

# 'Incubator hubs soon to spur Start-up India'

Experts from outside to be roped in to assist incubators

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**NEW DELHI:** With its Start-up Policy having drawn only lukewarm response so far, the government is planning a twin-pronged approach to spur the initiative.

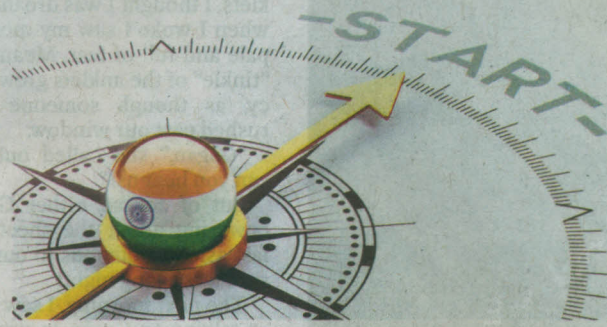
Commerce and Industry Minister Nirmala Sitharaman told *The Hindu* that in places having no leading centres such as the IITs, the IIMs, or other renowned institutes, colleges would be clubbed to form an incubator hub. "Though the existing, big centres like IITs and major science and technology centres have all been given 'incubator' status, there is demand for more," she said.

The second aspect was to ensure that incubators did not reject applications from entrepreneurs, and instead provided them all the hand-holding they needed. Incubators plagued by staff-shortage that impacted their ability to handle numerous applications would be asked to co-opt outside experts quickly so that no applicant was denied the expertise required to develop and commercialise their ventures, the Minister said.

To avail of benefits under the start-up policy, entities have to apply to the government to be recognised as a start-up. One of the accepted supporting documents for this is a recommendation letter from a government-recognised incubator.

## External experts

"Incubators have a limited capacity. So, if thousands approach them, incubators obviously have their limitations



**STATE INVOLVEMENT:** DIPP urges States and Union Territories to set up start-up hubs and incubators.

Of the 571 applications received, only 12 could be considered for tax benefits

and they might say 'we can't deal with it'. That is not to say your idea is not worth it. So, we have also asked incubators to co-opt experts from outside," Ms. Sitharaman said

The 'Start-up India' initiative along with an 'action plan' was launched on January 16. On February 17, the government notified the definition of start-up. On March 31, it unveiled a Start-up India portal, a Start-up India Hub and a mobile app, besides setting up a panel to verify the eligibility of start-ups to avail of benefits.

## Poor response

According to the Department of Industrial Policy and Promotion (DIPP), the nodal government body for the start-up policy, 571 applications were received as on June 30. Of these, only 106

had the required documents. DIPP said only 12 applications could be considered for tax benefits as only these start-ups were incorporated after April 1, 2016. The policy benefits include income tax exemption for three years in a block of five years for start-ups incorporated between April 1, 2016 and March 31, 2019.

Only seven applicants had furnished all the required documents. The remaining applicants would be given guidance and support by the Start-up India Hub.

The DIPP said it had also urged States and Union Territories to set up start-up hubs and incubators. The department said it would ask top companies to set up new incubators or scale up existing incubators in collaboration with educational institutions. Ms. Sitharaman said the government had been trying to provide as much help needed. "But eventually the market will determine whose innovation can be scaled up for commercial use. We are not going to play a role in that," she added.