

**Department of Industrial Policy and Promotion  
Ministry of Commerce & Industry  
Udyog Bhawan, New Delhi**

**Highlights of Meeting of Hon'ble Minister of Commerce and Industries (I/C)  
Smt. Nirmala Sitharaman held on 28<sup>th</sup> July 2016 with Startup founders**

The Startup India initiative is designed to foster innovation, create jobs and facilitate investment. Government is committed to make this initiative a scalable reality and to provide an environment for Startups to thrive in. Since the launch of the Action Plan for the Startup India initiative considerable progress has been made. However, a lot remains to be done. The Ministry of Commerce and Industry believes the way forward is to have all the stakeholders on board to take the initiative forward and act as a facilitator for Startups to flourish.

With the agenda of creating a conducive Startup ecosystem, the Ministry is reaching out to all the stakeholders to discuss key concerns that need to be addressed to strengthen the ecosystem. As a step in this direction, the Ministry organized a meeting with around 30 Startups for their feedback and to discuss the key challenges faced by them.

Some of the prominent names which were part of the meeting are Paytm's Vice President Sudhanshu Gupta, Ola's Senior Director Anand Subramaniam, Suraj Saharan, Co-founder of Delhivery, Nykaa.com's CFO Sachin Parikh, Abhiraj Bhal, Co-founder of UrbanClap, Anu Acharya, CEO of Mapmygenome, and Rivi Varghese, CEO and Co-founder of CustomerXPs.

The Hon'ble Minister of Commerce and Industries (I/C) Smt. Nirmala Sitharaman, opened the discussion by stating that this is the first in a series of dedicated meetings that the Government will hold to have all stakeholders of the Startup ecosystem on board in making India one of the best Startup destinations in the world. She urged the participants to feel free to write to the government on any issue and not wait for a meeting.

Some of the issues that were raised related to making compliances easy, IPR pendency period, lack of prompt response from incubators for issuing recommendation letters, complicated paper work involved in all government compliances, tedious import/export procedures, need of clear definition of Aggregators under the Service tax among many others.

Some of the suggestions made by Startups were to have a checklist for all the state and central compliances on the Startup India portal, a discussion forum to be evolved for all the stakeholders of the Startup ecosystem to exchange ideas and companies should be asked to spend more on Startups as part of CSR activities.

They also suggested that, as has been done by the government, banks should also be asked to exempt the Startups from turnover and experience criteria to enable them to participate in the procurement process.

The participants mentioned the difficulties faced by them in interstate movement of goods. They suggested that all the states should be asked to take the declarations online and receive taxes online. They also suggested that maintaining manual registers for compliance under various laws should be done away with.

They also mentioned that access of credit through banks should be simplified and the time taken should also be reduced. For easier compliance towards various rules and regulations they suggested that a handbook should be prepared and put on public domain.

Secretary, DIPP informed that the capacities of IPR offices have been enhanced considerably in the last 6 months. This would reduce the time taken for examination of patent applications to 18 months by March 2018 compared to over 5 years now. Similarly the time taken for examination of trademark applications will become 1 month by March 2017. He also highlighted that the patent applications of Startup are eligible for expedited examination and reduced fee as per the revised patent rules. In addition DIPP has provided a panel of facilitators who will provide free of cost facilitation to Startups for filing patent applications.

The Minister was very receptive to all the suggestions and she urged that Startups can approach the Government with any issue small or big. DIPP would be taking the following steps to address the issues and concerns raised by the Startups:

- 1 The details of the compliances of Central and State laws expected of a Startup would be posted on the Startup India portal
- 2 DIPP would take up with the concerned ministries/regulator the various issues raised by the startups pertaining to them
- 3 Secretary, DIPP promised to facilitate the meeting of various Startups with the concerned departments, so that Startups can take up their issues directly with them
- 4 DIPP would explore the possibility of developing an app which would enable Startups to know which subject relates to which ministry or regulator
- 5 The Department would also prepare a handbook to guide Startups on various compliances and the processes involved

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