

# Startup Watch

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## STARTUP POLICIES

### Govt Revises Definition Of Small Companies; Increases Paid-Up Capital, Turnover Thresholds

<https://inc42.com/buzz/>

- MCA has increased thresholds (of small companies) under paid-up capital from not exceeding INR 2 Cr to not more than INR 4 Cr and turnover from not exceeding over INR 20 Cr to not exceeding INR 40 Cr
- With the new revision, the corporate affairs ministry aims to reduce the compliance burden for small businesses
- The ministry has exempted small businesses to prepare cash flow statement (which is inclusive of financial statement) and permitted them to file a condensed annual return

### RBI Enables Cross-Border Bill Payments Via Bharat Bill Payment System

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- The central bank has authorised the Bharat Bill Payment System to process cross-border inbound payments for NRIs
- NRIs can now directly make payments for bills on behalf of their families from abroad

Bharat Bill Payment System was conceptualised by the RBI and is driven by the NPCI

The Reserve Bank of India (RBI) has allowed the Bharat Bill Payment System (BBPS) to process cross-border inbound payments to facilitate payment of utility bills by non-resident Indians (NRIs). In a circular, the RBI said, "...it has been decided to allow foreign inward remittances received under the Rupee Drawing Arrangement (RDA), to be transferred to the KYC-compliant bank account of the biller (beneficiary) through Bharat Bill Payment System (BBPS)."

### PM Asks States To Take Science And Tech-Related Research To Local Level

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- PM Narendra Modi said that states should promote innovation by creating more scientific institutions and simplifying the research processes
- He advised that states should set up more innovation labs in high schools and frame a modern policy to shore up science, innovation and technology
- The prime minister also highlighted that India's position in the Global Innovation Index has improved to 46th rank from 81th position in 2015

## Govt Panel Recommends Creation Of A Regulatory Body For Online Gaming: Report

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A government panel has recommended creating a regulatory body to classify online games as based on skill or chance. The panel has reportedly also called for introduction of rules to block prohibited formats and take a stricter stance on gambling websites. It also highlighted the need for India to have a federal online gaming law in its report.

## STARTUP STORIES

### World's largest drone fund to invest upto US\$ 40 million in UAV ecosystem in India

India Brand Equity Foundation

The US\$ 170 million Drone Fund (DF), a venture capital fund located in Japan that specialises in supporting the unmanned aerial vehicle (UAV) ecosystem, intends to invest up to US\$ 40 million in Indian companies operating in the sector.

One of the fund's main objectives is to invest in agro drones in order to enhance croppage using approaches that science can help facilitate. The other sector will be drones that can transport huge payloads at high altitudes.

Drones are viewed as the next major change-maker, much like how mobile phones and subsequently the internet in the recent past brought about advancements, but there is one significant distinction - they were B2C (business to customer) businesses, while UAVs are primarily B2B.

### 5G To Add \$450 Bn To India's GDP By 2040: Report

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According to GSMA Intelligence, the research arm of the GSM Association, 5G in India is set to contribute as much as \$450 Bn by 2040 to India's GDP or around 0.6% of India's total GDP at the time. The report added

that manufacturing is set to benefit the most from the new 5G use cases, accounting for 20% of the total benefit. Retail and ICT complete the podium, accounting for 12% and 11% of the total benefit, respectively. Other sectors included agritech, logistics, fintech and edtech.

### MeitY Partners Meta To Support 40 XR Startups, Announces Grant Of INR 20 Lakh Each

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The MeitY (Ministry of Electronics and Information Technology) Startup Hub on September 13 formally announced its partnership with social media giant Meta to launch an accelerator program to support extended reality (XR) startups in India.

Backed by Meta's \$50 Mn XR Programs and Research Fund, the accelerator will focus on building technological capabilities for the Metaverse. Meta also unveiled 'Grand Challenge' that will encourage and support early-stage startups from areas such as education, healthcare, gaming and entertainment, among others

Indian startups, especially from Tier-II, III cities, will play a significant role in emerging tech areas like Web3.0, blockchain & AI

### Foxconn In Talks With India For Introducing Its Battery Swapping Infra: Report

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Taiwanese contract manufacturer and Apple supplier Foxconn is reportedly in talks with the central government for introducing its electric battery swapping infrastructure in India. In a meeting with government officials Foxconn executives expressed interest in entering the Indian market either with the Taiwanese battery swapping platform Gogoro or individually.

## STARTUP FUNDING

Source: INC42

- Online pharmacy startup Tata 1mg has become the country's 107th unicorn after raising close to \$40 Mn in a funding round led by Tata Digital. The other participants in the round were KWE Beteiligungen AG, HBM Healthcare Investments, among others.
- Google-Backed DotPe Raises \$54.5 Mn From Temasek, MUFG Bank, Others. The new funding round also saw participation from Info Edge Ventures, PayU, and Naya Global Investments. DotPe was valued at \$240 Mn in the latest funding round.
- Edtech Platform Veranda To Raise INR 300 Cr Through Preferential Issue. It will raise INR 61.4 Cr from its promoters through issuance of 20 Lakh convertible warrants at a price of INR 307 per warrant.
- Data Analytics Startup Sigmoid Raises \$12Mn To Cater To New Industries. Sigmoid builds data pipelines and accelerators which allow organisations to have faster access to business insights. The Series B round of funding was led by existing investor Sequoia India.
- EV Startup Yulu Raises \$82 Mn To Expand Fleet, Battery Charging Infra.
- QSR Chain Wow! Momo Raises INR 125 Cr Funding From OAKS Asset Management.
- Fintech unicorn CRED is looking at investing \$10 Mn in LiquiLoans for acquiring a minority stake in the peer-to-peer (P2P) lending platform. LiquiLoans will be valued at \$200 Mn in the round, CRED said in a statement.
- Mumbai-based proptech startup, hBits, has raised INR 20 Cr (\$2.6 Mn) in a strategic funding round that saw participation from a clutch of institutional and angel investors.
- Luxury villa rental startup StayVista has raised more than INR 40 Cr (about \$5 Mn) in a strategic funding round led by DSG Consumer Partners. The round also saw participation from investors like Capri Global and CA Holdings.

## Deep tech start-up Awiros raises US\$ 7 million in series A from Inflexor, Exfinity

India Brand Equity Foundation

Awiros, a deep tech startup, has raised US\$ 7 million in a series A funding round led by tech-focused VC funds Inflexor Ventures and Exfinity Venture Partners. The round also saw participation from VedaVC, leading family offices and ultra-high net-worth individuals.

The startup will use the funds to improve its product, establish its own developer community, speed up growth, and go global.

Awiros is a device-independent operating system that eliminates the need for enterprise clients to upgrade, redesign, or reinstall new systems as the firm's use cases for video AI expand. It is one of the fastest growing companies in the Video AI space in India.

## Construction management start-up Powerplay raises US\$ 7.14 million in funding

India Brand Equity Foundation

Construction management startup Powerplay has raised US\$ 7.14 million in a Series-A round of funding that was led by Accel and included Sequoia Surge, India Quotient, and the Snapdeal founders.

From January-June 2022, Powerplay estimates that the value of construction managed on its platform was around Rs. 7,500 crore (US\$ 941.28 million).

Powerplay is headquartered in Bengaluru and it declutters daily duties at construction sites by providing a platform to track real-time data and manage jobs, workers, and resources.

## STARTUP ACQUISITION

### Edtech Unicorn upGrad Acquires Corporate Training Startup Centum

<https://inc42.com/>

upGrad has completely acquired (100%) this startup in a share swap deal. As part of the deal, Centum will continue to operate independently under the leadership of its current CEO and managing director.

## STARTUP EVENTS >> UPCOMING

**Event :** ASEAN-India Start-Up Festival-2022

**Date:** 27-30 October, Indonesia

**Registration link:** <http://s.id/RegistrationFormIASF2022>

**About :** In the series of events to commemorate 30 years' of ASEAN-India Friendship, Department of Science & Technology in collaboration with Start-up Incubation and Innovation Centre (SIIC), IIT Kanpur and BRIN (National Innovation and Research Agency of Indonesia) is organising ASEAN-India Start-Up Festival-2022 from 27-30 October, 2022 in Indonesia. The Last date for registration of entities is 26th September, 2022. The event would take place at ICC Building, Cibinong Science Center/ Kawasan Sains Teknologi Soekarno, Jalan Raya Jakarta, Cibinong, Bogor, West Java, Indonesia.

**Eligibility:** The Start Ups that are legally less than three years old, have focus on technology and the environment and have a positive impact on the SDG's are eligible to participate.

### Expected Participation:

- ⇒ Government institutions and policy makers across ASEAN-India
- ⇒ Intermediary body (i.e. incubator) and financial organizations
- ⇒ Start-Up Fair component will be part of the Exhibition section of "Indonesia Research and Innovation Expo 2022", held at ICC Building. One special zonation will be reserved for ASEAN-India Start-Up Festival.
- ⇒ Projected number of visitors is 6,000 consisting of researchers, start-ups, inventors, G-20 delegations, and general public

## STARTUP FAQs

### What is the difference between a start-up registered on the Startup India website and a DPIIT-Recognized Startup ?

As stated in the previous query, a Startup which has a profile on the Startup India website is considered a registered Startup on the portal. These Startups can apply for various acceleration, incubator/mentorship programmes and other challenges on the website along with getting an access to resources like Learning and Development Program, Government Schemes, State Policies for Startups, and pro-bono services.

For DIPP-recognition, the Startups have to apply at <https://www.startupindia.gov.in/content/sih/en/startupgov/startup-recognition-page.html> to avail benefits like access to high quality Intellectual Property services and resources, relaxation in public procurement norms, self-certification under labour and environment laws, easy winding of company, access to SIDBI Fund of Funds, tax exemption for 3 consecutive years, and tax exemption on investment above fair market value.

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