



Confederation of Indian Industry

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# NEWSLETTER

CENTRE OF EXCELLENCE FOR INNOVATION  
ENTREPRENEURSHIP & STARTUPS

## India's Enterprise Tech Boom: Powering Startups & Industry

India's enterprise tech sector is surging, driven by cloud adoption, AI-led automation, and cybersecurity. With a \$50 billion SaaS market projected by 2030, Indian startups and enterprises are leveraging tech to scale, optimize, and compete globally.

### Fuelling Startup Growth

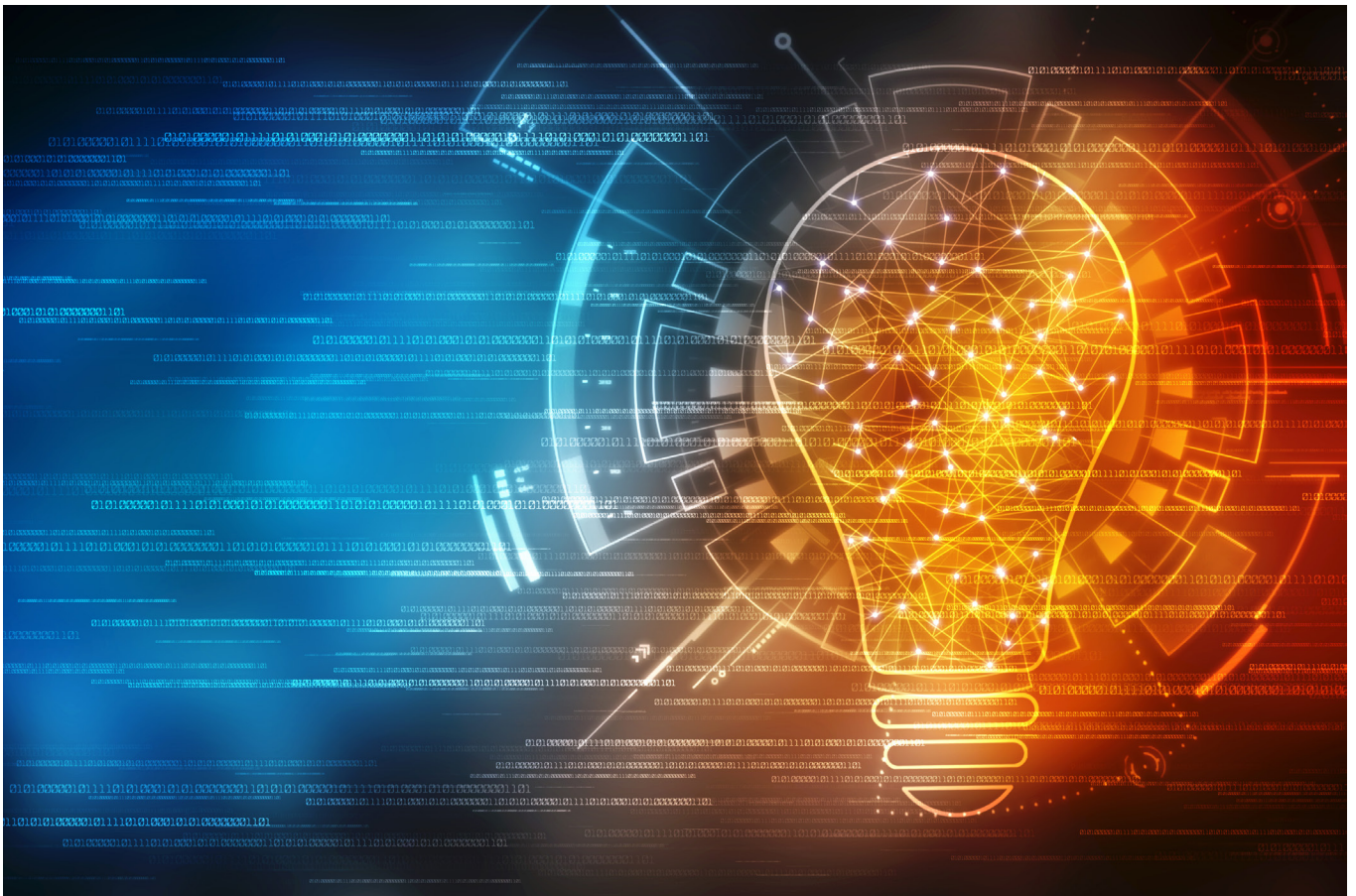
- India now boasts over 3,500 SaaS startups, with leaders like Freshworks, Zoho, and Postman expanding globally.
- AI-driven automation and cloud solutions are helping startups scale faster, with 70%+ of Indian enterprises accelerating cloud adoption.
- Cybersecurity investments are up 35% YoY, ensuring compliance with the Digital Personal Data Protection (DPDP) Act.

### Transforming Traditional Industries

- Industry 4.0 adoption is boosting manufacturing efficiency, with IoT and AI reducing downtime by 20-30%.
- BFSI and healthcare are rapidly digitizing, with fintech alone attracting \$5B+ in VC funding in 2023.
- The enterprise blockchain market is growing at 40% CAGR, revolutionizing supply chains and financial transactions.

### Outlook

Backed by Digital India and Make in India, enterprise tech is reshaping industries and fuelling startup innovation. With strong VC interest and increasing global competitiveness, India is on track to becoming a global enterprise tech leader.



# Empowering Startups through Policy Support and Infrastructure Development

India is undergoing an entrepreneurial renaissance, fuelled by a collective resolve to transform the nation into a global hub for innovation and technology. At the heart of this transformation lies the Startup India initiative, which has played a pivotal role in empowering startups through enabling policies, robust infrastructure development, and enhanced access to funding.

Key measures, including simplified regulatory compliance, tax exemptions, and funding support through the Fund of Funds for Startups (FFS), amendments to Section 80-IAC of the Income Tax Act, and measures addressing angel tax concerns have created an ecosystem conducive to innovation and growth and fostered trust. The Startup India Seed Fund Scheme has bridged the gap between ideation and implementation, ensuring that startups can focus on building robust solutions without worrying about initial capital constraints.

Apart from supportive policy measures, infrastructure plays a foundational role in the success of startups. The establishment of incubation centres, innovation hubs, and technology parks has provided startups with access to critical resources, cutting-edge facilities, and collaborative networks. Flagship innovation labs within incubators, such as T-Hub, iHub, and KSUM, serve as excellent examples of how infrastructure can nurture entrepreneurial growth. These hubs not only provide physical spaces but also connect startups with mentorship, technical expertise, and industry networks.

The Indian start-up sector, spanning diverse areas such as fintech, ed-tech, healthtech, agritech, and e-commerce is today the third-largest ecosystem in the world. From just 452 in 2016, India currently has over 157,000 recognised startups, with over 100 unicorns to its credit – a number projected to surpass 300 by 2023. Between 2016 and 2024, start-ups are estimated to have generated 20 to 25 per cent of all new employment, especially among Gen Z who constitute about 25 per cent of India's workforce and represent an important and emerging consumer segment.

The rapid growth of startup in India is indeed remarkable. But there is immense potential for even greater contribution to Indian economy. For example, it is estimated that this sector contributes nearly 53 per cent of Israel's exports in

2023. While Israel's leadership in areas like cyber-security is well known, its agri-tech startups are also making significant impact towards promoting food security. Technology companies in the US constituted approximately 27 per cent of the S&P 500 Index companies' market capitalisation, positively impacting wealth creation across income segments. Reports on projections in India suggest that this sector can contribute \$1 trillion to the country's GDP by 2030. The prospects of the emerging DeepTech sector are even more exciting. Reports suggest that Gen AI alone can contribute an additional 5.9 per cent to 7.2 per cent to India's GDP by 2030.



Sanjiv Puri, President, CII, and Chairman & Managing Director, ITC Limited

In this context, corporates have emerged as key stakeholders in fostering startup success. By partnering with start-ups, corporates offer mentorship, market access, and collaborative opportunities for co-creating solutions to pressing challenges. Such partnerships are critical for startups to leverage existing expertise and resources to refine their products and scale effectively. Startups also help diversify investment portfolios, reducing risk across various sectors and stages of development. Additionally, engaging with startups provides access to talented entrepreneurs and innovators, besides gaining valuable insights into emerging market trends and consumer behaviour.

Equally, family offices with their long-term investment horizon are ideal partners for startups needing patient capital to grow. They offer more than just capital, providing mentorship, industry expertise, and valuable networks. Many family offices are interested in impact investing, supporting startups that align with their values and contribute to social or environmental causes. Investing in high-potential startups also helps family offices preserve and grow their wealth over generations.

Both corporate and family offices thus play a crucial role in the startup ecosystem, providing essential capital, resources, and support to drive innovation and economic growth. CII is strongly encouraging the corporate sector and family offices to consider investing in startups, and propel a higher growth trajectory.



India's impressive startup journey is a testament to the power of collaboration between policymakers, corporates, investors, and entrepreneurs. By fostering a culture of innovation, addressing policy gaps, and investing in infrastructure, the nation can unlock unprecedented opportunities for start-ups to thrive.

We in CII are committed to championing initiatives that align with the vision of Startup India – driving innovation, creating jobs, and fostering economic growth. In this direction, CII's Centre of Excellence for Innovation, Entrepreneurship and Startups works on strengthening the linkages in the start-up ecosystem. The centre works with different stakeholders to facilitate collaboration and consequent increase in innovation pipelines.

Clearly, Indian startups are catalysts for societal transformation and economic empowerment, as India continues its journey towards becoming a \$5 trillion economy. By building an inclusive and sustainable ecosystem, we can ensure that startups not only fuel economic progress but also address some of the most pressing societal challenges of our time.

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entrepreneurs. By fostering a culture of innovation, addressing policy gaps, and investing in infrastructure, the nation can unlock unprecedented opportunities for startups to thrive.

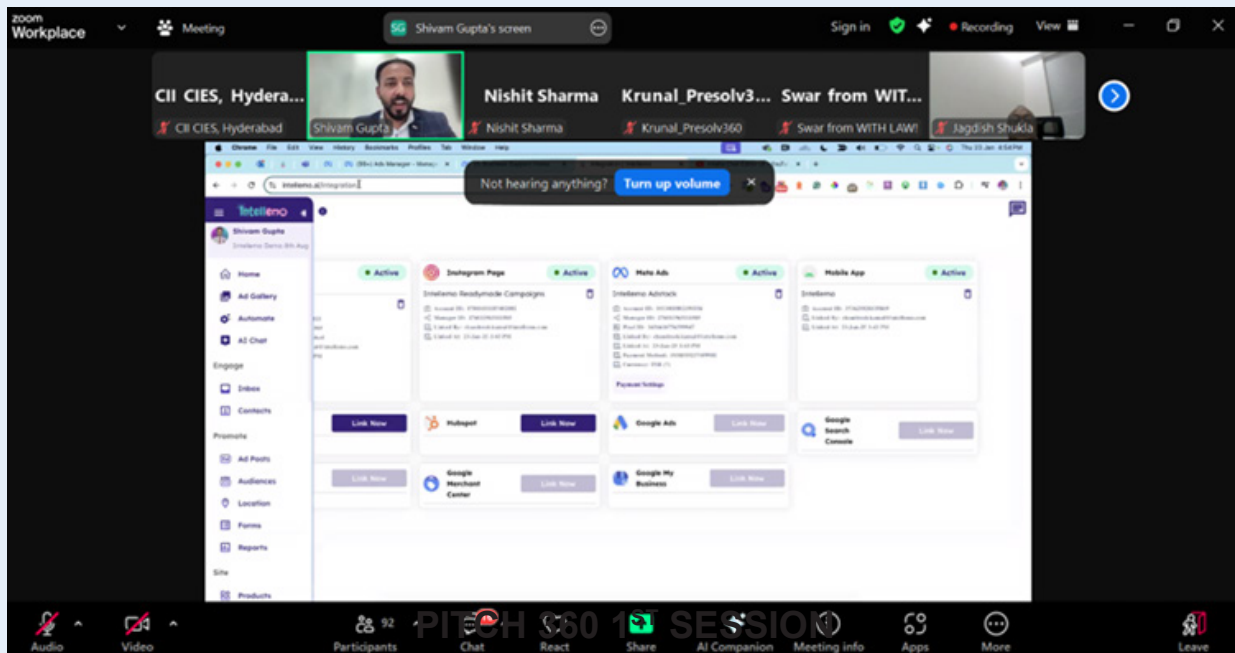
In the coming years, ITC aims to deepen its engagement with startups by expanding its collaborative programs and creating platforms for innovation-driven growth. Our endeavour is to build an ecosystem where startups can access the tools, resources, and networks needed to solve critical challenges and create lasting impact.

As the President of CII, I am committed to championing initiatives that align with the vision of Startup India—driving innovation, creating jobs, and fostering economic growth. CII also has a Centre of Excellence that works on strengthening the linkages in the startup ecosystem. The centre works with different stakeholders and bridges the gap ensuring collaboration and increase in innovative pipelines. By building an inclusive and sustainable ecosystem, we can ensure that startups not only fuel economic progress but also address some of the most pressing societal challenges of our time.

As part of the affiliation programme, we have launched Pitch 360, a monthly pitching initiative where we give an opportunity to affiliated startups to pitch to a wide audience, comprising of corporates, investors, and the ecosystem stakeholders.

## Startups Pitched at Pitch 360

- **Zerocode Innovations Private Limited:** AI-enabled low-code platform enabling 10x faster digital transformation, 65% cost savings, and zero resource dependency.
- **Intellemo Adtech Private Limited:** AI-driven automation for creative, marketing, and sales workflows to efficiently scale digital marketing campaigns.
- **Techdome Solutions Private Limited:** Tools empowering MSMEs, SMEs, and enterprises to streamline operations and achieve scalable growth.
- **Edgecraft Solutions Private Limited:** India's first platform for digitized and simplified dispute resolution through negotiation, mediation, and arbitration.
- **Invenzo Labs Private Limited:** Unified Omnichannel Retail software platform for all your business needs. Bringing together all offline & online channels under one roof.



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Tel: +91-11-4577 1000; Email: info@cii.in; Web: www.cii.in

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