

**GOVERNMENT OF INDIA
MINISTRY OF COMMERCE & INDUSTRY
DEPARTMENT FOR PROMOTION OF INDUSTRY AND INTERNAL TRADE**

RAJYA SABHA

**STARRED QUESTION NO. 323.
TO BE ANSWERED ON FRIDAY, THE 1ST APRIL, 2022.**

STARTUPS IN CLEAN ENERGY AND INNOVATIONS

***323. SHRI Y. S. CHOWDARY:**

Will the Minister of **Commerce and Industry** be pleased to state:

- (a) whether Government is supportive of innovations led by Startups in clean energy and emerging technologies, supportive of transformation of Indian businesses and creating a road map;
- (b) if so, the details thereof and the progress made thereon; and
- (c) the steps being taken for an effective collaborative partner towards creating a new future for the manufacturing sector under Atal Innovation Mission, the details thereof?

**ANSWER
THE MINISTER OF COMMERCE & INDUSTRY
(SHRI PIYUSH GOYAL)**

(a) to (c): A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (c) OF THE RAJYA SABHA STARRED QUESTION NO. 323 FOR ANSWER ON 1ST APRIL, 2022.

(a) & (b): Yes Sir. Startups and the entire innovation ecosystem are the engines of growth for any country. Recognizing this aspect, Government launched Startup India initiative on 16th January 2016 with an aim to build a stronger ecosystem for nurturing India's startup culture that would further drive our economic growth, support entrepreneurship, and enable large-scale employment opportunities.

Sustained Government efforts in this direction have resulted in increasing the number of recognized Startups from 726 in FY 2016-17 to 66,810 in FY 2021-22 (as on 28th March 2022).

There is at least one recognised startup from every State and UT and nearly 50% of the recognised startups are from Tier-II and III cities. Recognised startups are spread across over 640 districts and have reported creation of more than 7 lakh jobs with an average of 11 jobs created by a recognised startup.

The Clean Energy International Incubation Centre (CEIIC) has been set up by the Biotechnology Industry Research Assistance Council (BIRAC), Department of Biotechnology for promoting innovations in the clean energy space by supporting startups. CEIIC has supported 25 startups in wide range of clean energy Innovations.

NIDHI Technology Business Incubator (NIDHI TBI) and NIDHI Seed Support Program (NIDHI SSP) under the aegis of Department of Science and Technology (DST) have also been supporting startups in various emerging technology domains including clean energy. DST has supported around 50 NIDHI TBIs having domain focus in various technologies including those which are as per national priorities and are in-line with national initiatives like Digital India, Make-in-India etc.

The Atal Innovation Mission (AIM) of the Government, has supported more than 174 startups in cleantech innovations and emerging technologies through more than 25 Atal Incubation centers spread across the country directly or indirectly.

In addition to the above, the various measures undertaken by the Government under Startup India initiative and the roadmap ahead are at **Annexure-I**.

Indian startups are supportive of transformation of Indian businesses by fostering innovation across various sectors. DPIIT has recognized Startups which are spread across 56 diversified sectors. More than 3300 DPIIT recognised Startups are working in climate action sectors providing solutions through renewable energy and green technology. Additionally, more than 4500 Startups have been recognized in sectors relating to emerging technologies such as Internet of Things (IoT), robotics, artificial intelligence, analytics, etc. Sector-wise number of startups recognized, is placed at **Annexure-II**.

Given the notable contribution of startup ecosystem in the economic growth of the country, 16th January has been declared as the "National Startup Day", with the primary goal to bring together the country's key startups, entrepreneurs,

investors, incubators, funding entities, banks, policymakers, and other national & international stakeholders to celebrate entrepreneurship and promote innovation.

- (c): Atal Innovation Mission (AIM) is the Government's initiative to create and promote a culture of innovation and entrepreneurship across the length and breadth of our country. AIM's objective is to develop new programmes and policies for fostering innovation in different sectors of the economy, provide platforms and collaboration opportunities for different stakeholders, and create an umbrella structure to oversee the innovation and entrepreneurship ecosystem of the country. AIM has established more than 15 Atal Incubation Centre (AICs) which support advanced manufacturing facilities dedicated to the Indian startups to disseminate the innovations from startups across the MSME sector of the country.

Various initiatives launched under Atal Innovation Mission to support innovations in manufacturing and clean energy sectors are at **Annexure-III**.

ANNEXURE REFERRED TO IN REPLY TO PARTS (a) & (b) OF THE RAJYA SABHA STARRED QUESTION NO. 323 FOR ANSWER ON 01.04.2022.

Programs Launched under Startup India initiative

The details of various programs undertaken by the Government to promote startups across the country under Startup are as under:

1. **Startup India Action Plan**: An Action Plan for Startup India was unveiled on 16th January 2016. The Action Plan comprises of 19 action items spanning across areas such as “Simplification and handholding”, “Funding support and incentives” and “Industry-academia partnership and incubation”. The Action Plan laid the foundation of Government support, schemes and incentives envisaged to create a vibrant startup ecosystem in the country.
2. **Fund of Funds for Startups (FFS) Scheme**: The Government has established FFS with corpus of Rs. 10,000 crore, to meet the funding needs of startups. DPIIT is the monitoring agency and Small Industries Development Bank of India (SIDBI) is the operating agency for FFS. The total corpus of Rs. 10,000 crore is envisaged to be provided over the 14th and 15th Finance Commission cycles based on progress of the scheme and availability of funds. It has not only made capital available for startups at early stage, seed stage and growth stage but also played a catalytic role in terms of facilitating raising of domestic capital, reducing dependence on foreign capital and encouraging home grown and new venture capital funds.
3. **Regulatory Reforms**: 51 regulatory reforms have been undertaken by the Government since 2016 to enhance ease of doing business, ease of raising capital and reduce compliance burden for the startup ecosystem.
4. **Support for Intellectual Property Protection**: Startups are eligible for fast-tracked patent application examination and disposal. The Government launched Start-ups Intellectual Property Protection (SIPP) which facilitates the startups to file applications for patents, designs and trademarks through registered facilitators in appropriate IP offices by paying only the statutory fees. Facilitators under this Scheme are responsible for providing general advisory on different IPRs, and information on protecting and promoting IPRs in other countries. The Government bears the entire fees of the facilitators for any number of patents, trademark or designs, and startups only bear the cost of the statutory fees payable. Startups are provided with an 80% rebate in filing of patents and 50% rebate in filing of trademark vis-a-vis other companies.
5. **Self-Certification under Labour and Environmental laws**: Startups are allowed to self-certify their compliance under 9 Labour and 3 Environment laws for a period of 3 to 5 years from the date of incorporation.
6. **Income Tax Exemption for 3 years**: Startups incorporated on or after 1st April 2016 can apply for income tax exemption. The recognised startups that are granted an Inter-Ministerial Board Certificate are exempted from income-tax for a period of 3 consecutive years out of 10 years since incorporation.

7. **International Market Access to Indian Startups:** One of the key objectives under the Startup India initiative is to help connect Indian startup ecosystem to global startup ecosystems through various engagement models. This has been done through international Government to Government partnerships, participation in international forums and hosting of global events. Startup India has launched bridges with over 13 countries (Brazil, Sweden, Russia, Portugal, UK, Finland, Netherlands, Singapore, Israel, Japan, South Korea, Canada, Croatia) that provides a soft-landing platform for startups from the partner nations and aid in promoting cross collaboration.
8. **Faster Exit for Startups:** The Government has notified Startups as 'fast track firms' enabling them to wind up operations within 90 days vis-a-vis 180 days for other companies.
9. **Startup India Hub:** The Government launched a Startup India Online Hub on 19th June 2017 which is one of its kind online platform for all stakeholders of the entrepreneurial ecosystem in India to discover, connect and engage with each other. The Online Hub hosts Startups, Investors, Funds, Mentors, Academic Institutions, Incubators, Accelerators, Corporates, Government Bodies and more.
10. **Exemption for the Purpose Of Clause (VII)(b) of Sub-section (2) of Section 56 of the Act (2019):** A DPIIT recognized startup is eligible for exemption from the provisions of section 56(2)(viib) of the Income Tax Act.
11. **Startup India Showcase:** Startup India Showcase is an online discovery platform for the most promising startups of the country chosen through various programs for startups exhibited in a form of virtual profiles. The startups showcased on the platform have distinctly emerged as the best in their fields. These innovations span across various cutting-edge sectors such as Fintech, EnterpriseTech, Social Impact, HealthTech, EdTech, among others. These startups are solving critical problems and have shown exceptional innovation in their respective sectors. Ecosystem stakeholders have nurtured and supported these startups, thereby validating their presence on this platform.
12. **National Startup Advisory Council:** The Government in January 2020 notified constitution of the National Startup Advisory Council to advise the Government on measures needed to build a strong ecosystem for nurturing innovation and startups in the country to drive sustainable economic growth and generate large scale employment opportunities. Besides the ex-officio members, the council has a number of non-official members, representing various stakeholders from the startup ecosystem.
13. **Startup India: The Way Ahead:** Startup India: The Way Ahead at 5 years celebration of Startup India was unveiled on 16th January 2021 which includes actionable plans for promotion of ease of doing business for startups, greater role of technology in executing various reforms, building capacities of stakeholders and enabling a digital Aatmanirbhar Bharat.
14. **Startup India Seed Fund Scheme (SISFS):** Easy availability of capital is essential for entrepreneurs at the early stages of growth of an enterprise. The capital required at this stage often presents a make-or-break situation for startups with good business ideas. The Scheme aims to provide financial assistance to startups for proof of concept, prototype development, product trials, market entry and commercialization. Rs. 945 crore has been sanctioned under the SISFS Scheme for period of 4 years starting from 2021-22.

ANNEXURE-II

ANNEXURE REFERRED TO IN REPLY TO PARTS (a) & (b) OF THE RAJYA SABHA STARRED QUESTION NO. 323 FOR ANSWER ON 01.04.2022.

Sector wise number of recognized Startups as on 28th March 2022.

Sector	Number of Recognized Startups
Advertising	529
Aeronautics Aerospace & Defence	585
Agriculture	3074
AI	1323
Airport Operations	6
Analytics	537
Animation	67
AR VR (Augmented + Virtual Reality)	368
Architecture Interior Design	369
Art & Photography	217
Automotive	1260
Biotechnology	139
Chemicals	519
Computer Vision	200
Construction	2337
Dating Matrimonial	54
Design	510
Education	4457
Enterprise Software	1329
Events	278
Fashion	801
Finance Technology	2094
Food & Beverages	3055
Green Technology	1582
Healthcare & Lifesciences	6191
House-Hold Services	451
Human Resources	1268
Indic Language Startups	166
Internet of Things	1229
IT Services	8374
Logistics	211
Marketing	1390
Media & Entertainment	1069
Nanotechnology	114
Non- Renewable Energy	1324
Not Specified	1297

Other Specialty Retailers	468
Others	1373
Passenger Experience	5
Pets & Animals	164
Professional & Commercial Services	3331
Real Estate	533
Renewable Energy	1775
Retail	1611
Robotics	390
Safety	209
Security Solutions	696
Social Impact	446
Social Network	536
Sports	326
Technology Hardware	2070
Telecommunication & Networking	649
Textiles & Apparel	875
Toys and Games	103
Transportation & Storage	1127
Travel & Tourism	1051
Waste Management	298
Grand Total	66810

ANNEXURE-III

ANNEXURE REFERRED TO IN REPLY TO PART (c) OF THE RAJYA SABHA STARRED QUESTION NO. 323 FOR ANSWER ON 01.04.2022.

Initiatives launched under Atal Incubation Centres (AICs) of Atal Innovation Mission (AIM) to support the innovations in manufacturing and cleantech sectors:

- i. Atal Innovation Mission (AIM) has established more than 15 Atal Incubation Centres (AICs) which support advanced manufacturing facilities dedicated to the Indian startups like AIC – Medivalley is working on manufacturing of med-tech devices, AIC – C.V. Raman is working towards precision engineering through their advanced labs, and AIC – CODISSIA is developing advanced defense technologies among others. Furthermore, AIM has partnered with Dassault Aviation and MSME & Startup Forum – Bharat to disseminate the innovations from startups across the MSME sector of the country.
- ii. Atal Incubation Centre (AIC) – FISE launched Energy Challenge as ‘**Techtonic – Innovations in Clean Energy**’, to identify promising innovations in clean energy and support them in their journey from the lab to the market. While the challenge invites renewable energy, energy efficiency and clean energy access solutions from all stages of the energy lifecycle, and across all use cases, there is a special focus on four themes this year – **Energy for Livelihoods, Smart Energy Systems, Energy Storage and Thermal Comfort**.
- iii. TATA Power has been an active partner in supporting the AIC startups with seed fund support, technical mentorship, pilot testing and other critical areas.
- iv. AIC – Sangam, AIC – EMPI and AIC – Pinnacle have been actively engaging in promoting sustainable mobility solutions and climate-resilient technologies.
- v. UNDP in collaboration with AIM is promoted National Innovation Dialogue from 21st February to 25th March 2022 on Climate Action under Youth Co: lab program.
- vi. AIC- GIM as part of their ESG startup week held a 7-day Climathon Panaji was for students, professionals, innovators, and entrepreneurs to co-create future ideas and contribute to the discovery of solutions related to Data Analytics for Climate Change.
