

Government of Gujarat

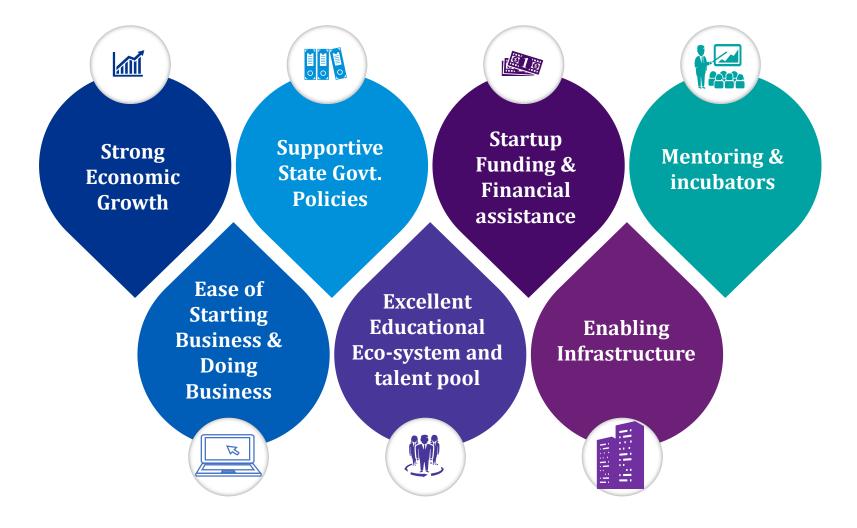
# Initiatives to develop a robust startup ecosystem

Experience sharing by Government of Gujarat

22<sup>nd</sup> December 2017

### **Gujarat: A Vibrant Startup Destination**





### **Genesis of Startups in Gujarat**

05

03

01

04



focused Startup policy initiatives announced for assisting **Startups** & **Innovators** 

World-class incubation center: International **Centre for Entrepreneurship and Technology** (icreate) established in PPP mode

**Centre for Innovation Incubation and Entrepreneurship (CIIE) established** by IIM Ahmedabad in 2002- the oldest Incubator in the country

Constituted Gujarat State Innovation **Council** in 2013 to encourage and incentivize innovation in the State

Established Centre for Entrepreneurship Development (CED) 1979 and **Entrepreneurship** in **Development Institute of India (EDII)** in **1983** to promote entrepreneurship

**Gujarat Venture Finance Limited** (GVFL) established in **1990**, a pioneer Venture Capital in the country supported by the Government of Gujarat

# **Startup Ecosystem in Gujarat**



- Gujarat Startup/ Innovation Scheme 2015
- Gujarat Electronics & IT/ITeS Startup Policy 2016
- Student Startup & Innovation Policy 2017

#### Well developed funding network

- GVFL
- Gujarat Angel Investors Network
- Ahmedabad Angel Investors
- Infuse Ventures
- Incube Ventures



#### **Globally recognized mentors**

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- TiE Ahmedabad
- GESIA IT Association
- NIF
- eChai
- Gujarat Chamber of Commerce
- Gujpreneurs
- Headstart Network

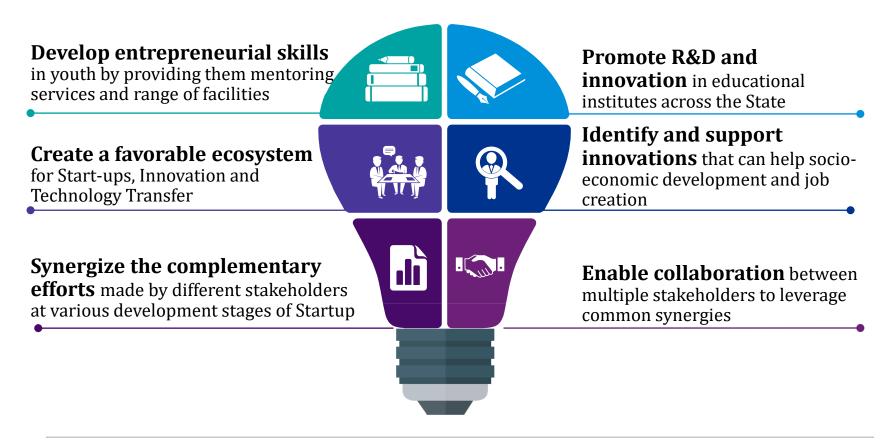
#### **Incubators & Accelerators**

- CIIE, IIM-A
- icreate
- NID-Incubator (NDBI)
- MICA-Incubator
- VentureStudio
- IIT-Gn Incubator
- DA-IICT Incubator
- IIC, PDPU

#### **Gujarat Startup/ Innovation Scheme: Overview**



Government of Gujarat introduced the **"Scheme for Assistance for Startups/Innovation" in January 2015** with the objectives of:



#### Assistance offered under the Gujarat Startup/ Innovation Scheme



Assistance at development stage

Assistance of Rs.5 Lakh to NI for mentoring services annually

Rs.10,000 p.m. to innovator as sustenance allowance for 1 year

Assistance of upto Rs.10 Lakh for product development

Free access to University, Libraries, Govt. Laboratories, Center of Excellence

Mentorship assistance by Nodal Institution

#### Assistance when idea gets Commercialized

Marketing/ Publicity assistance up to Rs.10 lakh for introduction of innovated product

Venture Capital fund will be provided through Gujarat Venture Finance Limited (GVFL)

SGST reimbursement

Reimbursement up to 1/5th of eligible limit in a particular year

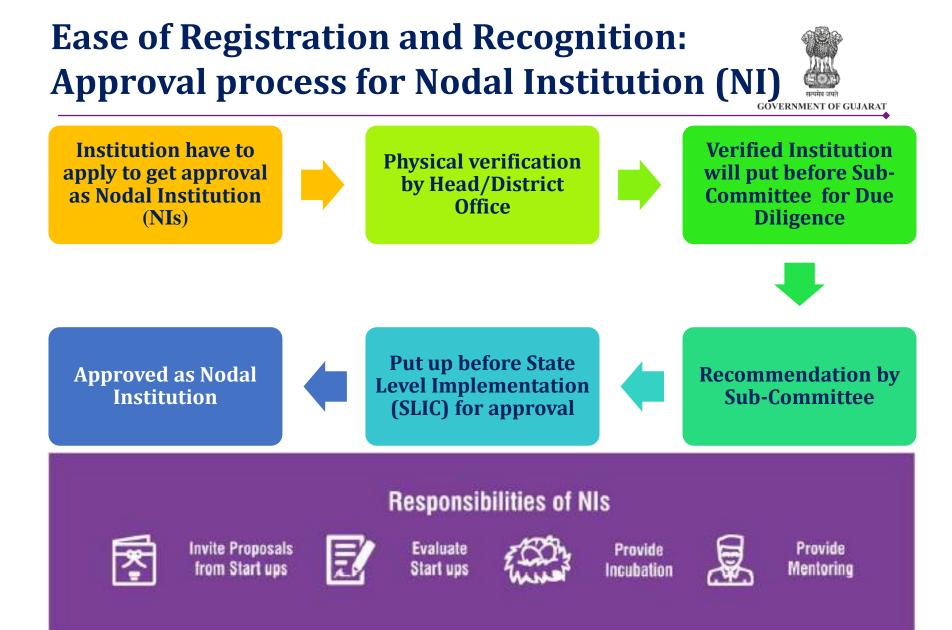
Other benefits as per MSME schemes

# **Other Startup Supportive State Policies**



With an objective to support sector specific startups, other departments of Government of Gujarat have announced focused incentive based policies for Startups

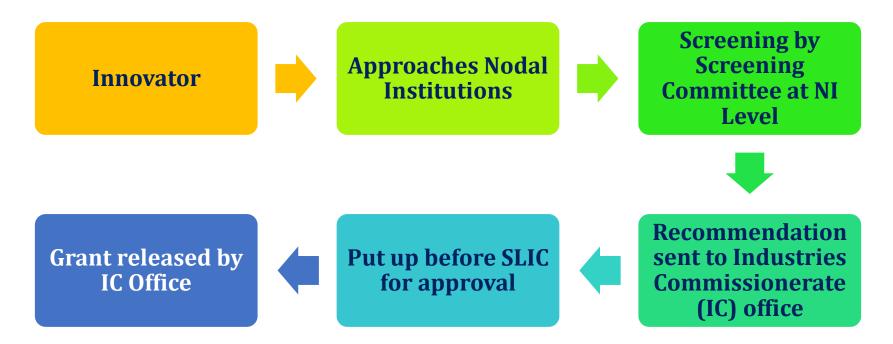
Electronics & IT/ITeS Startup Policy 2016		Student Startup & Innovation Policy 2017	
Facilitate at least 2000 Start Ups	Establish at least 50 incubators in Gujarat	Developing student centric Innovation and Preincubation Ecosystem for Students (IPIES)	Support at least 1,000 student- led innovations per year
Facilitate USD 1 billion Investments to Start Ups	Develop 1 million Sq. Ft. of Incubation Space	Aim to file 1000 patents from universities in the state every year	Harness 500 student startups in the next 5 years



33 Nodal Institutions have been approved under the Startup Scheme

#### Ease of Registration and Recognition: Procedure for availing assistance





More than 150 innovative projects at various stages of Startup development cycle have been recognized and are being supported under the Startup / Innovation Scheme

#### Ease of Doing Business for Startups (1/3)



Compliance desired as per Startup India Action Plan	Govt. of Gujarat's conformance
<b>Inspections</b> under labour and environment laws shall be made more meaningful and simple.	<b>No inspection required</b> for startups, for the first five years.
Startups shall be allowed to <b>self- certify compliance</b> (through the Startup mobile app) with <b>labour</b> <b>laws</b> .	<ul> <li>Labour Law (Gujarat Amendment) Act, 2015, includes self- certification and submission of consolidated annual returns applicable to various labour laws, which includes</li> <li>✓ The Contract Labour (Regulation and Abolition) Act 1970</li> <li>✓ The Payment of Gratuity Act 1972</li> <li>✓ The Inter-State Migrant Workmen (Regulation of Employment &amp; Conditions of Service) Act, 1979</li> </ul>

#### Ease of Doing Business for Startups (2/3)



Compliance desired as per Startup India Action Plan	Govt. of Gujarat's conformance		
Startups shall be allowed to <b>self- certify compliance</b> (through the Startup mobile app) with environment laws.	<ul> <li>Environment:</li> <li>✓ Self – certification for "Fast Track Consent Renewal"</li> <li>✓ Self Certification for Green category of industries for annual exemption from routine inspection by the board</li> <li>✓ Orange category industries can undergo exemption from routine inspection by the board (GPCB) on submission of Environmental Compliance Certificate of Schedule-I or Schedule-II Auditors classified in Environmental Audit Scheme</li> </ul>		

#### Ease of Doing Business for Startups (3/3)

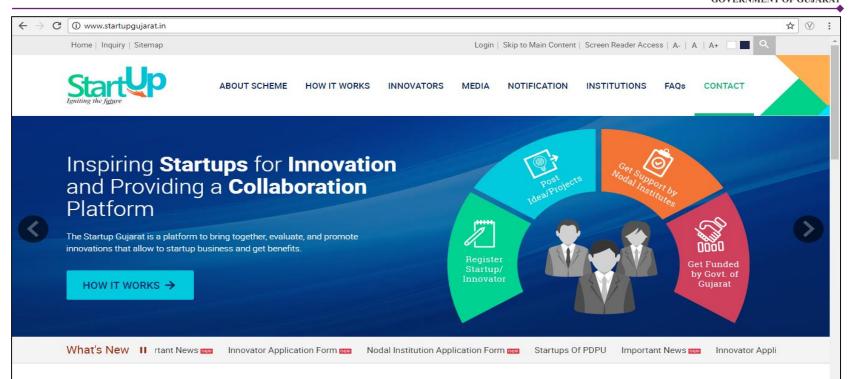


Compliance desired as per Startup India Action Plan	Govt. of Gujarat's conformance
N <b>o inspections</b> under labour law for first <b>3 years</b> .	For Startups, there is <b>no inspection</b> required for the <b>first 5 years</b> .
Startups <b>may be inspected</b> on <b>receipt of credible and verifiable</b> <b>complaint of violation</b> , filed in writing and approved by at least one level senior to the inspecting officer.	In Gujarat, all complaint based inspections are approved by senior officers
Startups falling under the <b>'white</b> category'* to self-certify compliance and only random checks would be carried out in such cases.	<ul> <li>White category industries are exempted from all environment compliances.</li> <li>A list of white category industries has been introduced over and above the list of industries declared by the central government.</li> </ul>

\*based on pollution potential; classified by Central Pollution Control Board

#### Simplification and Handholding: www.startupgujarat.in

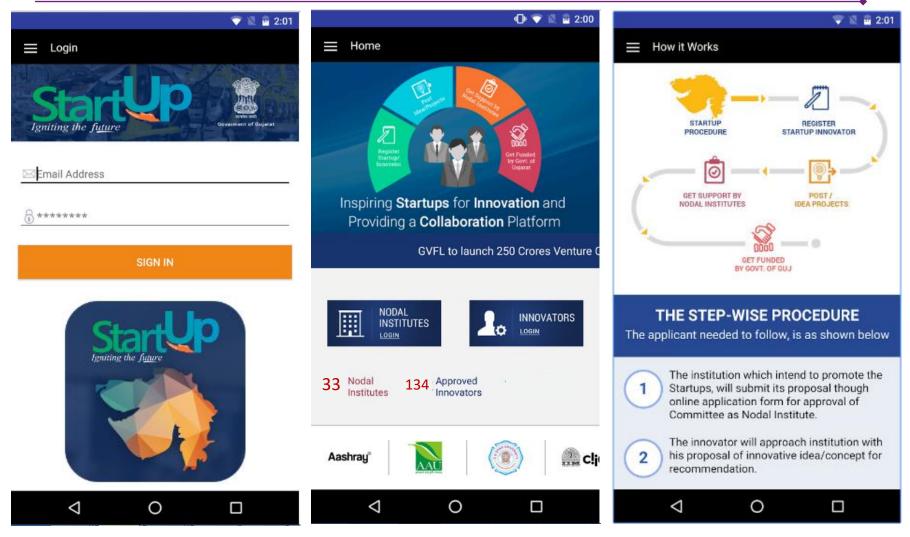
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- All the required support information for Startups available under single portal
- Online Registration for Startups
- Online registration for Nodal Institution (NI)
- Online recommendation from NIs for Startups
- Online registration as Mentor

#### **Simplification and Handholding: Mobile App**





#### **Incubators to nurture ideas**





# iCreate – Govt. of Gujarat supported incubator

- Set up under the leadership of Hon'ble Prime Minister of India, iCreate (International Centre for Entrepreneurship and Technology), is an autonomous Centre of Excellence creating an ecosystem for nextgen entrepreneurs.
- Provides cross functional support to start-ups through their entire life cycle, from ideation to go-to-market.
- Focus sectors: IT, Electronics, Biotechnology, Nanotechnology, Robotics, Non-conventional energy, Bio-medical equipment, Agro and Food processing.







#### iCreate - Key offerings



**Spark Up Idea Fund** offering college students up to Rs. 50,000, to experiment and prototype their ideas

**Prayasee Grants** of up to Rs. 10 lakhs, to young innovators for prototyping and field trials **Incubation Support** (6 months to 2 years), with residential facility and support of up to Rs. 50 lakhs

Short Acceleration Programmes to take start-ups to market and investors **Short Programmes** to evaluate idea feasibility and 'fast failing'

**Grooming Programme** over 13 weeks, to help entrepreneurs take their idea to commercial operations level

#### iCreate – Collaborations and Way Forward



iCreate is the knowledge partner for the *India Israel Innovation Bridge Challenge* that address some of the world's most pressing challenges in the areas of agriculture, water and healthcare

Plans to establish *new corporate partnerships* 

to provide go to market cum mentoring support for innovative projects Plans to *incubate 360 new projects*, and help more than *100* establish themselves as successful businesses by *2020* 

> iCreate has collaborated with *Cisco and US India Business Council*, to drive future growth. Cisco has established its *largest Indian IoT based Innovation Lab* at iCreate

### **Funding Support for startups**



- 'GVFL Startup Fund' of Rs. 250 crore formed for promoting startup ecosystem in the State
- Creation of a Student Innovation Fund (SIF) of Rs. 200 crore for a period of five years.
- **Corpus of Rs. 100 crore** created for GoG supported incubator **icreate**
- Budget allotted for Startup promotion / development activities: Rs. 97 crore in 2016-17
- Gujarat CSR Authority has considered funds received from corporates to support academic incubators under CSR activities

FUND	

### **Startup Fests/ Events**





National Summit on Innovation & Technology 30<sup>th</sup> September – 1<sup>st</sup> October 2016

- In the Pitch to Glory event, **30 startups** pitched their ideas, innovation and business model to a jury of industry experts
- More than 100 companies engaged across sectors such as e-Governance, IT, Electronics and Biotechnology showcased various upcoming technologies



Vibrant Gujarat Start Up Summit 21- 22 October 2016

- **Grand Challenge** to find innovative, technology based and commercially viable solutions to key developmental issues
- **125 shortlisted startups** are being supported under the Startup / Innovation scheme

# **Gujarat's proud achievements**



*'Prime Minister's Award for Excellence in Public Administration 2017'*, in recognition of successful implementation of Start-Up India program.

**154 startups** being incubated at **33Nodal Institutions** supported underStartup Policy 2015

Startups across *domains* such as *Manufacturing, ITeS, Biotechnology, ecommerce, FinTech, Healthcare, Internet of Things (IoT), Education* 



Ahmedabad classified as an *'Emerging City'* for startups by NASSCOM in 2015

Growth of startups and incubators *across the state, at locations such as Vadodara, Surat and Rajkot,* in addition to Ahmedabad

Startups such as *Infibeam* (ecommerce), *Mantis Technologies* (ticket booking), *Axio Biosolutions* (Medical Devices) and *Lendingkart* (finance) achieved *national as well as global* recognition

### **Notable Gujarat-based startups**





# Way forward for boosting the growth of startups in the State



Strengthening incubators and nodal institutions through state-of-theart infrastructure and R&D facilities

Supporting the funding and investor network in Gujarat, to enable better and faster access to capital

Promoting startups in diverse sectors such as manufacturing, aerospace and defense, electric mobility, healthcare, Internet of Things (IoT)

Encouraging innovation in schools and colleges, and at rural areas and grassroots level

Regularly providing platforms to startups, for branding, publicizing and marketing their innovations and ideas

