

TAMIL NADU STARTUP AND INNOVATION MISSION (StartupTN)
PRESS RELEASE

**StartupTN launches TANSEED 5.0 Seed Fund for
Equity Investment in Tamil Nadu based Startups**

Tamil Nadu Startup and Innovation Mission (StartupTN) is inviting applications from Startups for 'TANSEED 5.0', the fifth edition of Tamil Nadu Startup Seed Fund (TANSEED), the Government of Tamil Nadu's flagship seed fund initiative for Startups. Aimed at bridging the gap in fund requirements of Startups during their early stages, the seed fund provides support of up to Rs. 15 Lakh to Green Tech, Rural Impact & Women-led Startups and up to Rs. 10 Lakh each to other Startups.

Since its inception in 2021, TANSEED has been disbursed as a grant to 84 Startups. In 'TANSEED 5.0', for the first time TANSEED will be awarded in an equity model for 3% stake in the Startup ventures. Investment in the form of equity is aimed at helping the Startups through proper guidance to reach their milestones and soar to greater heights.

The Honourable Minister for Micro Small and Medium and Enterprises (MSME), Government of Tamil Nadu, Thiru. T.M. Anbarasan, in his budget speech 2022-23 announced that Rs. 10 Crore will be given to 100 Startups under TANSEED. Launched on February 24, 2023, the 5th edition is aimed at benefiting 50 Startups in the form of equity investments.

The G.O. with special packages of assistance for Green Tech, Rural Impact & Women-led Startups, released by the Hon'ble Chief Minister on December 30, 2022, to support the larger public interest that these sectors serve, is also being implemented in TANSEED 5.0. In addition to the 50% increase in TANSEED, the G.O. also earmarked 25% of seed fund for Women-led Startups and 10% for Rural Impact Startups.

Aspiring Startups should work towards innovation, development or improvement of products or processes with a high potential of employment generation, social impact or wealth creation. The Startup should be headquartered in Tamil Nadu.

It should be registered with StartupTN and the Department for Promotion of Industry and Internal Trade (DPIIT), Government of India.

The fund shall be utilised to develop the prototype or a product that is market-ready or a small level pilot production.

The entity should not have been formed by splitting up, or reconstructing a business that is already in existence, or as a subsidiary or joint venture or associate of another company. This fund is also not meant for Indian subsidiaries of MNCs and foreign companies. The Startup should not have any dues with any of the Government agencies and shall not be blacklisted by any Government agency in India.

Many beneficiaries in the previous editions of TANSEED have scaled up their ventures and successfully raised venture capital funding from prominent investors and massively expanded. The applications can be submitted online through the StartupTN portal www.startuptn.in. The last date for submission of applications under TANSEED 5.0 is March 5, 2023. For more guidelines and eligibility criteria visit the official website. For specific queries, mail us at tanseed@startuptn.in.

**Mission Director & Chief Executive Officer
Tamil Nadu Startup Innovation Mission**

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