

# STARTUP UPDATES

## (31.08.20 – 05.09.20)

Commerce and Industry minister Piyush Goyal on Thursday (September 3) urged startups to draw up a holistic report on issues related to ESOPs (employee stock option plans) so that it can be sent to the ministry of finance for consultations. The government has recently allowed startups to issue ESOPs to employees for up to 10 years from their registration year. Earlier, the limit to issue these shares was till five years.

According to an Economic Times report, he said that the Department for Promotion of Industry and Internal Trade (DPIIT) will engage with startups on the issue in October or November. Some steps were announced earlier related to easing of tax payments for startups but subsequently, some issues were brought to the notice, he added.

Gurugram-based food aggregator business Zomato has raised INR 456 Cr (\$62 Mn) funding from Singapore-based state investment arm Temasek through MacRitchie Investments, as per regulatory filings sourced from business intelligence firm Tofler.

Though the filings did not indicate the valuation of the transaction, an Economic Times report citing sources highlighted that Zomato was down-valued at \$3 Bn for this round. Meanwhile, several media reports have added that the foodtech giant may also raise up to \$100 Mn each from Tiger Global Management and Kora Capital at the same valuation.

India's premier T20 cricket league, the Indian Premier League (IPL) can be credited with many things. Beyond the obvious and well-documented facet – giving budding cricketers a platform to take the field with greats of the game – the league's success is also a testament to the growth of brand IPL, which has evolved with changing times.

From being backed by India's family-held corporate houses such as DLF, ITC and Sahara, to now, when the league's title sponsor is a fantasy sports startup, Dream11, the IPL reflects the changing landscape where startups have captured the prime spot. Evidently, the Indian startup economy has upended the old structure that was dominated by cliques of second, third and fourth-generation business tycoons.

Today, the Indian startup ecosystem ranks as the third-largest in the world, behind the US and China. More than 36 Indian startups are unicorns (those with a valuation of more than \$1 Bn). Further, there are another 52 soonicorns, which may soon join the unicorn club. Many of these startups have taken over from the old guard, as backers of the IPL, and Indian cricket at large.

Bengaluru-headquartered edtech startup Unacademy is the latest entrant in India's unicorn club (startups with a valuation of more than \$1 Bn). With its latest round of funding worth \$150 Mn led by Japanese multinational conglomerate SoftBank, Unacademy's valuation now stands at \$1.45 Bn, up from \$510 Mn in February when it had last raised funds worth \$110 Mn in a Series E round. The recent funding round also saw participation from existing investors Facebook Inc, Sequoia Capital, Blume Ventures and Nexus Venture Partners, Unacademy cofounder and CEO Gaurav Munjal made the announcement of the funding on Twitter on Wednesday (September 2). "Our goal always has been to democratise knowledge and make it more affordable and accessible by getting the best experts in the world to help everyone achieve their goals," Munjal wrote on the microblogging site.

The government's next push Aatmanirbhar Bharat or self-reliant scheme will focus on deeptech and mobility sectors among 25 other focus areas. The Department for Promotion for Industry and Internal Trade (DPIIT) says these focus sectors will help in import substitution and boost exports.

Officials quoted by ET say that DPIIT has been asked to lead the exercise, which will find domestic alternatives in drones, robotics and electric vehicle equipment. Among the total 25 focus sectors that the department has zeroed in on, a few sectors will be identified as 'priority' with potential for import substitution and boosting exports, and DPIIT would also look at any overlaps with similar initiatives of other ministries.

The fresh push will focus on domestic manufacturing of ceramics, glass, ethanol, ready to eat food, aluminium, gym equipment, toys and sporting goods, for which India still depends on Chinese imports.

TVS Motors Latest Investment, Upgrade In Battery Tech & More US-based esVolta has selected electric vehicles (EV) technology platform ION Energy to improve the operational efficiency of its utility-scale battery energy storage projects. Under the partnership, ION Energy's battery analytics platform Edison Analytics will be deployed across esVolta's complete portfolio of battery energy storage projects across 10 locations in North America.

esVolta has a contracted portfolio of 581 MWh of energy storage projects, in addition to a further pipeline in excess of 2,000 MWh. Notably, one MWh (1,000 kWh) is roughly equivalent to the amount of electricity required to power 750 homes for 1 hour. It participates in the capacity, energy arbitrage and ancillary services markets, acting as operating reserves that can quickly be dispatched to ensure sufficient generation to meet the load.

Internet Sources

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