demographics

With a median age of around 28 years, and a growing common internet and smartphone userbase, the average tech-savvy young professional in India seeks access to services and products on digital platforms. This has led to a growth in the start-up ecosystem with higher adoptability of products.



### Growth in Number of New Start-ups Every Year

At present there are over 50,000 startups in India, with the number of startups increasing by 15-20% every year. This is complimentary with the services provided by incubators, thereby accelerating their growth.



### Open Innovation Initiatives

To foster innovation and implement new technologies, corporates have set up accelerators and incubators as part of their open innovation initiative. This has led to a jump in the number of accelerators that have come up in the past 5 years.



### Policy support from the government

'Startup India' is a popular initiative launched by the Government of India. This initiative offers incubation services, lab facilities, funding support, tax exemptions



### Digital adoption

India has the second highest number of smartphones in the world with data costs as low as USD 0.03 per GB and highest per capita usage of data in the world (9.8 GB per month). Total mobile data traffic per month is expected to grow at a CAGR of 23% from 4.6 exabytes in 2018 to 16 exabytes in 2024. Low data costs are leading to increasing digital adoption, paving way for tech enabled startups.



# OPPORTUNITIES

## Opportunities in India



### Setting-up Shop

Several international accelerators and incubators have set up centres in India. This is done to ensure an increase in the global footprint and provide higher returns as compared to saturated markets. Accelerators and Incubators looking to expand can look at India.

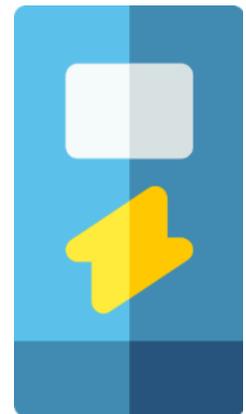
**Collaboration with Indian accelerators and incubators** can help foreign accelerators and incubators to expand their presence and run cross cultural programs for expansion. It also gives access to shared pool of resources and market expansion benefits to incubates.

### Sourcing of Indian Start-ups

The cost of app development in India is ten times less than the US. Solutions which can be applied across geographies will help increase profit margins and valuations due to lower cost of development. Therefore international incubators and accelerators can incubate Indian start-ups with global products to make use of economies of scale.

### Collaboration with Educational Institutions

Foreign incubators and accelerators can collaborate with Indian educational institutions working towards development of new technology. Through this, the accelerators and incubators get benefit of technology transfer, especially in fields of biotechnology and drug discovery and can aid IP based startups to expand globally through their network



### T&A analysis:

The Indian start-up ecosystem has grown severalfold each year, with an yearly average increase of 6,000-8,000 start-ups. With such growth, the need for more incubators and accelerators has risen. At present, there are a very few incubators which provide benefit of international growth and expansion. Through developments in data science and artificial intelligence and with more universal solutions emerging, cross border acceleration is one field that will grow.



## About Us

### Business with India starts here

T&A Consulting is a global advisory firm, with extensive experience of working with overseas enterprises towards achieving a successful and accelerated entry into India.

We work with various international Investment Attraction agencies where India is a key market and have been delivering a range of programmes to identify outward investment opportunities from India.

Incepted in 2006 in the capital city of New Delhi, T&A currently has 4 offices in India and global operations in Toronto, Canada, and Zurich, Switzerland.

Today, within its different verticals, the company caters to international economic development agencies, overseas enterprises, higher education institutions, and tourism boards.

**+ India Market Entry:**  
Opportunity assessment, feasibility studies, targeted market research reports, competitor analysis, price bench-marking, location identification & partner identification

**+ Outward Foreign Direct Investment (OFDI):**  
Targeted analysis of outward investment, trends and opportunities to assist international inward investment agencies with lead generation.

**+ Client Engagement and Business Development:**  
Relationship management with foreign Economic Development and Trade Promotion Organizations, organizing trade and reverse trade missions

**+ Tourism Representation:**  
Promoting Indian outbound tourism and providing representation to tourism boards and destination management companies

**+ Education Representation:**  
Student recruitment support and representation to international education institutions and assisting in forging partnerships for research and student and faculty exchange

Looking at India market?

Get in touch

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+41-31-528 08 37

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