

**GOVERNMENT OF INDIA  
MINISTRY OF COMMERCE & INDUSTRY  
DEPARTMENT OF INDUSTRIAL POLICY & PROMOTION**

**LOK SABHA**

**UNSTARRED QUESTION NO. 759.  
TO BE ANSWERED ON MONDAY, THE 23<sup>RD</sup> JULY, 2018.**

**INCUBATORS UNDER STARTUPS**

**759. SHRI P. KUMAR:**

Will the Minister of **COMMERCE AND INDUSTRY** be pleased to state:

**वाणिज्य एवं उद्योग मंत्री**

- (a) the details of present status of the progress of 'Startup India' programme;
- (b) the details of the number of 'Startups' that have applied under this programme and out of these how many have been recognized by the Government;
- (c) the number of incubation centres/ incubators set up under the said programme, State/UT-wise; and
- (d) whether the Government has assessed the performances of these incubators over the years and if so, the details and the outcome thereof?

**ANSWER**

**वाणिज्य एवं उद्योग मंत्रालय में राज्यमंत्री (श्री सी.आर. चौधरी)**

**THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE & INDUSTRY  
(SHRI C.R. CHAUDHARY)**

- (a):** Details of present status of the progress of 'Startup India' initiative are provided at Annexure-I.
- (b):** As on 15.07.2018, 16,324 applications have been received out of which 11,129 have been recognized as Startups.
- (c) & (d):** The number of incubation centres/ incubators set up under Startup India programme and their performance assessment mechanism is as under:

**1. NITI Aayog:**

- a) 19 Incubation Centres had been selected in the first phase in year 2017-18. In the second phase announced recently in May 2018, 80 more incubation centers (including Atal Incubation Centres and Established Incubation Centres) have been shortlisted for funding. The details of the same are at Annexure-II
- b) Atal Innovation Mission has recently launched the Incubation Centre Monitoring and Evaluation Platform in July 2018,

wherein data related to incubation performance shall be submitted by incubators every month. The performance analysis shall be conducted once there is sizable data from monthly reports. Presently, more than 360 start-ups have been incubated in the Atal Incubation Centres and Established Incubation Centres, established by the Atal Innovation Mission.

**2. Department of Biotechnology:**

- a) 31 incubators have been setup under Startup India Initiative (the details are provided at Annexure-III)
- b) The performance of the incubators is reviewed on yearly basis by the National Level Experts.

**3. Department of Science and Technology:**

- a) A total of 11 Technology Business Incubators (TBI) has been set up under the Startup India action plan (the details are provided at Annexure-IV).
- b) The performance of the TBIs is evaluated during periodic review by the National Expert Advisory Committee on Innovation, Incubation and Technology Entrepreneurship.

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**ANNEXURE REFERRED TO IN REPLY TO PART (a) OF THE LOK SABHA UNSTARRED QUESTION NO. 759 FOR ANSWER ON 23<sup>RD</sup> JULY, 2018.**

**Details of progress made under Startup India**

**Simplification and Handholding**

**1. Compliance Regime based on Self-Certification**

- List of 36 industries in “white” category has been published on CPCB’s website. CPCB has exempted such industries from all the applicable self-certifications under 3 Environment related Acts listed in the Startup India Action Plan
- Ministry of Skill Development and Entrepreneurship (MSDE) has issued advisory to states to allow Startups to self-certify compliance with the Apprenticeship Rules, 1992 of Apprenticeship Act, 1961
- Startups have been allowed to self-certify compliance in respect of 6 Labour laws; 26 states have confirmed compliance to the advisory issued on 12.01.2016 and new advisory issued on 6.4.2017 by Ministry of Labour and Employment (MoLE)

**2. Rolling out of Mobile App and Portal**

- Startup India portal has been developed to provide access to the following:
  - Startup recognition – 11,129 Startups have been recognised till 15<sup>th</sup> July 2018
  - Advertising space for Startups
  - Learning & development module – over 2,15,000 registrations achieved
- The portal acts as a one stop solution for all queries related to the Startup India initiative
- Startup India mobile app has been developed to provide on the go services and information to users.

**3. Startup India Hub**

- 1,00,000+ queries have been handled by the Startup India Hub
- 550+ Startups have been mentored for incubation and funding support
- 2,20,000+ registrations have been achieved on the Hub as of June, 2018.

**4. Legal Support and Fast-tracking Patent Examination at Lower Costs**

- 423 facilitators for Patent and Design and 606 facilitators for Trademark applications have been empanelled to assist Startups in filing of patents and trademarks
- 743 applications have received rebate of up to 80% on patent fees and have also received legal assistance
- Patent filing has been made faster for Startups and accordingly 144 Startups have been facilitated
- Trademark facilitation has been extended to 1095 Startups as of June, 2018

## **5. Relaxed Norms of Public Procurement for Startups**

- Relaxed norms for public procurement for micro, small and other enterprises have been provisioned in the Procurement Policy by the Ministry of Micro, Small and Medium Enterprise
- All Central Ministries / Departments /Department of Public Enterprises/ Central Public Sector Undertakings have been authorised to relax conditions of prior experience and prior turnover with respect to MSEs in all public procurements subject to meeting quality and technical specifications
- Further, Rule 173(i) has been incorporated in GFR, 2017 which provides for relaxation of conditions of prior turnover and prior experience for Startups, and
- Rule 170(i) of GFR 2017 has been amended on 25th July 2017 allowing all Startups as recognized by DIPP exemption from submission of Earnest Money Deposit/Bid Security in public procurement tenders

## **6. Faster Exit for Startups**

- Insolvency and Bankruptcy Board has been constituted
- MCA has notified the relevant sections 55 to 58 of Insolvency and Bankruptcy Code, 2016 pertaining to the Fast Track process on 16.6.2017 and also notified that the process shall apply to Startup (other than the partnership firm) as defined by DIPP. For Startups, Insolvency Resolution process to be completed within 90 days as against 180 days for other entities.

## **Funding Support and Incentives**

## **7. Providing Funding Support through Fund of Funds (FFS) with a Corpus of Rs. 10,000 crore**

- Fund of Funds for Startups of Rs. 10,000 crore shall be released over two Finance Commission cycles, that is, by the year 2025
- Rs. 500 crore has been released to SIDBI in FY16 and Rs. 100 crore in FY 17
- Total commitments under FFS stand at Rs.1285.7 crore to 27 Alternative Investment Funds (AIFs) while drawdown by AIFs is Rs.170.09 crore
- 142 Startups have received funding under FFS with catalysed investment of Rs. 602.60 crores.

## **8. Tax Exemption on Capital Gains**

- Section 54 EE has been introduced under the Finance Act, 2016 which provides for exemption of capital gain arising out of transfer of long term capital asset (not exceeding Rs. 50 lakh in a financial year) invested in a fund notified by Central Government
- Section 54 GB of Income-tax Act, 1961 has been amended to provide exemption from tax on capital gains arising out of sale of residential house or a residential plot of land if the amount of net consideration is invested in equity shares of an eligible Startup for utilizing the same to

purchase specified asset.

## **9. Tax Exemption to Startups for 3 Years**

- Provision has been made for Startups (Companies and LLPs) to avail income tax exemption for 3 years in a block of 7 years, if they are incorporated between 1<sup>st</sup> April 2016 and 31<sup>st</sup> March 2019.
- 88 Startups have been approved for availing tax benefits

## **10. Tax Exemption on Investments above Fair Market Value**

- **Removal of Angel Tax**  
Tax exemption on investment above Fair Market Value has been introduced on 14th June 2016. Also, on 11th April 2018, DIPP modified the process of recognition and tax exemptions. Eligible Startups are now allowed to apply for exemptions under Section 56 (2) (viib) through Startup India portal.

## **Industry-Academia Partnership and Incubation**

### **11. Launch of Atal Innovation Mission (AIM)**

- 2441 schools selected for establishing tinkering labs and Rs. 12 Lakh each has been disbursed to 1657 tinkering labs.

### **12. Harnessing Private Sector Expertise for Incubator Setup**

- 6 existing Incubators have been sanctioned a total scale-up grant of Rs. 25 crore by NITI Aayog
- 11 New Incubators approved for funding support of Rs. 23.16 crore by NITI Aayog

### **13. Building Innovation Centres at National Institutes**

- 15 Startup Centres have been approved for joint set up by Department of Science and Technology (DST) and Ministry of Human Resource Development (MHRD)
- Amount of Rs. 37.50 lakh (Rs. 3.75 lakh each for 10 Startup Centres) has been released as 1st instalment of the grant for 10 Startup Centres by MHRD
- 11 TBIs (Technology Business Incubators) have been approved and Rs. 42 crore have been sanctioned and Rs. 17 crore disbursed to TBIs

### **14. Setting up of 7 New Research Parks modelled on the Research Park Setup at IIT Madras**

- IIT Kharagpur at a cost of Rs. 100 crore is under construction and Rs. 74.83 Cr. released to IIT Kharagpur
- IIT Mumbai at a cost of Rs. 100 crore is under construction and Rs. 34 Cr. released to IIT Bombay
- The Research Park at IIT Gandhinagar has been sanctioned by DST at a total cost of Rs. 90 crore and the Department has already disbursed

instalment of Rs. 40 crore

- 5 more Research Parks at IIT Kanpur, IIT Delhi, IIT Guwahati, IIT Hyderabad and IISc to be supported by MHRD approved with a budget of Rs. 375 Crore for a period of 3 years.

### **15. Promoting Startups in the Biotechnology Sectors**

- Department of Biotechnology (DBT) has launched Biotech Equity fund and seed fund to support bio-incubator. The initiative has already helped 11 Bio-incubators that have been selected as recipients of the above mentioned seed fund. Also, Rs. 82 crore has been sanctioned under equity fund.
- 30 bio-incubators have been supported through funding support with Rs. 142 crore sanctioned and Rs. 73.87 crore disbursed since January, 2016. The impact has been multi-fold as a total of 300 start-ups have received benefits from these bio-incubators under various programmes like Biotechnology Ignition Grant, IIPME, Sparsh, Grand Challenges, BioNEST, etc.
- In respect of Bengaluru-Boston Biotech Gateway to India: 4 entrepreneurs have joined and 1 is joining the Harvard University, USA to share ideas and receive mentorship

### **16. Launching of Innovation Focused Programs for Students**

- (a) Innovation Core program with an outreach to 10 lakh innovations from 5 lakh schools
  - 4 regional workshops organized & revamped MANAK (Million Minds Augmenting National Aspiration and Knowledge) approved
  - Over 1 lakh INSPIRE (Innovation in Science Pursuit for Inspired Research ) Awardees competed at District & State Level
  - 588 were selected to participate in the 6th National Level Exhibition and Project Competition, Delhi
  - Top 60 projects were showcased at the Annual Festival of Innovations in Rashtrapati Bhavan from 4th-10th March 2017
- (b) NIDHI (National Initiative for Developing and Harnessing Innovation)– Grand challenge program
  - 19 new TBIs established
  - 9 TBIs supported for Seed Support System (SSS)
  - 10 NIDHI-PRAYAS (Promoting and Accelerating Young and Aspiring technology entrepreneurs) and 10 NIDHI-EIR (Entrepreneurs-in-Residence) sanctioned
  - 6 new centres of excellence (COEs) have been recommended to receive funds for COEs in FY2017-18
- (c) Uchhattar Avishkar Yojana (UAY)
  - Rs. 475 crore for 2016-18 has been earmarked for 3 years
  - Rs. 75 crore has been disbursed for research proposals from IITs under 6 domains
  - 92 projects have been recommended for approval

### **17. Other incentives:**

- External Commercial Borrowing (ECB) guidelines for Startups: Startups can borrow up to \$3 million or equivalent per financial year, either in rupees, or any convertible foreign currency or a combination of both, for

- a minimum average maturity period of three years
- Foreign venture capital investors (FVCI) are now allowed to invest in Startups irrespective of any sector without Reserve Bank of India's approval
  - SEBI (Foreign Portfolio Investors) Regulations, 2014 have been amended to permit FPIs to invest in unlisted Non-Convertible debentures and securitised debt instruments
  - The SEBI Board has approved five key amendments to SEBI (Alternative Investment Funds) Regulations, 2012 with respect to 'Angel Funds':
    - The upper limit for number of angel investors in a scheme has been increased from forty nine to two hundred
    - Angel Funds will be allowed to invest in start-ups incorporated within five years, which was earlier 3 years.
    - The requirement of minimum investment amount by an Angel Fund in any venture capital undertaking has been reduced from Rs. 50 lakh to Rs. 25 lakh.
    - The lock-in requirements of investment made by Angel Funds in a venture capital undertaking has been reduced from three years to one year.
    - Angel Funds are allowed to invest in overseas venture capital undertakings upto 25% of their investible corpus in line with other AIFs.

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## ANNEXURE-II

ANNEXURE REFERRED TO IN REPLY TO PARTS (c) & (d) OF THE LOK SABHA UNSTARRED QUESTION NO. 759 FOR ANSWER ON 23<sup>RD</sup> JULY, 2018.

<b><u>AIM Supported Incubators</u></b>		
<b>S.No.</b>	<b>Name</b>	<b>State of AIC</b>
Established in 2017		
1	TREC STEP Tiruchirappalli Regional Engineering College Sceince and Technology Entrepreneurs Park	Tamil nadu
2	91springboard (Springboard Solutions Pvt. Ltd.)	Delhi
3	Amrita Technology Business Incubator	Kerala
4	BioIncubator Centre at CCAMP	Karnataka
5	Access Livelihoods Consulting India Limited	Telangana
6	NSRCEL, IIM Bangalore	Karnataka
7	Shiv Nadar AIC Research Foundation	Uttar Pradesh
8	AIC- AARTECH SOLONICS PRIVATE LIMITED	Madhya Pradesh
9	AIC Banasthali Vidyapith Foundation	Rajasthan
10	Atal Incubation Centre-BIMTECH	Uttar Pradesh
11	AIC@36Inc	Chattisgarh
12	Atal Incubation Centre-Centre for Cellular and Molecular Biology	Telangana
13	Indian School of Business	Punjab
14	AIC-NIFT TEA INCUBATION CENTRE FOR TEXTILES AND APPAREL (NITA)	Tamil nadu
15	AIC-Sangam	Delhi
16	NMIMS	Maharashtra
17	Goa Institute of Management	Goa
18	Sri Krishnadevaraya University	Andhra Pradesh
19	L M College of Pharmacy	Gujarat
<b>S. No.</b>	<b>Name</b>	<b>State of AIC</b>
<b>Shortlisted for Establishment(2018)</b>		
20	Blume Ventures	Karnataka
21	ANNA UNIVRERSITY	Tamil nadu
22	Catalyst	Rajasthan
23	Dr Babasaheb Ambedkar Marathwada University Aurangabad	Maharashtra
24	National Institute of Technology Kurukshetra	Haryana
25	Pondicherry Engineering College	Pondicherry
26	Jammu and Kashmir Entrepreneurship Development Institute	Jammu & Kashmir
27	Ambedkar University Delhi	Delhi
28	BIRLA INSTITUTE OF TECHNOLOGY	Jharkhand
29	GREAT LAKES INSTITUTE OF MANAGEMENT CHENNAI	Tamil nadu
30	Indian Institute of Foreign Trade	Delhi
31	Indian Institute of Science Education and Research Pune	Maharashtra
32	Jawaharlal Nehru University	Delhi
33	Grass Roots Research and Creation India P Ltd	Uttar Pradesh
34	Assam Agricultural University	Assam
35	Gujarat Technological University	Gujarat
36	Gujarat University	Gujarat
37	Institute of Management Studies Banaras Hindu University	Uttar Pradesh



38	Sikkim Manipal Institute of Technology	Sikkim
39	Deshpande Foundation	Karnataka
40	Rambhau Mhalgi Prabodhini	Maharashtra
41	Alacrity India	Maharashtra
42	Foundation for Innovation and Social Entrepreneurship	Delhi
43	T Hub foundations	Telangana
44	Indian Institute of Information Technology Kottayam	Kerala
45	MIT ADT University Pune	Maharashtra
46	Dayanand Sagar University	Karnataka
47	Gujarat Law Society	Gujarat
48	Indrashil Institute of Science and Technology	Gujarat
49	International Institute of Information Technology	Telangana
50	Prestige Institute of Management and Research	Madhya Pradesh
51	Southern Regional Station National Dairy Research Institute	Karnataka
52	HAMASH INITIATIVE ON GLOBAL SOCIAL AND WELFARE ASSOCIATION	Kerala
53	Rathinam Arumugam Research and Educational Foundation	Tamil Nadu
54	Andhra Pradesh MedTech Zone Ltd	Andhra Pradesh
55	National Centre For Cell Science	Maharashtra
56	C V Raman College of Engineering	Orissa
57	Manipal University Jaipur	Rajasthan
58	NCORE	Karnataka
59	Assam Don Bosco University	Assam
60	CODISSIA	Tamil Nadu
61	Ventureast	Telangana
62	IIT Delhi	Haryana
63	JK Lakshmi Pat University	Rajasthan
64	STPI Bengaluru	Karnataka
65	JCBL Limited	Chandigarh
66	Octo Spaces	Telangana
67	Pinnacle Industries Ltd	Maharashtra
68	Shiksha Infotech Pvt Ltd	Karnataka
69	Nalanda Institute of Technology	Orissa
70	AGRICULTURAL DEVELOPMENT TRUST BARAMATI	Maharashtra
71	Verve Consulting Private Limited	Orissa
72	National Research Development Corporation	Delhi
73	Central Coffee Research Institute Coffee Board	Karnataka
74	HERBAL INCUBATION CENTER NAWA	Tamil Nadu
75	Accurate Industrial Controls Pvt Ltd	Maharashtra
76	WINJIT TECHNOLOGIES PRIVATE LIMITED	Maharashtra
77	Surat Smart City Development Limited	Gujarat
78	CII WR	Telangana
79	CitynCine Loyalty Program	Maharashtra
80	Devang	Haryana
81	KRIFY SOFTWARE TECHNOLOGIES PVT LTD	Andhra Pradesh
82	AISECT UNIVERSITY	Madhya Pradesh
83	Bihar Entrepreneurs Association	Bihar
84	Bihar Vidyapith	Bihar
85	NOVA AGRITECH PVT LTD	Telangana
86	EMPI Institutions	Delhi

87	Jyothy Institute of Technology	Karnataka
88	Brick Eagle	Maharashtra
89	SELCO Foundation	Assam
90	Makhanlal chaturvedi national university of journalism and communication	Madhya Pradesh
91	SCIENCE AND TECHNOLOGY PARK PUNE	Maharashtra
92	Amity Technology Incubator	Uttar Pradesh
93	Krishnapath Incubation Society TBI	Uttar Pradesh
94	SID	Karnataka
95	Zaikenn Technologies	Tamil Nadu
96	Periyar Technology Business Incubator	Tamil Nadu
97	BITTBI	Tamil Nadu
98	ALEAP WE HUB	Telangana
99	BYST CII Youth Entrepreneurship Development Centre Coimbatore	Telangana

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<b>S.No.</b>	<b>State</b>	<b>List of Bio-incubators supported by Biotechnology Industry Research Assistance Council (BIRAC)</b>
1	Chandigarh	Panjab University
2	Delhi	Foundation for Innovation And Technology Transfer, IIT Delhi
3	Delhi	Zonal Technology Management & Business Planning and Development Unit (ZTM-BPD), IARI, Delhi
4	Goa	Birla Institute of Technology & Science, Pilani, Goa campus
5	Gujarat	B. V. Patel Pharmaceutical Education and Research Development Centre (PERD), Ahmedabad
6	Gujarat	Ahmedabad University
7	Gujarat	SRISTI Innovations, Ahmedabad
8	Gujarat	Savli Technology Business Incubator, Vadodra
9	Haryana	Regional Centre for Biotechnology, Faridabad
10	Karnataka	C-CAMP, Bengaluru
11	Karnataka	Bangalore Bioinnovation Centre, Bengaluru
12	Karnataka	Indian Institute of Horticultural Research (IIHR), Bengaluru
13	Karnataka	Karnataka IKP Eden, Bengaluru
14	Maharashtra	Venture Center, NCL, Pune
15	Maharashtra	Society for Innovation and Entrepreneurship, IIT Bombay
16	Maharashtra	RiiDL (Research Innovation Incubation Design laboratory Foundation), Somaiya Vidyavihar, Mumbai
17	Odisha	KIIT-TBI, Bhubaneswar
18	Tamil Nadu	IIT Madras Research Park, IIT Madras
19	Tamil Nadu	Healthcare Technology Innovation Centre – IIT Madras
20	Tamil Nadu	Golden jubilee Biotech Park for Women Society, Chennai
21	Tamil Nadu	PSG-STEP, Coimbatore
22	Tamil Nadu	VIT-TBI, Vellore
23	Andhra Pradesh	IKP Knowledge Park, Hyderabad
24	Andhra Pradesh	SBTIC, Hyderabad
25	Andhra Pradesh	a-IDEA, NAARM-TBI, Rajendra Nagar, Hyderabad
26	Andhra Pradesh	University of Hyderabad
27	Andhra Pradesh	ICRISAT, Hyderabad
28	Andhra Pradesh	L.V. Prasad Eye Institute, Hyderabad
29	Andhra Pradesh	IIIT Hyderabad
30	Uttar Pradesh	SIDBI Innovation & Incubation Center, IIT Kanpur
31	Delhi	Clean Energy International Incubation Center, Delhi

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**ANNEXURE-IV**

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<b>S. No.</b>	<b>TBI at</b>	<b>State</b>
1	IIT Mandi	Himachal Pradesh
2	IIM Kozhikode	Kerala
3	NIT Calicut	Kerala
4	IISER Bhopal	Madhya Pradesh
5	NIT Raurkela	Odisha
6	IISER Mohali	Punjab
7	NIT Jalandar	Punjab
8	IIM Udaipur	Rajasthan
9	MNIT Jaipur	Rajasthan
10	IIITDM Kancheepuram	Tamil Nadu
11	IIT Roorkee	Uttrakhand

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