



PROCEEDINGS OF THE GOVERNMENT OF KARNATAKA

Subject: State definition for Startups associated with “**Grassroot Innovation or Innovations with Rural Impact**”- reg.

Read: 01. Government order No: ITD 27 PRM 2015 dated:27.11.2015.
02. Government order No: ITD 02 PRM 2019 dated:09.07.2019
03. Letter No: KITS/IT/SUPR/05/2021/108 Dt: 01.06. 2021 from MD.KITS.

PREAMBLE:-

Recognizing the need to promote innovation and to encourage the growth of Startups, the Government of Karnataka announced the Karnataka Startup Policy, 2015-2020 vide Government order dated:27.11.2015 read at (1) above, with the vision to create a world-class Startup Ecosystem in the state through strategic investment and policy intervention leveraging the robust innovation climate in the state. Further certain amendments to the policy have been made to cover all sectors of the economy and to provide for a much wider definition of Startups in order to give a thrust and big boost to innovation in all sectors of the economy, vide Government order dated: 09.07.2019 read at (2) above.

02. While the Department of Electronics, Information Technology, Biotechnology and Science & Technology, being the Nodal Department, emphasises on creating a platform for constantly innovating, encouraging newer ideas and emerging technologies, thrust has to be laid down on conceptualizing elementary / grassroots-level innovation. There is a need to strengthen the various aspects of rural innovations in Karnataka, including the characteristics of innovation ecosystem, the conditions for the local business sectors, industrial diversity, access to physical and digital infrastructure, relations with urban counterparts and more. The focus should be on designing innovation support mechanisms that are adapted to rural needs. Innovations coming up with products like solar-powered freezers for farmers to zero-electricity water purifiers, have the potential to dramatically impact the way people live in rural areas. It is felt that there is a need to promote and recognise innovative start-ups from the urban areas working on products/services/solutions impacting rural areas as well as innovative Startups from the rural areas developing products/services/solutions addressing the pain areas of rural communities. Further, innovators concentrated in the rural areas who are nascent should be encouraged to take up entrepreneurship and leading to formation of legal entity, which will enhance the socio-economic condition of rural communities.

03. The Managing Director, Karnataka Innovation and Technology Society (KITS) in the proposal read at (3) above has requested for a Government order defining Startups associated with "Grassroot Innovation or Innovation with Rural Impact", which may be defined as follows:

"Startups who qualify to be part of Grassroot or Rural Innovations are defined as those Startups that lead bottom-up solutions for sustainable development; solutions that respond to local situation/interest/values of rural communities and are aimed at improving the socio-economic condition / ease of living and standard of living of the rural communities'.

The proposal of MD-KITS has been examined and hence the order.

Government Order No: ITBT 10 PRM 2021,
Bengaluru, dated: 18.06.2021.

In the circumstances explained in the preamble, Government approval is hereby given to define Startups associated with "Grassroot Innovation or Innovation with Rural Impact", as follows:-

"Startups who qualify to be part of Grassroot or Rural Innovations are defined as those Startups that lead bottom-up solutions for sustainable development; solutions that respond to local situation/interest/values of rural communities and are aimed at improving the socio-economic condition / ease of living and standard of living of the rural communities'.

02. A Startup has to primarily qualify for the definition of a Startup as per the Karnataka Startup Policy. The State will provide incentives in the form of seed funding, public procurement, incubation, mentorship, capacity development workshops, marketing assistance etc. as per the Policy.

By Order and in the name of
Governor of Karnataka

Shalini K Hegde
(Shalini K Hegde) 18/06/2021

Under Secretary to Government,
Department of Electronics, Information Technology,
Biotechnology and Science & Technology.

X
18/06/2021

To:

- 1) The Accountant General (A&E), Karnataka, Bengaluru.
- 2) All Additional Chief Secretaries/Principal Secretaries/Secretaries to the Government.
- 3) The Director, DeitY & Bt, Shantinagar, Bengaluru.
- 4) The Managing Director, KITS, Shantinagar, Bengaluru.
- 5) The Managing Director, KEONICS, Shantinagar, Bengaluru.
- 6) The PS to Hon'ble Deputy Chief Minister and Minister for Electronics, IT, Bt and S&T.
- 7) The PS to Addl. Chief Secretary to Government, Department of Electronics, IT, Bt and S&T.
- 8) Section Guard File / Spare Copies.
