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Odisha Govt launches Rs 100 Cr Startup Growth Fund

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Aimed at transforming the state into a startup destination by creating a conducive environment for startups to flourish



Startup Odisha, an initiative of the Ministry of Micro, Small and Medium Enterprises of the Government of Odisha, has launched a one-of-its-kind Rs 100 crore Odisha Startup Growth Fund (OSGF) with Small Industries Development Bank of India (SIDBI) as the fund manager.

When the initial corpus of Rs 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, 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 crore 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.

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+ startups, including 600+ women-led enterprises. This thriving ecosystem is supported by 15 nodal agencies, 27 incubators, and a centralised incubator ‘O-Hub’ that provides a 4 lakh sqft of incubation space.