

Renewal of FCRA licence of NGOs

*298. DR. K. V. P. RAMACHANDRA RAO: Will the Minister of HOME AFFAIRS be pleased to state:

(a) whether it is a fact that a large number of NGOs have lost their Foreign Contribution Regulation Act (FCRA) licence as they could not fulfil the norms during the last three years;

(b) if so, the details thereof;

(c) the total number of NGOs which applied for FCRA licence renewal and how many such licences have been renewed during the last three years; and

(d) the State-wise number of NGOs registered under FCRA and the amount of foreign funds received by them during the last three years?

THE MINISTER OF STATE IN THE MINISTRY OF HOME AFFAIRS (SHRI KIREN RIJU): (a) and (b) Yes, Sir. Registration under FCRA was cancelled in respect of more than 10,000 NGOs during the last 3 years (2013-14 to 2015-16) due to violation of provisions of FCRA and Rules made thereunder.

(c) As on 30.06.2016, more than 16,000 associations applied for renewal of registration and of which more than 15,000 have been renewed.

(d) The State-wise data is not readily available. However, approximately ₹ 32,000 crore of foreign contribution was received by NGOs during the last 3 years (2013-14 to 2015-16).

Encouraging agro Startups under 'Startup India' Scheme

*299. DR. KANWAR DEEP SINGH: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether it is a fact that the number of applications for agro-based Startups is very small *vis-a-vis* total applications under 'Startup India' Scheme;

(b) if so, the details thereof since January, 2016 and the reasons therefor; and

(c) the steps taken to encourage more agro-based applications?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE AND INDUSTRY (SHRIMATI NIRMALA SITHARAMAN): (a) and (b) Yes, Sir. As on 6th December, 2016, 1337 applications for recognition as Startup have been received under Startup India. Out of 495 Startups which have been recognised, 28 Startups are agro-based.

The details of agro-based Startups recognised under Startup India are given in Statement-I (*See below*).

(c) The Startup India initiative aims to strengthen the Startup eco-system for all sectors including agro-based Startups in the country. Since the launch of the Startup India Program, a number of initiatives have been taken to promote Startups. Details are given in Statement-II.

Statement-I

Details of agro-based Startups recognized under Startup India

Sl. No.	Name
1.	Isp Agro Robotics Pvt. Ltd.
2.	SM Plant Production Technologies Pvt. Ltd.
3.	Second Sun Systems
4.	New Leaf Dynamic Technologies Pvt. Ltd.
5.	Aum Project Engineers Pvt. Ltd.
6.	Gowardhan Krushi Ayurved Pvt. Ltd.
7.	Sunhaarv Energy
8.	Stellapps Technologies Pvt. Ltd.
9.	M/s Fresh Cart Agro Pvt. Ltd.
10.	Rivertrail Synergy Pvt. Ltd.
11.	Nubesol Technologies Private Limited
12.	EM Three Agriservices Private Limited
13.	Jayalaxmi Agrotech Private Limited
14.	Online Kisan Mandi Private Limited
15.	Anandini Himalaya Tea Private Limited
16.	Udiyate Technologies
17.	Efficienergi Consulting Pvt. Ltd.
18.	Prosoc Innovators Pvt. Ltd.
19.	Srikara Energy Solutions Private Limited
20.	Sickle Innovations Private Limited
21.	Ormeal Foods Private Limited
22.	Keed Agro Pvt. Ltd.

Sl. No.	Name
23.	Prakratik Living Private Limited
24.	Parshuram Bio Agrotech Private Limited
25.	Ananya Seeds Private Limited
26.	Aspartika Biotech Private Limited
27.	Green Urja and Organic Krishi Development Holding Private Limited
28.	Mallipathra Nutraceutical Private Limited

Statement-II

Details of Startup India Programme

- Startup India is a flagship initiative of the Government of India, intended to build a strong eco-system for nurturing innovation and Startups in the country that will drive sustainable economic growth and generate large scale employment opportunities.
- The efforts of the Government are aimed at empowering Startups to grow through innovation and design. It is intended to provide the much needed impetus for the Startups to launch and scale greater heights.
- In order to meet the objectives of the initiative, the Honourable Prime Minister on 16th January 2016 launched the Startup India Action Plan.

The Startup India Action Plan consists of 19 action items spanning across areas such as “Simplification and handholding”, “Funding support and incentives” and “Industry-academia partnership and incubation”. Since the launch of the program, a number of forward looking strategic amendments to the existing policy ecology have been introduced, like:

1. Fund of Funds

For providing fund support for Startups, Government has created a ‘Fund of Funds for Startups (FFS)’ at Small Industries Development Bank of India (SIDBI) with a corpus of ₹ 10,000 crore. The FFS shall contribute to the corpus of Alternate Investment Funds (AIFs) for investing in equity and equity linked instruments of various Startups. The FFS is managed by Small Industries Bank of India (SIDBI) for which operational guidelines have been issued. In 2015-16, ₹ 500 crores was released towards the FFS corpus.

2. Credit Guarantee Fund for Startups

- Since debt funding for Startups is perceived as high risk activity, a Credit Guarantee Fund for Startups is being setup with a budgetary corpus of

₹ 500 crore per year, over the next four years, to provide credit guarantee cover to banks and lending institutions providing loans to Startups.

- Once rolled out, the scheme, in the lines of credit guarantee scheme for MSME, is likely to provide a huge impetus for enabling flow of much needed credit to the Startups which may run into several thousands of crores.

3. Relaxed Norms in Public Procurement for Startups

Provision has been introduced in the procurement policy of Ministry of Micro, Small and Medium Enterprises (Policy Circular No. 1(2) (1)/2016-MA dated March 10, 2016) to relax norms pertaining to prior experience/turnover for Micro and Small Enterprises. Department of Expenditure has issued a notification for relaxing public procurement norms in respect of medium enterprises by all Central Ministries/ Departments.

4. Tax Incentives

• 3 Year Tax Exemption:

The Finance Act, 2016 (Section 80-IAC) has provision for Startups (Companies and LLPs) to get income tax exemption for 3 years in a block of 5 years, if they are incorporated between 1st April 2016 and 31st March 2019. To avail these benefits, a Startup must get a Certificate of Eligibility from the Inter-Ministerial Board.

• Removal of Angel Tax:

Tax exemption on investments made in excess of face value in the shares of a Startup company has been introduced on 14 June, 2016.

• Tax Exemption on Capital Gains:

Section 54 EE has been introduced in the Finance Act, 2016 which provides for exemption of capital gain (not exceeding INR 50 lakhs in a financial year) arising out of transfer of long-term capital asset invested in a fund notified by Central Government.

Section 54GB of Income Tax Act, 1961 has been amended to provide for exemption from tax on capital gains arising out of sale of residential house or a residential plot of land if the amount of net consideration is invested in equity shares of eligible Startups.

5. Legal Support and Fast-tracking Patent Examination at Lower Costs

A scheme for Startups IPR Protection (SIPP) for facilitating fast track filing of Patents, Trademarks and Designs by Startups has been introduced. The scheme provides for expedited examination of patents filed by Startups. This will reduce the

time taken in getting patents. The fee for filing of patents for Startups has also been reduced up to 80%.

Panels of facilitators for Patents and Trademark applications have been formed to facilitate the process of patent filing and acquisition. The facilitators would provide legal guidance and handholding through the entire patent acquisition process free of cost.

6. Self-Certification based Compliance Regime

Compliance norms relating to Environmental and Labour Laws have been eased in order to reduce the regulatory burden on Startups thereby allowing them to focus on their core business and keep compliance costs low.

Ministry of Environment and Forests (MoEF) has published a list of 36 white category industries. Startups falling under the “White category” would be able to self-certify compliance in respect of 3 Environment Acts—

- The Water (Prevention and Control of Pollution) Act, 1974
- The Water (Prevention and Control of Pollution) Cess (Amendment) Act, 2003
- The Air (Prevention and Control of Pollution) Act, 1981

Further, Ministry of Labour and Employment (MoLE) has issued guidelines to State Governments whereby Startups shall be allowed to self-certify compliance in respect of 6 Labour laws. These shall be effective after concurrence of States/UTs. The Acts are:

- The Building and Other Constructions Workers’ (Regulation of Employment and Conditions of Service) Act, 1996
- The Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979
- The Payment of Gratuity Act, 1972
- The Contract Labour (Regulation and Abolition) Act, 1970
- The Employees’ Provident Funds and Miscellaneous Provisions Act, 1952
- The Employees’ State Insurance Act, 1948

So far 9 States have confirmed compliance to the advisory issued by Ministry of Labour and Employment (MoLE):

- Rajasthan
- Uttarakhand
- Madhya Pradesh
- Chhattisgarh

- Delhi
- Jharkhand
- Gujarat
- Chandigarh
- Daman and Diu

7. Setting up Incubators

- Under Atal Innovation Mission, Niti Aayog will set up Atal Incubation Centers (AICs) in public and private sector. Niti Aayog has received 3658 applications (1719 from academic institutions and 1939 from non-academic institution) for setting up Atal Incubation Centers (AICs) from both Public and Private sector organizations.
- Under the Mission, a grant-in-aid of ₹ 10 crore would be provided to scale up an existing incubator for a maximum of 5 years to cover the capital and operational costs in running the center. Niti Aayog has received 232 applications for providing scale up support for established incubation centers.

8. Setting up of Startup Centers and Technology Business Incubators (TBIs)

14 Startup Centers and 15 Technology Business Incubators are to be setup collaboratively by Ministry of Human Resource Development (MHRD) and the Department of Science and Technology (DST). Out of the 14 Startup Centers, 10 have been approved. Once MHRD releases its share of ₹ 25 lakhs each for the Startup centers, the Startup centers would be supported by DST by December, 2016.

The target of sanctioning 15 TBIs is expected to be achieved by December 2016.

9. Research Parks

7 Research Parks will be set up as per the Startup India Action Plan. Out of these 7, IIT Kharagpur already has a functional Research Park. Further, DST will establish 1 Research Park at IIT Gandhinagar and the remaining 5 shall be set up by Ministry of Human Resource Development (MHRD) at IIT Guwahati, IIT Hyderabad, IIT Kanpur, IIT Delhi and IISc Bangalore.

Industrial output

*300. SHRI C. M. RAMESH: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) the details of industrial output in the country in the last three years and the current year, month-wise and sector-wise;