SAMRIDH Scheme

***Prelims**: Current events of national and international importance| Economic and Social Development.*

Why in news?

Recently Delhi police arrested two persons who exploited the SAMRIDH scheme by making false representations to obtain government funds.

- **SAMRIDH** - Start-up Accelerator of MeitY for Product Innovation, Development, and Growth.
- **Goal** - It aims to support ***IT based start-ups*** through accelerator to scale for solving India's problems creating positive social impact.
- A start-up accelerator is a mentor-based program that provides guidance, support and limited funding in exchange for equity.

*Incubators focus more on the longevity of a start-up and are less concerned with how quickly the company grows but accelerators focus on **rapid growth,** have fixed timeframes, and help start-ups attract investment and scale their operations.*

- **Nodal ministry** – Ministry of Electronics & IT (MeitY)
- **Implementing agency** – MeitY Start-up Hub (MSH)

As per the research by MIT Sloan, around 50% of the Start-ups fail by 4th year of their inception.

Key Features

- **Bridging the funding gap** – It address the gap between prototype stage and commercialization.
- Once a Start-up gains traction, there is a gap in accessing the growth stage funding to scale up the operations.
- **Funding support and fiscal incentives** - Equal matching investment by accelerator/investor up to ₹40 lakh government investment per start-up.
- **Support for proven concepts –** It provides start-ups which already have brilliant solutions and proof of concept for their product, better facilities to enhance their product using innovative technologies for the market with a solid business plan.
- **Accelerator support system –** It supports existing and upcoming Accelerators to select and accelerate potential IT based start-ups to scale for solving India's problems

creating positive social impact.

- **Platform for growth –** It provides start-ups with a platform to enhance their products and secure investments for scaling their business.

Reference

1. MeitY| SAMRIDH
2. The Hindustan Times| Two cheat MeitY using SAMRIDH scheme

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