



SIDBI to manage Startup Odisha's ₹100 Crore Odisha Startup Growth Fund (Fund of Funds).

- Startup Odisha and SIDBI sign MOU to manage 100 Crore Odisha Startup Growth Fund (OSGF).
- Aimed at transforming the state into a startup destination by creating a conducive environment for startups to flourish

16th Sep 2023, India – Startup Odisha, an initiative of the MSME Department of the Government of Odisha has today launched a one-of-its-kind ₹100 Crore Odisha Startup Growth Fund (Fund of Funds) with Small Industries Development Bank of India (SIDBI) as the fund manager. This fund is truly unique due to its perpetual nature. When the initial corpus of ₹100 Crore gets exhausted, the state government would consistently replenish the fund, ensuring continuous, long-term support for startups.

SIDBI will serve as the fund manager for the Odisha Startup Growth Fund (Fund of Funds), responsible for shaping its investment strategy and managing its portfolio. Established by the Government of Odisha as part of its Fund of Funds initiative, the OSGF is dedicated to investing Rs. 100 Crores over five years through Alternative Investment Funds (AIF) in Odisha-based startups. This collaboration is set to play a crucial role in bolstering the MSME sector, which contributes 33% to India's GDP and generates over 120 million jobs.

Shri S. Ramann, Chairman and Managing Director, SIDBI said, "We are extremely glad to be working with Startup Odisha and support the growth of Odisha's startup ecosystem. Through financial support and guidance, we will empower startups to thrive as well as make significant contributions to Odisha's economic landscape. SIDBI's own fund will add another layer to our efforts, setting the stage for the state to become a startup funding hotspot in the next 5-10 years."

Dr. Omkar Rai, Executive Chairman, Startup Odisha, said, "The Launch of Odisha Startup Growth Fund marks a pivotal moment in our mission to foster a vibrant startup ecosystem in Odisha. We are dedicated to providing our state's startups with the essential financial backing required for their growth. This fund symbolizes our unwavering commitment to nurturing innovation, catalysing job creation, and propelling our startups to succeed both at the national and global levels. We are crafting a future where Odisha would be recognized as a beacon of entrepreneurial excellence."

Smt. Anu Garg, IAS Development Commissioner cum Additional Chief Secretary, said, "Our endeavour through the launch of Odisha Startup Growth Fund is to make Odisha the preferred destination for entrepreneurs. Together, we are paving the way for innovation to flourish, startups to thrive, and the MSME ecosystem to grow even stronger. In this dynamic environment, Odisha is fostering a supportive ecosystem that encourages creativity and collaboration, making it the perfect place for entrepreneurs to turn their visions into reality while contributing to the state's economic growth."

Shri S P Singh, CGM, SIDBI said that "Start-ups and SMEs, especially those active in the deep tech and strategically important industries, are the innovation and growth engine of the economy. By offering the financing and assistance needed to enable companies to realize their full potential – by focusing on skill development, training, and mentorship to boost creativity – this Fund will help investments directly contribute to the innovation capacity of our economy."

Odisha Startup Growth Fund (OSGF) operates as a Fund-of-Funds Vehicle, designed to offer co-investment assistance along with a centralized tracking and implementation mechanism. The

predominant financial instruments utilized by OSGF prioritize equity or quasi-equity investments, reflecting its commitment to nurturing long-term growth and sustainability within the startup ecosystem. Odisha boasts a flourishing startup landscape, home to over 1700+ dynamic startups, including 600+ women-led enterprises.

About SIDBI:

Since its formation in 1990, SIDBI has been impacting the lives of citizens across various strata of the society through its integrated, innovative, and inclusive approach. Be it traditional, domestic small entrepreneurs, bottom-of-the-pyramid entrepreneurs, to high-end knowledge-based entrepreneurs, SIDBI has directly or indirectly touched the lives of Micro and Small Enterprises (MSEs) and Startups through various credit and developmental engagements. Over last 3 decades, SIDBI took several important steps to support building up of startup ecosystem including support out of its own balance sheet since the early 90s, when the risk capital and VC ecosystem for innovative enterprises and startups was nearly non-existent in the country. SIDBI supported setting up of Regional Venture Capital Funds (VCFs), MSME – Risk Capital Fund (MSME-RCF) as also the India Aspiration Fund (IAF). Apart from FFS, it also manages ASPIRE Fund of Funds of Ministry of MSME with focus on Agro and Rural enterprises, and state Fund of Funds for UP and Odisha.

To know more, check out: <https://www.sidbi.in>

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