

“STARTUP INDIA: A MISSION”

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ABSTRACT

Startup India is an initiative of the Government of India. The campaign of Startup India was first announced by Indian Prime Minister, Narendra Modi on 15th August 2015. Startup plays a key role in innovation processes. Startup focuses on fast growth and high-end revenue. Startup is based on three pillars: Simplification and Handholding, Funding Support and Incentives and Industrial Incubation and Partnerships.

In this article, I have covered topics such as Growth of Startups, Funding for Startup Projects, Challenges of Startup and Startup Government Policies.

Keyword: *Startup, Government Policies, Funding.*

INTRODUCTION:

On the occasion of India's 69th Independence day Prime Minister Narendra Modi announced the startup India initiative from Red Fort. He said, "I see startups, technology and innovations as exiting and effective instruments of India's transformation". Today our youth is very enthusiastically thinking and working on startup ideas. Now a days each sector has many opportunities for new innovative business and Education is also one of them. It is need of today also. So here the researchers discuss some very innovative education business ideas which can help for the fast growth of education sector. Startup is also focused on to restrict role of States in policy domain and to get rid of "license raj" and hindrances like in land permissions, foreign investment proposal, environmental clearances. It was organized by Department of Industrial Policy and Promotion (DIPP). A startup is an entity that is headquartered in India which was opened less than five years ago and has an annual turnover less than 25 crore (US\$3.7 million). The government has already launched iMADE, an app development platform aimed at producing 1,000,000 apps and PMMY, the MUDRA Bank, a new institution set up for development and refinancing activities relating to micro units with a refinance Fund of 200 billion (US\$3.0 billion). The Standup India initiative is also aimed at promoting entrepreneurship among SCs/STs, women communities. Rural India's version of Startup India was named the Deen Dayal Upadhyay Swaniyojan Yojana.

GROWTH OF STARTUP:

The Ministry of Human Resource Development and the Department of Science and Technology have agreed to partner in an initiative to set up over 75 such startup support hubs in the National Institutes of Technology (NITs), the Indian Institutes of Information Technology (IIITs), the Indian Institutes of Science Education and Research (IISERs) and National Institutes of Pharmaceutical Education and Research (NIPERs). The Reserve Bank of India said it will take steps to help improve the 'ease of doing business' in the country and contribute

to an ecosystem that is conducive for the growth of start-up businesses. Southern States of the nation have shown great performance, like Karnataka, Kerala, Andhra Pradesh and Telangana which have results better than the rest of the country in terms of their policies implementations for supporting startups. Their focus has been on improving infrastructure, especially in the Tier-II cities. Bengaluru, a metro city of Karnataka, is known as the Silicon Valley of India. Kerala is well known for the government's startup policy, "Kerala IT Mission", which focus on fetching 50 billion (US\$740 million) in investments for the State's startup ecosystem. It also made India's first telecom incubator Startup village in 2012. Also Compliance Regime based on Self-Certification, Rolling out of Mobile App and Portal, Startup India Hub, Relaxed Norms of Public Procurement for Startups, Faster Exit for Startups are Achievements under the Startup India initiative.

THE STARTUP GOVERNMENT POLICIES:

The Indian government has introduced over 50+ startup policies in past few years. Each startup scheme is missioned towards boosting the Indian startup ecosystem.

Consider this. Close to 4,400 technology startups exist in India and the number is expected to reach over 12,000 by 2020. India is also at third place behind US and Britain in terms of the number of startups. Furthermore, in line with its global counterparts, India has its own billion dollar club to boast about. This includes startup like Flipkart, Snap deal, Ola, InMobi, Hike, Musigma, Paytm, Zomato, Quiker. With the next \$100 Mn funding raise, fintech startup MobiKwik too looks to join the unicorn club. Startup government policies as under.

- 4E (End to End Energy Efficiency)
- Aspire - Scheme for promotion of innovation, entrepreneurship and agro-industry
- Assistance to Professional Bodies & Seminars/Symposia
- Atal Incubation Centres (AIC)
- Atal Tinkering Laboratories
- Ayurvedic Biology Program
- Bank Credit Facilitation Scheme
- Biotechnology Ignition Grant (BIG)
- Biotechnology Industry Partnership Programme (BIPP)
- Bridge Loan Against Generation-Based Incentive (GBI) Claims
- Bridge Loan Against MNRE Capital Subsidy
- Coir Udyami Yojana
- Credit Enhancement Guarantee Scheme
- Credit Guarantee
- Credit Linked Capital Subsidy for Technology Upgradation
- Dairy Entrepreneurship Development Scheme



- Electronic Development Fund (EDF) Policy
- Enhancement of Competitiveness in the Indian Capital Goods Sector
- Extra Mural Research Funding
- Growth Capital and Equity Assistance
- High Risk-High Reward Research
- Industry Innovation Programme on Medical Electronics (IIPME)
- Industry Relevant R&D
- Infrastructure Development Scheme
- International Cooperation (IC) Scheme
- Loan for Rooftop Solar PV Power Projects
- Modified Special Incentive Package Scheme (M-SIPS)
- MSME Market Development Assistance
- Multiplier Grants Scheme (MGS)
- National Awards (Individual MSEs)
- National Clean Energy Fund (NCEF) Refinance
- National Science & Technology Management Information System (NSTMIS)
- NewGen Innovation and Entrepreneurship Development Centre (NewGen IEDC)
- Performance & Credit Rating Scheme
- Pradhan Mantri Mudra Yojana (PMMY)
- Promoting Innovations in Individuals, Startups and MSMEs (PRISM)
- Rapid Grant for Young Investigator (RGYI)
- Raw Material Assistance
- REDA Scheme For Discounting Energy Bills
- Revamped Scheme of Fund for Regeneration of Traditional
- Scale-up Support to Establishing Incubation Centres
- Scheme to Support IPR Awareness Seminars/Workshops in E&IT Sector
- Science and Technology of Yoga and Meditation (SATYAM)
- SIDBI Make in India Soft Loan Fund for Micro Small and Medium Enterprises (SMILE)



- Single Point Registration Scheme (SPRS)
- Software Technology Park (STP) Scheme
- SPARSH (Social Innovation programme for Products: Affordable & Relevant to Societal Health)
- Stand Up India
- Startup assistance Scheme
- Sustainable Finance Scheme
- Technology Development Programme (TDP)
- The Venture Capital Assistance Scheme
- Udaan Training Programme For Unemployed Youth Of J&K

FUNDINGS FOR STARTUP PROJECTS:

With the help of startup India initiative, the government of India promotes and assists entrepreneurship by mentoring, nurturing and facilitating startup throughout their life cycle. Launched in 2016, the scheme has successfully provided a great start to a number of potential startup in the country. The initiative has provisions for various methods to learn and know more about startup growth including research parks, incubators and startup centres among others. Apart from this, the scheme has also created a 'Fund of Funds' which helps startup in gaining access to funding. The primary motive of this is to build an environment in which startup can innovate and evolve without any obstacles. The mechanisms used under the initiative comprise of online recognition of startup, Startup India Learning Programme, Facilitated Patent filing, Easy Compliance Norms, Relaxed Procurement Norms, incubator support, innovation-focused programmes for students, funding support, tax benefits and addressing of regulatory issues.

STARTUP INDIA ACTION PLANS IN INDIA:

'Startup India, Standup India' has been all over the news in print, electronic and social media since Saturday when India's esteemed Prime Minister, Narendra Modi, finally took the stage in Delhi to announce his government's action plan for the initiative he announced in his Independence Day address 2015. For those who are still trying to comprehend what the buzz is all about, we at IndianWeb2.com have decided to come at your rescue by listing out the ten most important announcements made by PM Modi during the action plan launch.

SETTING UP OF A STARTUP INDIA HUB:

In order to make the going easier for the new members of the business fraternity, the government plans to have a single point of contact for interactions with the government. This will help them in cutting down on their time and effort to get different document clearness from different departments and help them concentrate more on their product/ service.

FASTER EXIT/SHUT-DOWN:

The action plan also includes 90 days for a startup to close down its business so as to provide them with the convenience of faster exits



TAX EXEMPTION FOR FIRST 3 YEARS:

In what could be called as a real good news for the startup industry, the Narendra Modi government has decided to provide three years of tax exemptions and concessions on capital gains tax for the new members. This move will help the startups maintain a high growth trajectory and also retaining some capital for further usage.

RS. 10,000 CRORE STARTUP FUND, AGAIN!:

In an effort to entice more and more entrepreneurs to take the startup plunge, the action plan announcement also saw the PM announcing a fund of Rs 10,000 crore to back startups. Initially, the corpus will be Rs 2,500 crore. In addition to this, there is also a credit guarantee fund for the startups.

MOBILE APP FOR STARTUP REGISTRATION:

Making it a much easier process to register a startup than it is now, the Modi government has promised to launch a mobile app on April 1 which make registering a startup a one day process.

RELAXED NORMS OF PUBLIC-PROCUREMENT:

According to the action plan, the Central and the State Government and the PSUs will exempt the manufacturing sector startups from its "prior experience/ turnover" criteria as long as they have their own manufacturing facility in the country. Further, they should have the requisite capabilities and should be able to fulfil all the requirements of the project.

NO MANDATORY INSPECTIONS FOR FIRST 3 YEARS:

To reduce the regulatory burden on startups, the government will introduce a compliance regime based on self-certification. Under this, there will be no regulatory inspection for the three initial years.

ATAL INNOVATION MISSION:

The action plan also mentions Atal Innovation Mission (AIM) whose main aim is to promote research and development which includes 500 tinkering labs, 35 public-private sector incubators, 31 innovation centres at national institutes, 7 new research parks and 5 new bio-clusters.

INCLUDING SCHOOLS IN STARTUP PROGRAM:

In order to sow the entrepreneur seed from school itself, the action plan also mentions the government's plan to involve 5 lakh schools and 10 lakh school students in core innovation programmes. Further, to provide visibility to the young, talented brains, national and international startup festivals will also.

CONCLUSION:

Startup India scheme was inaugurated on 16 January 2016 by the finance minister Arun Jaitley. Among the attendees were around 40 top CEOs and startup founders and investors from Silicon Valley as special guests including Masayoshi Son, CEO of Soft Bank, Kunal Bahl, founder Snapdeal, Olafounder Bhavish Aggarwal, Paytm founder Vijay Shekhar Sharma, Travis Kalanick, founder of Uber, Adam Neumann, CEO of WeWork, Prateek Kr. Bhowmick, Co-founder of Review Adda, Sachin Bansal, founder of Flipkart and others. India is changing everyday and it's changing to get better. Although, India does not require the 'cut and paste' innovation, it needs to address these issues by creative 'out-of-the-box' thinking and resolve various pain points which are not addressed by the traditional ways. At present, there are more than 3,100 startups established and running, which are focusing and working tirelessly to address various pain points to make our lives simpler and efficient.



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