



Rethink design and structure of financial instruments so as to provide fillip to Grassroots Innovation movement, says President

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he President has called for a rethink of the design and structure of financial instruments in the country so as to provide a fillip to our grassroots innovation movement.

Addressing a Roundtable on start-up, incubation and financing innovations on the last day of the Festival of Innovations, the President said in Rashtrapati Bhavan today (March 10, 2017) that in a country with at least a million technology students passing out every year, unless we invest in 10 – 20000 ideas annually, we are unlikely to see a major breakthrough. The current level of financing of innovation based start-ups is only about a couple of thousand technology based start-ups every year.

The President said it is important that we go beyond the traditional paradigms and create a system of entrepreneurship and innovation wherein our youth transform from job seekers to job creators. The real concern for policy planners is the fact that much of the finance that is needed comes at too late a stage in the enterprise life cycle because of which a large number of ideas get aborted before becoming products or services. We, therefore, have to ask ourselves the question whether our policy and institutional arrangements for financing of innovation based start-ups need change. The answer would be an unequivocal 'yes'.

The President said financing of innovations and early stage ventures should become far less complex over time. This must necessarily also be accompanied by attitudinal change – we must learn to celebrate and learn from failures in the same way as we celebrate success.

The President said he was happy that the Atal Innovation Mission has created tinkering labs in more than 500 schools. The emerging ecosystem must be supported with similar support at the community, district and regional levels. Every Navodaya Vidyalaya should have incubation centres which enable and encourage children to take risks at an early age and each district a community innovation lab. Policy initiatives need to be put in place for improving both innovation exposure and initiatives in government schools.

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