

STARTING TROUBLE

While states like Andhra Pradesh and Kerala have begun implementing their start-up policy with clearly set job-creation goals, Gujarat has put its policy on a backburner, six months after announcing it

REPRESENTATIONAL PICTURE



Mentors say that the state government has not even taken the first step of appointing sub-nodal agencies to execute its policy. Several enterprising youngsters are waiting for the policy to take off

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India is unarguably the fourth-largest start-up hub in the world. According to Economic Survey 2014-15, the country witnessed hyper-growth in technology start-

ups and software product landscape. Nasscom predicts 11,500 tech/digital startups by the end of 2020.

Yet, in an entrepreneurial state like ours, start-ups find themselves bootstrapped, thanks to a state government that sits twiddling its thumbs after making grand announcements.

In January this year, the state came up with Gujarat Industrial Policy, announcing schemes for assistance to start-ups that are the new hi-tech job creators. Six months have passed, but the start-up policy is yet to take off.

On the contrary, states like Andhra Pradesh and Kerala, have

already begun implementing their start-up policy after setting concrete goals. Andhra Pradesh, which has incubation infrastructure at four places and over 100 start-ups already in its Start-Up Village, is looking at 500 start-ups by year end and 5,000 by 2020. Kochi-based Start-up Village has produced over 533 start-ups, 116

of them being campus start-ups, and created a total of 2,889 jobs by the end of 2014.

The delay by Gujarat government in implementing its policy is keeping thousands of aspiring young entrepreneurs from reaping its benefits,

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besides hindering job creation. According to World Start-up Report 2012, entry-level jobs in industries in India pay annual salaries of around \$10,000 while start-ups pay between \$6,000 and \$8,000.

'GOVT IS VERY SLOW'

The incubators in the city are of the opinion that a great policy without implementation is good for nothing. Chair of MI-CA Incubator UT Rao said, "Six months have passed but there is no communication from Gujarat government on the implementation of the policy. Recently, during the Chintan Shibir, the state government distributed about 50 sheets, elaborating on the execution of the policy. But certain points and definitions are yet not clear. To implement a policy like this we need strong political leadership and bureaucratic support."

Commenting on the state's start-up policy, Paresh Vora, COO of Venture Studio at Ahmedabad University, said, "The government is quite slow in implementing the policy. We need experts from academia and industry to help the government implement it effectively and also avoid any conflict of interest."

He said that the state had good universities and ready infrastructure to support start-ups but one needed to build a conducive environment for them to function and flourish in just like Bangalore, Mumbai and Hyderabad have done.

NO OFFICIAL NOTIFICATION

Vora said that the government needed to publicise the policy by reaching out to incubators



Had the state government's policy been in place, I could have used

Rs 10 lakh to take my first project to the next level than putting it in the second one

MITESH SHETHWALA
Founder, You Dedicated



We need to learn from states like Kerala and AP that have

been quick in implementation and modification of their policy to benefit start-ups

RITAM BHATNAGAR
Founder, Wwhere

and start-ups. A couple of months ago, few universities, incubators and institutions like Gujarat Technological University, LJ Incubator of LJ College and Kochi Startup Village had approached the Industry department - the primary nodal agency for implementing the policy - to offer assistance in policy implementation. However, there was no official notification from the government, asking institutes to apply as sub-nodal agencies, sources said. Hiranmay Mahanta, who mentors start-ups, said, "The policy is one of the best in the country, but delayed implementation is cause for major concern for both incubators and start-ups. Moreover, there are many loopholes in the policy that need to be addressed on an immediate basis before it is implemented."

Mahanta also highlighted neglect in appointment of sub-nodal agencies and its implementation, which is the first step in policy execution.

'STATE GOVT TO START CAMPAIGN IN A MONTH'

Asked about the delay in implementation of the policy, Gujarat Industries and Finance Minister Saurabh Patel said, "The

institutes and the students are yet not fully aware about the policy. So, we are coming up with a big campaign in a month's time to create awareness. We are sure things will fall in place soon."

Patel also said that the government is planning to host a mega event for the promotion of the industrial policy.

Talking about the loopholes in the policy, Patel said, "If there are suggestions from the incubators or institutions to better the policy further, we are ready to make changes."

He added, "We are ready to appoint any university/institution that can mentor start-ups in the right manner as the nodal agency. But they will have to create proper procedure to select start-ups."

According to Patel, mentor institutions such as universities will also get Rs 5 lakh for providing such services. Each of these institutions will get an additional assistance of Rs 10 lakh to acquire raw material and other technology required by the innovator. The state government has also decided to give Rs 10,000 per month for a year to such youngsters as assistance, to motivate them to start their own business.