

# Startup Watch

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## STARTUP POLICIES

**Government to offer Special Incentives to support 75 Start-ups in areas of Telemedicine, Artificial Intelligence and Digital Health to coincide with 'Azadi ka Amrit Mahotsav'**

*Press Information Bureau: August 26, 2021*

Government will soon launch a Special Incentives scheme to support 75 Start-Ups in areas of Telemedicine, Digital Health and Artificial Intelligence (AI) to coincide with the 'Azadi ka Amrit Mahotsav' being celebrated from 15th August this year.

The scheme will be launched by the Biotechnology Industry Research Assistance Council (BIRAC), a Public Sector Enterprise under the Department of Biotechnology, Government of India.

This was disclosed here today by the Union Minister of State (Independent Charge) Science & Technology; Minister of State (Independent Charge) Earth Sciences; MoS PMO, Personnel, Public Grievances, Pensions, Atomic Energy and Space, Dr. Jitendra Singh who said that instructions to this effect had been conveyed to the members of BIRAC led by its Chairperson Dr. Renu Swarup, who is also Secretary, Department of Biotechnology (DBT), Ministry of Science and Technology.

Interacting with the Board of Directors of BIRAC, the Minister said the grand challenge to identify the top 75 innovations is the most appropriate task in the 75th Year of India's Independ-

ence that will promote R&D in the health sector at a time when the humanity the world over is dealing with the challenges posed by the COVID-19 pandemic.

Dr. Jitendra Singh exhorted the senior officers to make efforts to reduce the turnaround time while supporting the Startups so as to retain the edge over the private sector. He also called upon the Board of Directors of BIRAC to also give Startup applicants particular themes so as to focus on different aspects of tackling Covid-19.

BIRAC has been promoting and supporting new ventures under the Startup India and Make in India programmes in the areas of Biotechnology ecosystem growth. The BIRAC has lent funding support of over Rs.2,128 crores to more than 1,500 Startups, Enterprises and SMEs. From supporting less than 50 Biotechnology Startups in 2012 with Innovative Funding of less than Rs. 10 crore, the BIRAC is now funding over 5,000 BT Startups with over 2,500 crore. By the year 2024, the BIRAC targets to support more than 10,000 BT Startups.

Earlier, Dr. Jitendra Singh launched the e-office of BIRAC and the BIRAC e-Office software was made live today. BIRAC e-Office Lite software has been deployed on NICSI server in testing mode from 1st August 2021. The Union Minister of State said that the Digital India Mission is an ambitious project that will promote the country's prosperity by encouraging transparency and good governance.

BIRAC has an in-house BIRAC 3i portal to its credit, where all the applications and proposals are submitted online. This portal was launched in February 2010 and is a dynamic, robust, scalable application for Science and Innovative Research Fund Management wherein various stakeholders like Companies, Institutes and Individuals submit their proposals online.

Ms. Anju Bhalla, Joint Secretary, DST and Managing Director, BIRAC and Senior Officers of BIRAC and DBT were also present at this event.

## India notifies Drone Rules 2021, license regulations eased: 10 points

*Hindustan Times, New Delhi*

The central government officially notified the national drone policy, the draft for which was seen by HT last month. The Drone Rules 2021 make it significantly easier for people and companies in the country to now own and operate drones since under the new drone policy, no security clearance is required before registration of license issuance.

Here's all you need to know about the Drone Rules 2021 announced by the Union ministry of civil aviation on Thursday:

1. Under the new rules, coverage of drones has been increased from 300kg to 500kg, now including heavy payload-carrying drones and drone taxis.

2. No security clearance is required before any registration or license issuance for drones. The requisite fees for permissions have also been reduced to nominal levels.

3. Several approvals have been abolished, including the unique authorisation number, the unique prototype identification number, the certificate of conformance, the certificate of maintenance, the operator permits, the authorisation of the R&D organisation, and remote pilot instructor authorisation, among others.

4. Under the new national drone policy, the maximum penalty for violating rules has been reduced to ₹1 lakh, and even that is not applicable for penalties imposed for violation of other laws.

5. A Unmanned Aircraft Systems Promotion Council is to be set up to facilitate a business-friendly regulatory regime, according to the

new drone policy.

6. The import of drones will be regulated by the Directorate General of Foreign Trade (DGFT). Drone corridors will also be developed for cargo deliveries, the new rules dictate.

7. Interactive airspace map with green, yellow, and red zones will be displayed on the digital sky platform. The yellow zone has been reduced from 45km to 12km from the airport perimeter. No permission is required for operating a drone in the green zone and up to 200 feet in the area between 8km-12km from the airport perimeter.

8. Online registration of all zones shall occur through the Digital Sky platform, with an easy process prescribed for the transfer and deregistration of drones.

9. The new drone policy aims to provide for the regularisation of the existing drones in India. All drone training and examination will be carried out by an authorised drone school. The DGCA shall prescribe training requirements, oversee drone schools, and provide pilot licenses online.

10. Safety features like 'No permission - no take-off (NPNT)' real-time tracking beacon, geofencing, and the like shall be notified in the future, the policy notes. A minimum six-month lead time will be provided for compliance.

## Indian startup ecosystem has the potential & promise to make India the Innovation & Invention hub of the world: Mr. Piyush Goyal

*Press Information Bureau: August 17, 2021*

Union Minister of Commerce & Industry, Consumer Affairs, Food & Public Distribution and Textiles, Mr. Piyush Goyal chaired the virtual meeting of "National Startup Advisory Council" here today. While addressing the meeting, the Minister said that implementation of ideas of Financing, Mentorship, Taxation etc. will enable us to strengthen our startup ecosystem further. He said our startup ecosystem reflects our youth's Energy, Enthusiasm and Agility and Startup India movement has brought a 'change in mindset' from 'can do' to 'will do'.

In his address, he said that our startup ecosystem has the potential & promise to make India the Innovation & Invention hub of the world

and National Startup Advisory Council on AC has been working tirelessly to pave the way forward for budding Startup Entrepreneurs in India. Mr. Goyal said that NSAC will nurture Startups to aim for higher Competitiveness & make India the Startup Capital. He urged that in the 75 weeks of Azadi ke Amrit Mahotsav, NSAC should facilitate 75 startups to become unicorns by the 75th Independence Day. He further added that the Prime Minister's mantra of 'Sabka Saath, Sabka Vikas, Sabka Vishwas aur Sabka Prayas' finds resonance with our startups. He said our aim is to make 'Startup India' a symbol of National Participation & National Consciousness.

In this age of COVID-19, when everyone is overcoming severe stress, he said that he was happy to see the resilience & 'never say die' spirit of our startup ecosystem. The Minister said the 21st century is the 'Century of Startups' & with our Startups it is the 'Century of India'. He said 21 unicorns in last 6 months inspire all to Dream Big & Achieve Bigger. With nearly 60 unicorns, India has one of the largest startup stable in the entire world.

The Minister urges to start a STARTUP revolution, he said with NEP 2020, schools will now sow the seeds of startup ideas at a young age. He said youth are job creators of tomorrow and drivers of innovation & leaders of 4th Industrial Revolution. Mr. Goyal said that he wanted to see new startups emerge across India especially in Tier II & Tier III cities. He said, this will catalyze employment generation & strengthen forward & backward linkages.

Mr. Goyal asked DPIIT to now act as a 'Facilitator' with Open doors, Open Arms & Open Mind. He said that Government is committed to cut red tape, improve Ease of Doing Business provide financial assistance through Startup seed fund, supporting incubators, enhancing skills and this holistic approach has intended to resolve the issues relating to capital mobilization, support innovation with tinkering labs, & meet the capacity & capability requirements of startups.

He said today, our vision expands beyond the traditional models of growth, our aim is to create a New India i.e., an Aatmanirbhar Bharat and Startups are the key to building an Aatma-

nirbhar Bharat with Courage, Collaboration & Commitment and to achieve such an ambitious target we need a participative approach from all stakeholders. He said Industry must help create Startup Superstars by identifying innovators & investing in talent.

Our aim must be to make our startups grow beyond our geographical boundaries & create global impact.

The meeting was attended by top stake holders, officials, and existing startups in the country.

## STARTUP STORIES

### Coimbatore-based Keerakadai going global

source:<https://www.thehindubusinessline.com/info-tech/coimbatore-based-keerakadai-going-global>

Coimbatore-based e-commerce start-up Keerakadai.com, which initially started marketing greens locally is set to go global soon with 'Greeny Dip' Moringa soup.

G Sriram, Chief Executive Officer and founder of Keerakadai told BusinessLine that the company formally launched Greeny Dip (ready-to-serve soup in a dip) two weeks back.

"My friends from overseas, who were in the city then, carried some samples on their return. Now, I am ready to ship the Greeny Dip (Moringa flavour) soup to the Gulf, UK and Singapore. We have confirmed orders for shipping 2,500 boxes (10 sachet/box) of the dip soup to West-Asia and 1,200 boxes to UK. Talks are in advanced stage for shipping to Singapore. The material would be shipped within 10 days," he said.

The foray into such value-added keerai (greens) products has given Keerakadai pan-India visibility. The company has enquiries from customers in the US, Canada, Australia and Malaysia as well, says Sriram.

Besides moringa, the company plans to introduce the "Greeny Dip" soup in other varieties of greens such as Aswagandha, Banana Stem, vallarai, mudakathan, thoothuvalai, ponnaganni, ada thoda, and kasini within the next four weeks.

"We use only natural ingredients, do not add artificial flavours. The soup can be prepared by dipping the sachet (DIP bag) in 100 ml of hot

water. The product has a shelf-life of 180 days,” he said.

In pipeline Products such as spinach noodles, spinach cookies and spinach jam are in the pipeline. The company has dealt with close to 130 varieties of greens over the last two years, sourcing it from a network of 130-odd farmers from in and around this region apart from its own farm at Palamalai near here and catering a customer base of 80, 000 plus, including some residents in Chennai and Madurai.

Sriram started this venture by sourcing the greens from farmers in the vicinity and supplying the same within hours of harvest at apartments. “We tied up with 45 apartments in Coimbatore for supply say twice or thrice a week — based on pre-order. Customers started using the App to order the supplies.”

Responding to a query, he said “there’s demand for close to 20-odd common varieties of greens. We supply the seeds to the farmers, insist that they use only natural manure with buy-back assurance. It is win-win situation for both — the company and the farmer.”

## STARTUP FUNDING

### Indian startups raise US\$ 16.9 billion VC funding in 2021, next only to China

Source:<https://www.ibef.org/news/>

According to GlobalData, Indian entrepreneurs received US\$ 16.9 billion in venture capital investment in 2021, second only to Chinese peers in the Asia-Pacific (APAC) region. “Despite the third wave of the COVID-19 pandemic looming large and a sluggish economic recovery, venture capitalists (VCs) appear to be placing their trust in India’s startup ecosystem. During the period January to July 2021, Indian companies were second only to Chinese counterparts in terms of VC financing worth across APAC nations.” the prominent data and analytics firm said.

According to GlobalData’s financial transactions database, 828 venture capital financing agreements were reported in India between January and July 2021, with a total declared funding value of US\$ 16.9 billion.

Flipkart raised US\$ 3.6 billion, Mohalla Tech (ShareChat) raised US\$ 502 million, Zomato raised about US\$ 500 million, and Think and Learn (Byju’s) raised US\$ 460 million in India between January and July 2021.

“While several of the top major countries globally saw a drop in VC financing value in July compared to the previous month, India managed to display growth despite a decline in VC funding transaction volume,” stated Mr. Aurojyoti Bose, Lead Analyst at GlobalData.

India has becoming a digital-first economy as smartphone usage has increased and mobile Internet has become cheaper. As a result, IT firms have benefited the most from this trend.

“According to GlobalData, India has the world’s third-largest tech unicorn ecosystem, after only the United States and China. VC investors are showing interest in companies in e-commerce, social media and social networking, food delivery, edtech, and digital payments at the COVID-19 pandemic” According to Mr. Bose.

According to Mr. Bose, India remains one of the most important APAC regions for VC investing, and it is the region’s second-largest VC market after China. “With the country’s advances in immunization, VC investors are seen investing large-ticket investments.”

### DreamCap announces \$250-million corpus to fund sports start-ups

Source:<https://www.financialexpress.com/industry/sme/dreamcap-announces-250-million-corpus-to-fund-sports-start-ups>

Over the past 1 year, DreamCap has already invested in 8 start-ups in India such as SoStronk, DreamGameStudios, Elevar, Fan-Code and DreamSetGo.

Dream Sports, which owns Dream11 has announced a \$250-million corpus to fund start-ups operating in the sports, gaming and fitness-tech spaces. Dream Capital (DreamCap), the corporate venture capital and M&A (merger and acquisition) arm of Dream Sports will manage the corpus.

DreamCap will follow a multi-stage investment strategy ranging from \$1-100 million ticket sizes, the company said in a statement on Wednesday.

DreamCap is looking to support start-ups with disruptive technology, great products, data insights and the potential to achieve at least \$100 million individually in annual revenues within five years,” Dream Sports said in a statement. While the focus will primarily be on local start-ups, the company is also open to backing global start-ups.

Over the past 1 year, DreamCap has already invested in 8 start-ups in India such as SoStronk, DreamGameStudios, Elevar, FanCode and DreamSetGo. The entity is also doing large follow-on rounds in DS incubated businesses like FanCode and DreamSetGo.

“Dream Sports has a collective user base of 125 million sports fans, and we recognise the great growth opportunities in sports, gaming and fitness-tech in India...We are here to back other entrepreneurs through Dream Capital and provide them with access to our 125 million-strong user base and operational support,” said CEO & co-founder Harsh Jain.

Dev Bajaj, MD at Dream Capital, said the idea is to complement entrepreneurs with the firm’s strategy, products and marketing knowledge that is not typically accessible at an early stage.

## Postman becomes most valued SaaS startup at \$5.6 billion after fresh funding

*IBEF: August 19, 2021*

Postman, an API platform, has secured US\$ 225 million in additional investment headed by current investor Insight Partners, with new investors including Coatue, renowned Silicon Valley investor Mary Meeker’s Bond Capital, and Battery Ventures also participating in the round. Postman is now valued at US\$ 5.6 billion as a result of this financing.

The seven-year-old business has now surpassed BrowserStack, which was valued at US\$ 4 billion in June, as the most valuable SaaS (software-as-a-service) firm from India. Freshworks, the poster child for SaaS, is presently valued at US\$ 3.5 billion and is ready to go public in the United States.

Postman, founded in Bengaluru in 2014 and garnered US\$ 150 million in investment from

Insight Partners and others a year ago, was valued at US\$ 2 billion.

Prior to this round of fundraising, Postman had raised a total of US\$ 208 million.

Bond Capital was the lead investor in BrowserStack’s US\$ 200 million financing round in June.

Postman is an API building tool that allows programmes to connect with each other as well as inside themselves. The new funding included participation from Postman’s previous backers Nexus Venture Partners and CRV.

It was founded by Mr. Abhinav Asthana and Mr. Abhijit Kane, both of BITS Pilani, and Mr. Ankit Sobti, of NSIT Delhi. Previously, Mr. Asthana and Mr. Sobti worked together at Yahoo India.

The additional funds will be used to grow the company’s staff and invest in its developer community. On its platform, there are around 17 million individuals and 500,000 organisations.

The fresh investment in Postman comes at a time when foreign investors are becoming more interested in Indian SaaS firms. SoftBank led a US\$ 100 million investment in Mindtickle earlier this month, making it the sixth Indian SaaS unicorn. With a 50% increase in valuation to US\$ 1.5 billion, Zenoti, which became a unicorn late last year, received an additional US\$ 80 million headed by TPG.

## STARTUP ACQUISITIONS

### Delhivery acquires Spoton, aims to lead B2B logistics market in India

*IBEF: August 26, 2021*

Delhivery, a Bangalore-based logistics and supply chain services firm, said on Wednesday that it has acquired Bengaluru-based Spoton Logistics for an undisclosed price, bolstering its current B2B capabilities.

Spton Logistics is a national leader in multi-modal express logistics and supply chain solutions.

“Delhivery has built a leading position in B2C logistics over the last ten years, and now, by merging our half truckload business with Spoton’s, we will be on our way to achieving the

similar position in B2B express,” stated Mr. Sahil Barua, CEO of Delhivery.

As part of the deal, Samara Capital and Xponentia, who purchased Spoton from IEP in 2018, will make a full cash exit.

“Spton is recognized for its focus on customer connections and service quality, professional management, technology and engineering, and it puts us poised to be one of India’s leading logistics businesses together,” stated Mr. Abhik Mitra, Managing Director, Spoton Logistics.

“Through our investments in people, technology, network, and infrastructure, we will continue to invest in enhancing our clients’ companies,” he added.

In July, Delhivery announced that global shipping giant FedEx will spend US\$ 100 million in the firm to help India realise its worldwide commerce potential.

In May, Delhivery announced the successful completion of a US\$ 275 million initial financing round headed by Fidelity Management and Research Company. Delhivery’s value was projected to increase to nearly US\$ 3 billion with the new financing.

### **Suumaya Industries acquires 51pc stake in agritech startup payAgri**

*Source: <https://yourstory.com/2021/08/suumaya-industries-acquires-51pc-stake-agritech-payagri>*

Suumaya Industries, which is into the textile business, has recently ventured into agri-commodity through its 100 percent subsidiary Suumaya Agro Ltd. Suumaya Industries Ltd on Tuesday said it has acquired a 51 percent stake in agritech startup payAgri Innovations to expand its farm business. The company did not disclose the deal value.

Mumbai-based Suumaya Industries, which is listed on the NSE, had posted a net profit of Rs 406 crore and a revenue of Rs 4,263 crore during the last fiscal.

The company, through this subsidiary, has acquired a majority of 51 percent stake in payAgri Innovations Pvt Ltd, a tech-driven agri and food business firm that seeks to address the problems of farmers, processors, and consumers in

the agri value chain, Suumaya Industries said in a statement.

Ushik Gala, Chairman and Managing Director of Suumaya Industries, said, the company has embarked on an ambitious journey with Suumaya 2.0 strategy.

“Diversifying into the agribusiness is a new pathway for the company which is unfolding new opportunities and markets for us. The company has already made substantial inroads into the segment and we are most certain that this highly scalable and sustainable business would be the next big growth engine for the company,” he said.

The acquisition would enable Suumaya Agro to gain a strong foothold in the agri value chain business in India.

### **Japan's TechnoPro acquires Udupi-based Robosoft Technologies for Rs 800 Cr**

*Source: <https://yourstory.com/2021/08/japans-technopro-acquires-udupi-robosoft-technologies>*

Japan's TechnoPro Holdings, Inc has agreed to acquire 100 percent of Udupi-based digital solutions company Robosoft Technologies for Rs 800 crore.

Robosoft Technologies delivers digital solution services, mainly to clients in the US, Japan and India, which will become a subsidiary of TechnoPro in the two-phased transactions: 80 percent in the first tranche and the remaining 20 percent in the second one approximately one year later. With Design Thinking and UI/UX at its core, Robosoft leverages emerging digital technologies such as AI/ML, IoT, 5G and VR/AR,

The company employs more than 800 engineers with a mission of “simplifying lives with delightful digital experiences”, providing one-stop digital solutions such as digital advisory, UI/UX design, engineering services, analytics, middle/back-end development to customers located in the United States and Europe, Japan and India.

## STARTUP EVENTS >> UPCOMING

### DEFENCE INDIA STARTUP CHALLENGE (DISC 5)

Registration: <https://idex.gov.in/>

DISC 5.0, also known as Defence India Startup Challenge is a project under the iDEX-DIO initiative to leveraging the startup ecosystem in India to develop the country's Defence technologies, manufacturing capabilities, and equipment design. DISC 5.0 has been launched after three years after the launch of the first edition of DISC.

#### Significance of DISC 5.0

- ⇒ Given the rapidly changing security and geo-political scenario in the world, the defence minister noted that it is crucial to create a modern, strong, well-equipped military and self-reliant defence industry.
- ⇒ For this purpose, iDEX offers a platform for the Government, think tanks, services, industry, innovators, and startups can come together to help the country's Defence and Aerospace sectors expand their potential.
- ⇒ DISC 5.0 under the iDEX-DIO initiative showcased 35 problem statements, 13 from the Services and 22 from Defence Public Sector Undertakings (DPSUs) for innovators and startups to come up with solutions.
- ⇒ These 35 problem statements range across Drone SWARMS and Data Capturing, Underwater domain awareness, 5G network, Non-lethal devices, Aircraft-trainer, Artificial Intelligence, Augmented Reality, and Situational awareness.

## STARTUP FAQs

### Why do investors invest in Startups

Investing in startups is a risky proposition, but the low requirement for overhead capital combined with high upside potential, makes it lucrative for investors to put their bets on startups.

The Thomson Reuters Venture Capital Research Index replicated the performance of venture capital industry in 2012 and found that overall venture capital has returned at an annual rate of 20% since 1996 – far outperforming modest returns of 7.5% and 5.9% from public equities and bonds respectively.

### Can a foreign company register under Startup India hub

Any entity having atleast one registered office in India is welcome to register on the hub as location preferences, for the time being are only created for Indian states. However, we are working on international relations and will soon be able to enable registration for stakeholders from the global ecosystem

For Feedback & Comments, please contact:

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URL : [www.hcisingapore.gov.in](http://www.hcisingapore.gov.in)