

Draft “Sagarmala Innovation and Startup Policy”

Ministry of Ports, Shipping and Waterways

1 Background and Context

India comprises a significant size maritime sector with 12 Major and 200+ Non-Major Ports situated along its 7,500 km long coastline and a vast network of 14,500 km of potentially navigable waterways. The country's maritime sector plays a crucial role in its overall trade and growth, with 95% of the country's trade volume and 65% of the trade value being undertaken through maritime transport.

Due to strategic location on key international maritime trade routes; India has embarked on the ambitious Sagarmala Programme to promote port-led development in the country. The vision of the Programme is to reduce logistics cost for EXIM and domestic trade with minimal infrastructure investment and this vision is being realized by port modernization, port led industrialization, enhancement of seamless port connectivity & coastal community development.

In pursuance with the above objectives, Ministry of Ports, Shipping and Waterways (MoPSW), through Sagarmala Programme, has been working on skill development and applied research initiatives to improve skills, technology usage and practices in the Indian maritime sector. It has setup the National Technology Centre for Ports Waterways (NTCPWC) at IIT Madras, Centre of Excellence in Maritime and Shipbuilding (CEMS) at Vishakhapatnam and Mumbai and Centre for Inland and Coastal Maritime Technologies (CICMT) at IIT Kharagpur. It is also working on optimally using unused building in major ports (Jawaharlal Nehru Port, New Mangalore Port, Chennai Port, Vishakhapatnam Port etc.) to create Multi Skill Development Centres (MSDCs) that can provide skilled manpower requirement to the port and maritime sector.

MoPSW now envisages leveraging this background work to establish an innovation and entrepreneurship ecosystem for the maritime sector by operationalizing the **“Sagarmala Innovation and Startup Policy”**. This entails intensive collaboration of MoPSW academic and training institutions, private sector and convergence of different Ministry schemes (Startup India, etc.) to develop an ecosystem to groom fresh ideas/ approaches to address and solve issues of the Indian port and maritime sector.

1.1 Challenges faced by Maritime startups

In the last 5 to 6 years, especially after the launch of Startup India campaign, there has been a continuous boom of startups in all industries, especially road transportation-logistics, agriculture, fashion, medical, e-commerce, etc. through Digital or Mobile App based technology as aggregation platform.

But there was a noticeable absence of startups in maritime sector, despite the presence of Incubators all over India either on private basis or under schemes like

Atal Incubation centres.

Following are the challenges and needs for rise of maritime startups in India,

- Lack of vast maritime specific ecosystem and industry coordination for startups, so the creation of a solid sectoral innovation ecosystem is very important to bring funds and support startups
- Maritime startups are often hardware startups, rather than generally found software or app-based startups, and such hardware-based innovations require much higher financial support over time. This, combined with lack of sectoral private funding, are impediments for generating and deploying new ideas and creation of viable business model
- Need to enhance visibility of startups and interaction with companies for market creation
- Within the startup community, there is little information on various port and maritime sector processes and priority areas. Hence, there is a need for dissemination of this information through startup ecosystem, incubators and various other stakeholders
- Need to create an ideation-stage seed fund and to bring maritime professionals into angel investor's pool to bring funding at initial stages
- Mentorship from various sector associations, successful entrepreneurs and industrialists is required to guide startups
- Support from Government entities for fast tracking the project activities related to ideas/ concepts of startups is needed
- Networking beyond country boundaries and participation in international projects can benefit startups in the sector
- Lack of ancillary industry network or contacts for prototyping and pilot project detailing needs to be resolved
- Lack of industry co-ordination centre to start joint industry projects with participation of ship owners, shipyards to get IN KIND support to startups
- Ever growing International regulatory requirements including IMO Regulations, green ports, environment, safety and security
- Current startups are working in silos and there is a need to bring them together to avoid duplication, make alliances, assist each other and expand themselves through networking

1.2 Maritime Startup's growth stages compared to Other Startups

Most of the maritime innovations involve complex hardware, governed by climate change and marine pollution regulations, so it takes at least 2 years to reach a minimum viable product. Even in case of digital solutions, it is not easy to implement startup products and services due to varied stakeholders involved due to regulations of state, central and international requirements. There is a higher extent of sensor use in shipping, making digitalization a costlier affair due to monitoring, reporting and verification regime adopted by IMO regulations to gain the trust, avoid loopholes in marine safety and pollution control measures. Therefore, early-stage Seed funding will be required to complete minimum viable product in small scale to pilot scale phases.

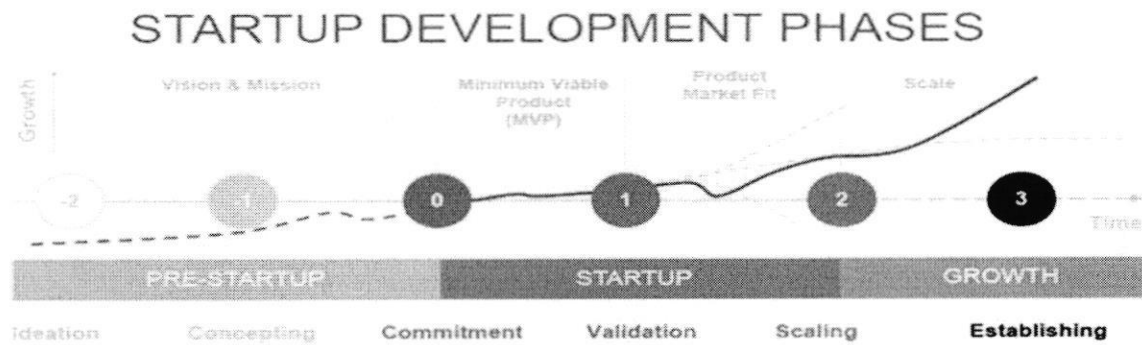


Figure 1: Long development phase for Maritime Startups, from Ideation to Validation to Certification

The Startup Lifecycle

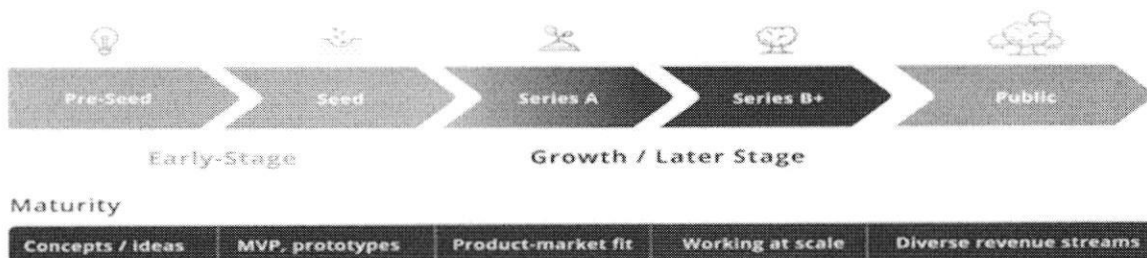


Figure 2: Possible Stages and funding synchronization for Maritime Startups

2 Startup Policy Vision and Focus Areas

This policy document lays down the framework to help maritime sector stakeholders, innovators and startups to co-create the future of India's maritime sector. It taps into the wider Blue Economy to extend financial, regulatory, technical, marketing support to startups through incubators and accelerators at various institutes.

2.1 Startup Policy Vision

- Bring ideas, innovative technology and entrepreneurial talent for port, shipping and waterways sector led prosperity to create new jobs and technological self-sufficiency
- Make India competitive with developed countries to achieve lion's share in the worldwide maritime market
- Develop ecosystem to support maritime startups from technical, regulatory, financial and marketing point of view by bringing stakeholders together

2.2 Key Focus Areas

The following are the key focus areas for the startups that can be considered during the first three years of the policy implementation:

- Decarbonization of Maritime Industry and Green Port Technologies
- Optimizing processes, improving efficiency and creating scale in the maritime sector using Artificial Intelligence and Machine Learning (AI&ML) (e.g. vessel-tracking data using position analytics, improving logistics supply chain through technology)
- Enhancing security, transparency, and the traceability of data inputs Using

- block chain for shared ledger
- d. New age maritime education and training through simulation & augmented reality
- e. Enhancing cargo and passenger movement utilizing multi-modes of transport
- f. Strengthen manufacturing processes through applications and innovation (e.g. 3D printing etc.)
- g. Innovations in the field of alternate/ advance materials applicable in maritime sector
- h. Augmentation of Maritime Cybersecurity,
- i. Development of smart communication including satellite programs for maritime and waterways.
- j. Advancement of marine electronics
- k. Direct transferable product application to the port and maritime sector including Next generation e-Navigation, Smart technologies that automate processes
- l. Upliftment of coastal community

Both financial and non-financial incentives have been detailed in this Policy. The mobilization of these incentives will help to establish a long-term action plan, network, infrastructure, and other resources to build a robust maritime innovation ecosystem

3 Framework for Policy Implementation

The framework is designed to evenly, as best as possible, distribute responsibilities and benefits towards supporting the maritime startup eco system in the country. The Framework is not only useful for entrepreneurs with innovative ideas but to every industry stakeholder as a new form of business model to ensure economic justice to anyone risking his/her investment in Maritime Startups.

The overall governance of the program shall be carried out by Apex Committee. Maritime Innovation Hub (MIH) would be created as a separate vertical at the Institute/ Organization nominated by MoPSW. MIH will act as a focal point for all startup activities in maritime sector for that Institute/ Organization and shall include a mix of working facilities for incubators/ accelerators, fabrication space for prototypes, rental co-working spaces (for startup offices) and event space etc.

The nomination of Institute/ Organization by MoPSW for creation of MIH shall be on suo-moto basis or on the evaluation of proposals received from existing Institute/ Organization seeking to be part of this policy's framework.

3.1 Apex Committee

The Apex Committee will provide overall guidance and approval to the Programme. It will monitor and periodically review the progress made by MIH of various Institute/ Organizations. The Committee may also specify/ modify the eligibility and evaluation criteria for Startups, Incubators and Accelerators. The Apex Committee shall initially consist of the following members

1. Secretary, MoPSW – Chairman
2. Chairman, Inland Waterways Authority of India - Member
3. Additional Secretary, MoPSW – Member
4. Additional Secretary & Financial Advisor, MoPSW - Member
5. Joint Secretary, Shipping – Member
6. Joint Secretary, Ports – Member
7. Chairman, Indian Ports Association – Member
8. At least 2 Experts on nomination basis (from organisations like Start up India/ IMU/ CSL, DG Shipping etc.)- Members
9. Joint Secretary, Sagarmala – Member Secretary

3.2 Maritime Innovation Hub (MIH)

The policy for promotion of startups in the maritime sector will be implemented through MIH vertical created at Institute/ Organization nominated by MoPSW. Initially, NTCPWC IIT, Madras shall act as nominated institute for developing MIH under this policy.

It is expected that in near future, MIH will also come up in other centre of excellences, educational institutes and private sector.

MIH's shall meet the strategic objectives described below:

- Serve as the hub of the startup ecosystem for national and international collaboration: In order to maintain a thorough awareness of the worldwide maritime ecosystem of startups, organisations, and research institutions, MIH shall engage in knowledge-sharing and collaboration activities at national and international level (including non-maritime businesses).. As a result, the startups involved at MIH will have access to resources including:
 - Technological advancement, success stories, and events taking place around the world;
 - Access to global subject matter experts, serial entrepreneurs, business leaders, and investors with the potential to get their entry and scaling in the India.
- Develop centralized repository : MIH shall develop a central database for all pertinent information to assist emerging entrepreneurs in the maritime industry. The information shall cover all aspects of maritime ecosystem, such as business development, professional networking, educational programs, etc.
- Develop incubators and accelerators – MIH shall setup physical facility for state-of-the-art incubators/ accelerators. The incubator/ accelerator shall be developed organically or by assistance/ collaboration with existing private players.
- Attract investment – In addition to the assistance offered by this policy, MIH is responsible for finding and enticing financial sources for eligible startup businesses and innovative maritime technology. Startups will receive assistance from MIH in securing further capital from outside investors.
- Entrepreneur development: MIH will offer the “know-how” sessions about the various aspects of the maritime industry to people of all ages, backgrounds and professions. The MIH will also offer students/ recent graduates/ professionals specialised knowledge programmes relating to entrepreneurship and startup ecologies.

3.3 Startup Monitoring and Evaluation Group (SEMG)

MIH shall be governed by Startup Monitoring and Evaluation Group (SEMG).

Institute/ Organization shall appoint at least one (1) full time personnel for handling day-today operations and management of MIH. SEMG shall initially consist of the following members

1. Head of Institute/ Organization or official nominated by Head – Chairman
2. 2 Professors/ Principal Scientists on nomination basis from Institute/ Organization in the areas of Ocean Engineering, Naval Architecture, AI/ ML/ IoT etc. - Members
3. 1 Representative from 2 distinct Major Ports each- Members
4. 1 Representative from MoPSW Organizations such as Inland Waterways Authority of India (IWAI) and Cochin Port Authority (CSL) etc. based on focus area of MIH- Member
5. 1 Representative from Directorate General of Shipping (DGS) – Member
6. 2 expert members on nomination basis from the startup ecosystem, investors, experts in the domain of R&D, technology development and commercialization, entrepreneurship and other relevant domains - Members
7. Personnel appointed for management of MIH – Member Secretary

In case, SEMG feels that requisite expertise is not available, additional domain experts from academia/ industry/ other R&D organizations may be nominated, as required.

The following are the functions of the SEMG:

1. Operationalizing the Startup Policy in respective Institute/ Organization.
2. Driving all necessary approvals, initiatives and funding for the Policy.
3. Development of MIH in line with this policy objectives.
4. Finalization of Problem Statements and setting up evaluation criteria for startups
5. Ensuring the flow of funds to the selected Startups through Accelerators and Incubators
6. Screening, shortlisting and selection of the eligible startups for funding under this policy
7. Regular identification of bottlenecks in ecosystem and resolving these bottlenecks
8. Monitoring the progress of the MIH atInstitute/ Organization and maritime innovation ecosystem across the country as a whole and provide performance reports to the MoPSW at regular intervals (including KPIs provided in Annexure I).
9. Suggest Policy interventions to MoPSW which will promote a conducive environment for Start Ups in Maritime Sector.
10. Ensuring that objectives of MIH are fulfilled including mobilization of stakeholders (investors, academia, mentors, State Govt bodies, corporates, etc.) and other resources for maritime startups.

3.4 Sagarmala Startup Portal (SSP)

MoPSW shall develop and implement of Sagarmala Startup Portal (SSP) for the purpose of this policy. The portal shall be single window solution for all startup related activities including the details of startup initiatives, publication of problem statement, application process and other knowledge resource etc.

The broad guidelines for development of portal are provided in**Annexure I**.

MoPSW reserves the right to select the portal development and management agency through nomination or tender basis. NTCPWC IIT, Madras shall be nominated, initially, to develop and implement of SSP.

3.5 Incubators and Accelerators Guidelines

TECHNOLOGY READINESS LEVEL (TRL)

RESEARCH DEVELOPMENT DEPLOYMENT	9	ACTUAL SYSTEM PROVEN IN OPERATIONAL ENVIRONMENT
	8	SYSTEM COMPLETE AND QUALIFIED
	7	SYSTEM PROTOTYPE DEMONSTRATION IN OPERATIONAL ENVIRONMENT
	6	TECHNOLOGY DEMONSTRATED IN RELEVANT ENVIRONMENT
	5	TECHNOLOGY VALIDATED IN RELEVANT ENVIRONMENT
	4	TECHNOLOGY VALIDATED IN LAB
	3	EXPERIMENTAL PROOF OF CONCEPT
	2	TECHNOLOGY CONCEPT FORMULATED
	1	BASIC PRINCIPLES OBSERVED

For any Startup related to innovation or product development, there are Technology or Business Readiness Levels (TRLs) as illustrated by following figure. Mostly TRLs 1-3 happens in the institutes and 4 to 9 happens in real world industry environment; where regulatory, financial, and marketing help will be crucial for success of any startup. For maritime sector, this is more evident due to size of hardwares, costs and stringent regulatory aspects. So, based on TRL levels and startup requirements, Incubators help from TRL 1-3/4 and the Accelerator's help from TRL 4-9 is very important.

3.5.1 Scope of work for Incubators

The main functions of incubators will be to support the startup from **Technology Readiness level 1-3** for the following offerings:

- To provide the handholding support to startups for developing their products and concepts
- In depth calculations, study, design, data analysis, help for software's related to simulations and hardware resources related to experiments, prototyping and product development
- Provide recommendations to the SEMG for evaluation of applications for incentives under this policy to the startups being incubated by it
- Provide working space, mentorship, business plan assistance, support in finance/ admin/ HR/ legal functions, etc. for startups which may not be even registered as companies
- Any other functions as decided by the SEMG

3.5.2 Scope of work for Accelerator

The main functions of Accelerator will be to support the startup from **Technology Readiness level 4-9** for the following offerings:

- To provide recommendations to the SEMG for evaluation of applications for incentives under this policy to the startups

- 5 -
- To provide 360-degree support to Startups for expansion in the market
 - To prepare feasibility report for technical or business animations, modelling, and data analysis, technical calculations
 - To form/ facilitate consortium for undertaking joint industry projects
 - To work with regulatory agencies for getting In-principle approval for startup concepts/ products
 - To empanel maritime experts and mariners as mentors and angel investors for pitching the ideas and funding.
 - To tie up and arrange funding for startups from other funding sources
 - To coordinate with shipping companies for onboarding pilot project testing in real waters and at commercial scale
 - To provide support in participating in exhibitions and international events for possible customers and scale up
 - To participate and disseminate information from IMO-DG Shipping related international projects
 - To tie up with international marine accelerators, technology centres, companies and venture funds for scaling up Startups e.g. Port XL, Pier 71, Liquid Grid, Rainmaking, Maersk-Centre for Zero Carbon Shipping
 - To provide legal and accountancy back up to startups for IP-Patent filing, Company registration, annual filings and closures

4 Funding and Other Support for Maritime Startups

4.1 Financial support to Maritime Startups

MoPSW shall earmark a corpus amount yearly for funding the startups in the key focus areas, as may be decided by its Apex Committee from time to time. The available funding under this policy will be utilized to help maritime startups to reach minimum viable product level, to develop proof of concept, for market expansion, etc.

The following are the funding support available to startups:

4.1.1 Seed Fund Scheme

1. This will be available to select startups that are part of incubators/ accelerators that are setup under this policy. Under this, financial assistance of a maximum of Rs. 50 lakhs will be granted to potential startups to create a minimum viable product/ services (MVP) based on innovative solutions/ processes / products/ services/ business models in shipping and maritime sector. The applicant would be provided funds as per their genuine requirements and as per appraisal/evaluation of their business plans by the SEMG.
2. Expenses for the following broad activities would be supported under this programme:
 - a. Prototype Development or Proof of Concept or Product Trials
 - b. Expenses on data generation/data acquisition for ideas working on IT side/AI side
 - c. Fees for IP issues/one-time technology licensing fees

- d. Manpower for day-to-day operations but not promoter's remuneration
 - e. Day-to-day operational expenses like electricity bill, incubation charges etc.
 - f. Procurement of web hosting space, software licenses, marketing tools etc.
3. The grant shall be disbursed in milestone-based instalments. These milestones can be related to development of business plan, development of Minimum Viable Product etc. The milestones will be finalised by SEMG and startup at the time of evaluation of proposal of the startup.
 4. The maximum limit of Rs. 50 lakh may be relaxed for outstanding and strategic startups & ideas as decided by SEMG.
 5. Seed fund shall strictly not be used by startups for creation of any facilities and shall be utilized for the purpose it has been granted for

4.1.2 Tech Pilot Grant

1. This will be provided to select startups for the commercialisation of proprietary technology including market entry or scaling up. The Tech Pilot Grant will be amounting to a maximum of Rs. 100 lakhs per startup.
2. Expenses for the following broad activities would be supported under this programme:
 - a. Market entry, Commercialisation or scaling up
 - b. Manpower for day-to-day operations but not promoter's remuneration
 - c. Day-to-day operational expenses like electricity bill, accelerator charges etc.
 - d. Procurement of web hosting space, software licenses, marketing tools etc.
3. The grant shall be disbursed in milestone-based instalments. The milestones will be finalised by SEMG and Startup at the time of evaluation of proposal of the startup.
4. The maximum limit of Rs. 100 lakh may be relaxed for outstanding and strategic startups & ideas as decided by SEMG.
5. Tech Pilot Grant fund shall strictly not be used by startups for creation of any facilities and shall be utilized for the purpose it has been granted for

4.1.3 Support from MoPSW Subordinate Offices, Autonomous Agencies and Public Sector Undertakings

All MoPSW organizations including the Major Ports, IWAI and CSL shall endeavour to create "Launchpads" for providing necessary handholding and field support to selected startups. Launchpads may be developed in collaboration with MIH created under this policy. Launchpads shall be utilized for the following (including but not limited to):

1. Carrying out Proof of Concept trials and subsequent extended trials for establishing the product performance in field environment
2. Facilitate pilot projects for nominated maritime startups.
3. Establishing working space at subsidised rates (preferably zero rental for 5 years; subsidized rentals for next 5 years)
4. Adoption of products and solutions on priority/ nomination basis.

The SEMG may seek support of Launchpads for startups under its MIH. If required, representative from such organizations may be made part of SEMG for better evaluation and support.

4.1.4 Process of funding to Institute/ Organization

The following details will be utilised with regard to funding under this policy:

1. The Institute/ Organization nominated by MoPSW shall prepare a proposal clearly explaining the available resources, infrastructure and action plan to operationalise and augment the startup ecosystem under this policy and send it to Sagarmala Wing of MoPSW.
2. The proposal shall be appraised and approved by the Apex Committee. A Grant of up to Rs. 10 (ten) crore shall be provided to an approved Institute/ Organization in milestone-based instalments (minimum 3 instalments 40%, 40%, 20%). The quantum of grant for each Institute/ Organization shall be finalised by the Apex Committee based on proposal of Institute/ Organization.
3. A component of Management Fee @ 5% of grant to the Institute/ Organization will be provisioned for administrative expenditure including functions of SEMG (selection and due diligence of startups, and monitoring of progress of beneficiary startups). For e.g. if an Institute/ Organization is granted Rs. 1 crore of grant, then by including management fee @ 5%, the total assistance would be Rs. 1.050 crore. The management fee shall not be utilised for facility creation.
4. The grant will be disbursed to the Institute/ Organization in a separate account created for the purpose of MIH vertical as per fund flow procedures defined by Ministry of Finance.
5. When the cash-in-hand of the MIH vertical goes below 10% of the total commitment by MoPSW, the Institute/ Organization may request for the next instalment, which shall be released to Institute/ Organization on submission of proof of achievement of KPIs and funds utilization certificate.
6. Apex Committee shall carry out periodic reviews based on a reporting mechanism to be finalised with Institute/ Organization from time to time (at least half yearly). The broad list of Key Performance Indicators is provided in Annexure II.
7. An Institute/ Organization can re-apply for funds under the policy when MIH vertical has disbursed or committed its entire previously released grant.
8. In case of poor performance of any selected Institute/ Organization, Apex Committee may decide to discontinue fund support and take further action, as may be required. The un-utilized funds (including interest amount) shall be remitted to Government of India as per applicable rules and procedures.

4.2 Other support to Maritime Startups through MoPSW

Once the Pilot Project is successful for any startup, the following initiatives may be taken up by the MoPSW on recommendation of SEMGs.

4.2.1 Relaxation for Public Procurement

If in any tender bidding especially Government one, the maritime startups would be given relaxation as given in the General Financial Rules 2017. MoPSW may further provide exempt/relaxation from financial qualification and experience requirements for manufacturing intensive startups.

4.2.2 Procurement through Tender

MoPSW or its associated organizations may invite tenders for providing solutions to specific problems that can be solved by startups or explore alternative models.

4.2.3 Procurement through Subcontracting

Tender documents may also incentivize the winning bidder to engage startups as sub-contractors to deliver solution and services through Startups under the Incubators/ Accelerators approved under this Policy, by exemption and relaxation in case of any sub-contracting eligibility criteria (i.e., turnover, experience) stated in the bidding contract.

4.3 Other support to Maritime Startups through MIH

4.3.1 Buyer-Seller Meets

Many times, Government entities are not apprised of the innovative technologies that exist in the market. To facilitate this information exchange, dedicated buyer-seller meets shall be organized between Government departments, PSUs, and autonomous bodies and startups. Many of the startup products may be a ready fit for the Government departments to procure and hence shall provide a great push in helping the frugal innovations.

4.3.2 Annual Startup Awards

Every year select startups will be recognized on an All-India basis based on their innovation and impact to the maritime sector. These select startups will be taken up by Incubators and Accelerators, under this policy, for their further growth. This event maybe linked to any national maritime event or be conducted separately.

This event will be organized at MIH of Institute/ Organization nominated by MoPSW on rolling basis.

4.3.3 Technical Knowledge Support for VCs

A lot of VCs do not actively invest in sectors that they do not have technical expertise in. In order to encourage the participation of VCs in the shipping space, MIH vertical of the Institute/ Organization may collaborate with VCs to carve a space for shipping startups in the respective VC's investment thesis.

4.3.4 Support to Non Registered Startups/ Individuals/ Groups with ideas in Maritime Sector

If a student/s or individual/s approach the MIH with an ideas that has potential in the Maritime Sector, MIH shall provide requisite support to student/s or individual/s for registration of startup and availing Department for Promotion of Industry and Internal Trade (DPIIT) recognition. Post which, the startup may seek support provided in this policy.

5 Selection of Startups to get funding under the policy

5.1 Procedure for selection

The following process will be utilised with regard to funding under this policy:

1. Institute/ Organization shall constitute SEMG post seeking commitment from various member. MIH vertical will be created at Institute/ Organization. Incubators/ accelerators shall be developed organically and/ or from private sector at the MIH.

2. Sagarmala Startup Portal, which will have details of the start up program, eligibility criteria, application form, contact details and FAQ's etc., will be used for the purpose of this policy.
3. The startups shall be selected through an open, transparent and fair process, as per the approved policy, as amended from time to time. MIH will run online and offline campaigns to popularize this initiative and will reach out to startup community, institutions for better reach, visibility and soliciting applications.
4. SEMG shall create the problem statements. An online call for applications shall be hosted on an SSP ongoing basis (at-least half yearly). Applicants can apply for funds to any MIH of their preference.
5. Once the application deadline is over, All applications received will be shared online to incubators/ accelerators of the MIH selected by the startup. Incubators/ accelerators shall shortlist the applications based on the business proposal or the pitch deck submitted by startups conducting appropriate scrutiny and due diligence in line with eligibility criteria guidelines provided in section 5.2 (including but not limited to functionality, economic viability, team, educational background, product/service overview, business model, customer profile, market size, quantum of funds needed, projected utilization plan for funds and R&D capability etc.)
6. The shortlisted application shall be proposed to SEMG for approval by Incubators/ accelerators. Incubators/ accelerators may recommend startups on suo-moto basis.
7. SEMG selection meeting shall be organized for final approval of shortlisted startups in line with criteria guidelines provided in section 5.3 (or as finalised by SEMG). Minimum quorum for a SEMG selection meeting to happen is 7 and SEMG can opt- in additional members for required expertise. The shortlisted applicants shall be asked to pitch/present the idea to the SEMG. SEMG may request additional information from startup, if necessary, for evaluation.
8. SEMG shall arrive at final selection of startups through voting. Additional members nominated specifically for selection meeting shall not have voting rights. Along with the approval, SEMG shall clearly define the amount of grant, milestones for payment and KPIs for evaluation for startups.
9. If solutions offered by startups are sufficiently different, SEMG may select two or more startups for one problem statement,
10. The detailed minutes of SEMG selection meeting and the list of selected startups shall be circulated among SEMG members and MoPSW for information and suggestions (if any).
11. On approval, Incubator/ Accelerator shall reach out to the startups and facilitate the funding to them. The incubator/ accelerator shall perform comprehensive due diligence before executing a legal agreement with the selected startups. The release of the grant to startup shall be post agreement. Subsequent disbursement shall be linked to the achievement of previously- specified milestones as per agreement between the startup and incubator/ accelerator.

5.2 Eligibility Guidelines

The guidelines shall be as follows and in line with the Seed Fund Scheme of Startup India initiative:

1. At the time of application, startup shall be incorporated
 - a. Seed Fund Grant: Not more than 2 years ago
 - b. Tech Grant: Not more than 5 years ago
2. Startup must have a business idea to develop a product or a service with market fit, viable commercialization, and scope of scaling.
3. Startup must have the solution or product in the maritime sector for Focus Areas as specified in this Policy.
4. Startup should be using technology in its core product or service, or business model, or distribution model, or methodology to solve the problem being targeted.
5. Startup should not have received more than Rs 10 lakh of monetary support under any other Central or State Government scheme. This does not include prize money from competitions and grand challenges, subsidized working space, founder monthly allowance, access to labs, or access to prototyping facility.
6. Shareholding by Indian promoters in the startup should be at least 51% at the time of application to incubator/ accelerator for the scheme, as per Companies Act, 2013 and SEBI (ICDR) Regulations, 2018.

5.3 Selection Criteria Guidelines

The SEMG shall consider the following guidelines for selection of Startups:

1. The incubators and accelerators would need to submit in the proposal the details of team profile, problem statement, product / service overview, business model, quantum of funds needed, utilisation plan for funds and any other detail as may be required by the SEMG to select a startup under this policy.
2. The following provides the indicative weights basis which the applications will be evaluated by the SEMG:

S No.	Criteria	Details	Weightage (%)
1	Is there a need for this idea?	Market size, what market gap is it filling, does it solve a real-world problem?	P%
2	Feasibility	Feasibility and reasonability of the technical claims, methodology used/ to be used for Proof of Concept and validation, roadmap for product development	Q%
3	Potential Impact	Maritime sub-sector focus of the startup, technology implemented and the measurable impact	R%
4	Novelty	USP of the technology	S%
5	Team	Strength of the team, Technical and Business Expertise in maritime sector	T%
6	Fund Utilization Plan	Roadmap of money utilization	U%
Total			100%
Weightages for criteria (P, Q, R, S, T, U) to be assigned by the SEMG			

3. The SEMG shall finalise the criteria and weightages for selection of the startups under this policy and present them during the proposal for seeking funds from the Apex Committee.

6 Review

MoPSW reserves the right to review and modify the sections of the policy at any time. The programme will be subject to mandatory review every year. The programme will run for at least 5 years.

7 Annexure I: Guidelines for Sagarmala Startup Portal (SSP)

SSP would cover the following (including but not limited to):

1. **Centralised resource:** Portal shall provide details of framework(including regulatory and funding support) as provided through this policy. It shall also provide additional information such as market research, patent/ trademark facilitation etc.
2. **Application Process:** Portal shall be the primary source for startup application and scrutiny process including the details of MIH established under this policy. Each MIH shall have separate login for the portal to upload problem statements and retrieve applications. The startups shall be able to select its preferred MIH for application.
3. **Networking:** Portal shall have a marketplace for startups to share their work and get connected to relevant stakeholders in the maritime ecosystem. It shall provide a platform for communication with mentors, corporates, industry stakeholders etc.
4. **Commercialization:** Portal shall also act as a single point of contact for all IPR, commercialization, and licensing related queries
5. **Awards and events:** One stop portal for competition and events around the worlds. It shall also host the annual startup awards as described in this policy
6. **Online learning:** Portal shall provide tutorials for startups to gain a competitive edge in the market

8 Annexure II: Key Performance Indicators for evaluating MIH

The following shall be tracked and recorded by MIH for objective evaluation report:

1. Number of relevant Problem Statement generated
2. Number and Growth of applicants, interests of entrepreneurs for enrolling
3. Number and Growth of Startups enrolled

1. For Seed Funds
2. For Tech Pilot Grant
4. For the all the startups enrolled, as applicable
 1. Progress of proof of concept
 2. Progress of prototype development
 3. Progress of product development
 4. Progress of field trials
 5. Progress of market launch
 6. Quantum of loan, angel or VC funding raised through external sources
 7. Gain in Technological/ Business Readiness
 8. Actual/ Expected return on investment for each Startup
 9. Jobs created by startup
 10. Turnover of startup
 11. Cost Savings
 12. Increase in Efficiency
 13. Sustainability and scaling of startup
 14. Adoption of product in the market
 15. Participation of startups in events across the world
5. Number of stakeholder interactions carried out
6. Number of Know-How session carried out
7. Any other appropriate parameter as decided during proposal evaluation of MIH