

Startup India Seed Fund Scheme

Startup India Seed Fund Scheme, Government of India

<https://seedfund.startupindia.gov.in/>

Startup India initiative

The Startup India initiative of the Government of India envisages building a robust Start-up ecosystem in the country for nurturing innovation and providing opportunities to budding entrepreneurs.

An Action Plan with 19 action points for the Startup India initiative was unveiled on January 16, 2016. This Action Plan laid down a roadmap for the creation of a conducive ecosystem for Startups in India. Subsequently, many activities have been undertaken to encourage Startups. Startup India Seed Fund Scheme (SISFS) is one such scheme provides financial assistance to early-stage startups.

Startup India Seed Fund Scheme

Easy availability of capital is essential for entrepreneurs at the early stages of growth of an enterprise. Funding from angel investors and venture capital firms becomes available to startups only after the proof of concept has been provided. Similarly, banks provide loans only to asset-backed applicants.

It is essential to provide seed funding to startups with an innovative idea to conduct proof of concept trials.

Startup India Seed Fund Scheme (SISFS) aims to provide financial assistance to startups for proof of concept, prototype development, product trials, market entry, and commercialization.

This would enable these startups to graduate to a level where they will be able to raise investments from angel investors or venture capitalists or seek loans from commercial banks or financial institutions.

The Indian startup ecosystem suffers from capital inadequacy in the seed and "Proof of Concept" development stage. The capital required at this stage often presents a make-or-break situation for startups with good business ideas.

Many innovative business ideas fail to take off due to the absence of this critical capital required at an early stage for proof of concept, prototype development, product trials, market entry, and commercialization.

Seed Fund offered to such promising cases can have a multiplier effect in validation of business ideas of many startups, leading to employment generation.

An Experts Advisory Committee (EAC) has been constituted by Department for Promotion of Industry and Internal Trade (DPIIT), which will be responsible for the overall execution and monitoring of the Startup India Seed Fund Scheme.

The EAC will evaluate and select incubators for allotment of Seed Funds, monitor progress, and take all necessary measures for efficient utilization of funds towards fulfillment of objectives of Startup India Seed Fund Scheme.

ASEAN-India Science and Technology Development Fund

The ASEAN-India Science and Technology Development Fund (AISTDF) supports R&D projects and associated project development activities. The activities/projects under AISTDF are ASEAN centered, action-centric and are aligned with the ASEAN Plan of Action on Science, Technology and Innovation 2016-2025. The key requirements of AISTDF are:

1. The contribution will be in the form of grant to research institutions/universities and not-for-profit research/academic entities/organisations.
2. The collaborative R&D project must include participants from India and at-least two ASEAN member states. The collaborative R&D project partners shall agree on the IP rights and the commercialization strategy of the product or process before implementation of project.
3. Researchers/Scientists/Faculty from: public funded research laboratories; academic institutes/universities (private/public); public funded research hospitals; or other public funded scientific research institutions which operate and located in India and ASEAN member states are eligible for support for joint collaborative R&D activities under the Fund.
4. The participation and involvement of industry in the R&D project will be highly encouraged in order to facilitate technology commercialisation and marketing the products developed out of the R&D project. However, private industry will have to bring in their own funds to support their participation in the R&D projects, and is not eligible to receive any grants through AISTDF for their participation in R&D projects.
5. The private entities involved in innovation, technology transfer and commercialisation from ASEAN to India or from India to ASEAN could be supported with maximum of 50% of the total eligible project cost with regard to only for technology transfer/ demonstration/ commercialisation projects.

For more information, access:

<https://www.aistic.gov.in/ASEAN/HomePage>

Business finance in Malaysia

Malaysian Technology Development Corporation (MTDC), Malaysia

<https://www.mtdc.com.my/>

Business Start-up Fund

Business Start-up Fund (BSF) is established to fund early-stage technology-based companies. The Fund incorporates elements of loan and equity, offering companies flexible funding via Convertible Promissory Notes (CPN) and/or Preference Shares.

BSF is designed to provide funding to scalable and viable technology-based early-stage companies with the objective to remove the financial blockages in achieving the business goals and matching the business standard and high level of competition, particularly in the growth sectors of the economy.

Business Growth Fund

Business Growth Fund (BGF) is a funding program that focuses on growing the company not only on its production output and reach, but also on internal preparedness towards professionalism, corporate governance, and all the necessary tools to escalate the company to the next level.

Peer-to-Peer (P2P) Financing Programme

MTDC-microLEAP Peer-to-Peer (P2P) Financing Programme is a social lending programme that aimed to facilitate local technology-based companies to obtain financing directly from the mass public; either individual or organization via crowdfunding platform. The programme will enable local technology-based companies to obtain capital through peer-to-peer (P2P) lending from a relatively large number of investors, using an online platform.

The P2P partner, microLEAP (Microleap PLT), is a Recognised Market Operator by the Securities Commission of Malaysia who operates a P2P financing platform that allows businesses to raise crowd-sourced funds in which the issuers (borrowers) may raise financing from as little as RM1,000 while P2P investors may invest in "Investment Notes" issued by them from as little as RM50.

Equity Crowdfunding (ECF) Programme

MTDC-pitchIN Equity Crowdfunding (ECF) Programme is an equity crowdfunding programme aimed to facilitate fundraising for local technology-based companies through crowdsourcing. The programme will enable local technology-based companies to obtain capital through equity investment from a relatively large number of public investors, using an online platform.

The ECF partner, pitchIN (Pitch Platforms Sdn Bhd), is a Recognised Market Operator by the Securities Commission of Malaysia who operates an Equity Crowdfunding platform for companies to raise their funding from the public.

National Technology & Innovation Sandbox Fund

The National Technology & Innovation Sandbox Fund (NTIS) is a national initiative which serves as a "safe place" to allow innovators to test their products, services, business models, and delivery mechanisms in a live environment with relaxations on all or specific processes and/or regulatory requirements. In support of the NTIS programme, MTDC offers the NTIS Fund which will finance relevant activities under the programme.

Asia and the Pacific Renewable Energy Status Report

This report provides a comprehensive overview of renewable energy developments in Asia and the Pacific. It covers 18 countries in the region considered fundamental to the clean energy transition. Covering five subregions in Asia and the Pacific, the report presents the current status of renewable energy by examining the policy landscape, investment flows, and how renewables are increasing energy access.

The report was produced by REN21 in collaboration with the Asian Development Bank and the United Nations Economic and Social Commission for Asia and the Pacific (ESCAP). The report builds on the success and lessons learned in producing the Renewables Global Status Report and other REN21 regional status reports, to inform on the current status of renewable energy in the region, focusing on those countries where data is currently available.

For more information, access:

<https://www.adb.org/sites/default/files/publication/611911/asia-pacific-renewable-energy-status.pdf>