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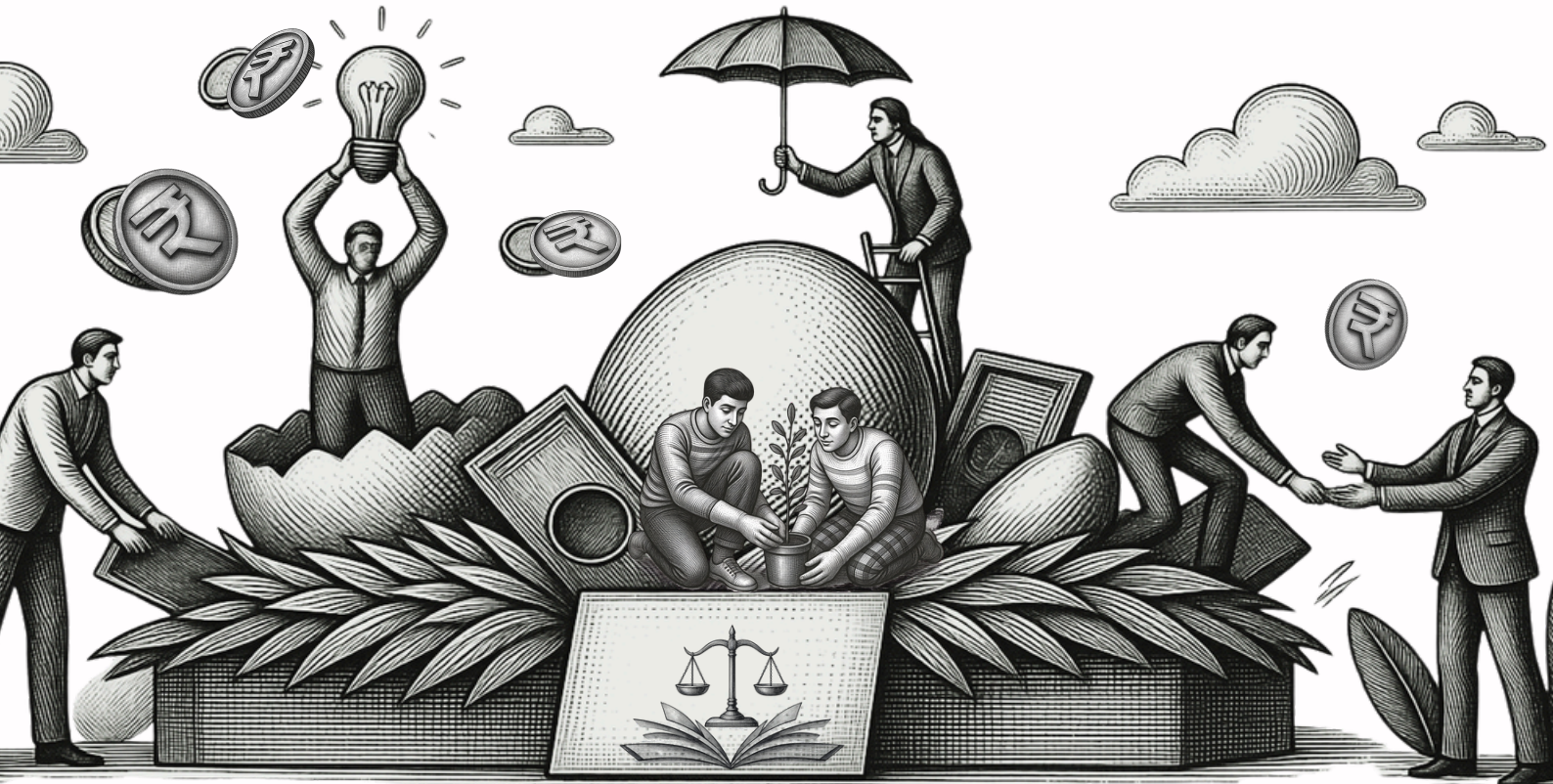
Legal Entity and Funding Structures for Non-Profit Social Impact Incubators in India to Hold Equity

A Primer on Social Impact Investment in India



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Disclaimer: *This primer is general legal and tax information, not advice. The primer contains information dominantly based on secondary desk research. Errors are the authors' own, and if found, may please be flagged to us at* ***enquiries@pacta.in*** *.The right structure for your incubator depends on your specific objects, funding, revenue mix and equity strategy, and on the choice between the "education" and "general public utility" limbs of "charitable purposes" which should be settled with counsel and confirmed against your entity's filed documents.*

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Who is This For?

This primer is for organisations seeking to build an incubator or accelerator that solves a social problem such as assistive technology, rural livelihoods, climate or healthcare,while remaining financially sustainable rather than solely grant-dependent.

An incubator generally charges for what it does, takes equity in the ventures it builds, and attracts CSR and grant capital. This guide walks through the two decisions that determine everything else: **what legal entity to set up,** and **how to fund it without losing tax exemption.**

This guide does not cover non-equity-based investments or exclusively grant-making social impact incubators.

The Tension you are Designing Around

Indian charity law emphasises two principles for licensed non-profits: profits must not be distributed to members, and income must be applied towards the organisation's stated objects.
Incubation is inherently commercial including programme fees, rent, equity, carried interest and royalties. A social impact incubator is therefore a non-distributing charitable shell that advances commercially viable but socially motivated innovations. In that context, the following structuring question arises:

What structures (entity and funding) can a charitable, tax exempt social impact incubator *adopt to advance* commercially viable but socially motivated innovations?

There are three main moves, used in combination:

- Shelter commercial income as **business incidental to your objects**, with separate books.
- Push genuinely for-profit risk capital (convertibles, carry) into a **separate for-profit vehicle**.
- Keep commercial receipts a minority of the total by leaning on **philanthropic grants, CSR and donations**.



Part I: Choosing The Right Legal Entity to Structure Non-Profit Social Impact Incubators in India

1.1 Three Charitable Forms

	Trust	Society	Section 8 Company
Governing law	State Trust Acts	Societies Registration Act, 1860	Companies Act, 2013
Governance	Trustees	Governing council + members	Board + members; full company law
Typical use for incubators	Rare	Older institutional incubators	Most common choice today

Incubators overwhelmingly choose to incorporate a Section 8 company. This structure offers funders familiar governance framework, allows the entity to hold contracts and equity cleanly, and can facilitate recognition and access to CSR funding.

Older institution-linked incubators are often Societies. Examples include SINE at IIT Bombay and FITT at IIT Delhi, a registered society since 1992. All the reference entities in this primer are Section 8 companies. The "NPL" in each Corporate Identification Number (CIN) marks a not-for-profit licensed company (See Part VI for list of reference entities with their CIN).

1.2 Crafting Objects Clause of Social Impact Incubators: What the Memorandum of Association Must Say

Three clauses are recommended in the governing documents **(illustrative language; confirm against your own filed MoA / Form INC-13)**:

Main object:

"To establish and operate a technology business incubator that supports innovation and entrepreneurship by providing incubation, mentorship, physical infrastructure, laboratory and prototyping facilities, and access to finance to start-ups, including enterprises addressing social and developmental challenges."

Equity-and-revenue ancillary object:

"To subscribe to, acquire and hold equity shares of incubatee enterprises, and to receive fees, royalties or revenue-share, provided that any income so derived shall be applied solely towards the objects of the company."

Section 8 mandatory clauses:

Application of all income and property towards the objects; prohibition on payment of any dividend to members; and, on winding up, transfer of surplus assets to another entity with similar objects.



The objects clause are not boilerplate. Its wording decides whether you can later take equity and earn fees. Pay attention to the draft before incorporation.



If the equity-and-revenue object is missing from your social impact incubator, taking incubatee equity is not permitted. Ensure it is included at incorporation.

1.3 Structural Patterns and What Sits in Each Entity

Incubators rarely run all activities through one entity. Based on Pacta's experience advising incubators, four recurring patterns can be identified:

Pattern	Example	Entity A (does what)	Entity B (does what)
A. Research/ Education Institution + Section 8 Arm	IIM Bangalore + IIMB Innovations	Institution: education, research (favourable "education" tax posture) Charitable Entity	Section 8 arm: incubation agreements, incubatee equity, CSR intake Charitable Entity Holds Incubator recognition - Atal Innovation Mission (AIM), NITI Aayog.
B. Platform + incubator split	IIT Madras Research Park + IITM Incubation Cell	Research Park: rent, lab access, industry R&D, Charitable Entity	Incubation Cell: incubation, seed funding, equity Charitable Entity Holds Incubator recognition - **DST – NSTEDB,** as a notified **Technology Business Incubator (TBI);**

Pattern	Example	Entity A (does what)	Entity B (does what)
C.Foundation umbrella + TBI	Deshpande Foundation + Foundation for Sandbox Startup Initiatives	Foundation: philanthropy, programmes Charitable Entity	Section 8 TBI: grant-funded incubation Charitable Entity Holds Incubator recognition - **DST – NSTEDB TBI**, operating under the **NIDHI** umbrella — specifically **NIDHI-SSS** (Seed Support System) and a **NIDHI-PRAYAS** centre
D. Non-profit platform + investment arm	Social Alpha / Foundation for Innovation and Social Entrepreneurship (FISE)	FISE: ecosystem, incubation, grant capital Charitable Entity Holds Incubator recognition - **DST – NIDHI-SSS** (hosts a ₹10 cr seed fund); also partners **BIRAC**.	Separate fund vehicle: risk capital / equity into ventures Alternative Investment Firm (AIF)

In Pattern D the non-profit does the charitable work; a separate vehicle (AIF) carries the instruments a charity cannot hold cleanly (see 2.4). See Annexure for additional examples.



Recognition of Incubators is a Crucial Legal Hinge

It is important to get your incubator (which is set up as a non-profit entity) recognised as a **"Technology Business Incubator (TBI)," "Atal Incubation Centre," "NIDHI-TBI"**.
Recognition matters because the tax carve-out that lets you hold incubatee equity is hinged on such a recognition (see 2.4).

Only a **Department of Science and Technology (DST)-notified TBI or Science and Technology Entrepreneurship Park (STEP)** qualifies for the tax carve out permitting a non-profit incubator to hold equity in its for- profit incubatees. An unrecognised incubator taking equity is non-compliant with the charitable license under Income Tax Act, 2025. Recognition also unlocks CSR routes and scheme funding. Get it early.

Box 1: How to Secure DST TBI/STEP Recognition

Recognition as a **DST-notified Technology Business Incubator (TBI)** or its sister form, a **Science & Technology Entrepreneurship Park (STEP)** runs through the Department of Science & Technology's NSTEDB division under the **NIDHI programme.** It is what makes you a "notified incubator," and so unlocks the incubatee-equity carve-out in Schedule XVI clause (20)

The steps:

1. Check eligibility: The applicant is a Host Institute, an academic, technical or R&D institution with a track record in tech entrepreneurship. If the host is not an academic institution, it must be a legal entity registered in India with the express object of promoting research, innovation and entrepreneurship.

2.Prepare the proposal: Submit to DST/NSTEDB (via NIDHI) a proposal covering focus sector, infrastructure, team, a pipeline of potential incubatees, projected milestones, co-funding and a route to sustainability.

3.Screening: DST internally screens the proposal for completeness and relevance.

4.Present to the NEAC: Appear before the **National Expert Advisory Committee (NEAC)**, which evaluates the host's readiness, the team's capability and the incubation approach.

5.Incorporate the not-for-profit entity: On the NEAC's recommendation, form the legal vehicle, a **Section 8 company** (or society) and file the documents sought.

6.DST approval: Obtain administrative and financial sanction from DST.

7.Complete grant formalities: Register on the government's e-Lekha system, sign the bond, and receive the sanction (typically with seed/operating support for around five years).

Then, and only then, take equity.

Box 2: Illustrative Case Study

Villgro: one charity, three instruments, two entities

Villgro Innovations Foundation (Section 8; CIN U91990TN2001NPL047075; incorporated 2001, and registered at the IIT Madras Research Park building) might be India's oldest impact-first incubator, backing for-profit social enterprises in health, agriculture, climate and livelihoods. It advertises three kinds of capital to founders: **grants, equity and debt.** It doesn't do all three from one balance sheet. It runs a **blended-finance stack across two entities plus partners**, placing each instrument where the law allows it to sit.

Grants flow straight from the Section 8 entity. Milestone-linked seed grants (up to ~₹25 lakh, including *returnable grants* the startup repays on hitting targets) are funded by philanthropy, CSR and government schemes. In income tax terms this is simply **application of income to objects,** no permitted-mode " investment" question arises, because a grant constitutes expenditure, not an investment.

Equity is split by instrument. Plain equity Villgro takes as a recognised incubator can sit in the Section 8 under Schedule XVI clause (20). Follow-on and quasi-equity or convertible investments, which fall outside the "equity shares only" carve-out, are routed through Menterra, an affiliated SEBI-registered fund established to provide follow-on capital to Villgro's incubatees (up to ~₹4 crore each).

That is Pattern D in practice: compliant equity sits within the charity, while convertibles and carry sit within the for-profit fund.

Debt is never lent from the charity's corpus. A Section 8 can't hold loans to for-profits as a permitted mode. Instead Villgro uses concessional philanthropic capital as a **first-loss guarantee** to de-risk third-party lenders. Under its "Capital for Impact" partnership with 360 ONE Foundation, **₹2.35 crore of philanthropic capital unlocked ₹17.9 crore of debt**, roughly a 7× multiplier with the loans coming from lenders, not Villgro.

The pattern: the charity supplies the concessional layer (grants, guarantees, plain equity); the commercial instruments (convertibles, carry, debt at scale) live in the affiliated fund and partner lenders. That separation is what lets "one incubator" credibly offer all three.



Part II:
Tax Rules That Shape the Design of Non-Profit Social Impact Incubators in India

All section references are to the Income Tax Act, 2025 unless a 1961 Act provision is named. The registered non-profit organisation (RNPO) code sits in Part B of Chapter XVII (Sections 332-355) and overrides conflicting provisions elsewhere, except the General Anti-Avoidance Rule.

2.1 Registration

Register the incubating entity as an RNPO under **Section 332** (the successor to Sections 12A/12AB and 10(23C) of the 1961 Act). Existing 12A/12AB/10(23C) registrations valid on 31 March 2026 carry over. Registration is what makes your income exempt if you apply it to your objects.

2.2 "Charitable Purpose" and the 20% Cap on Commercial Receipts

"Charitable purpose" is defined at **Section 2(23):** relief of the poor, education, yoga, medical relief, environment, monuments, and "the advancement of any other object of general public utility" (GPU).[1]

Which limb you fall under is decisive:

- If your incubation is genuinely tied to **education** (an academic-institution incubator like IIM-B) or to **relief** (e.g. AssisTech Foundation's disability mandate), you are on a *named* limb with no commercial-receipts cap.
- If your object is generic "promoting entrepreneurship / economic development," you are on the **GPU limb** and **Section 346** allows commercial or business activity only if it is undertaken in the course of actually carrying out the object **and receipts from it do not exceed 20% of total receipts** for the tax year, with separate books maintained. Cross the line in any year and your tax exemption for that year is at risk.

[1] (unchanged in substance from Sections 2(15) of the 1961 Act)



Design your revenue mix to the limb you sit on.

Illustration:

A GPU-limb incubator has total receipts of ₹5 crore, of which ₹1.5 crore is programme and consulting fees i.e. commercial receipts. Since commercial receipts are 30% and over the 20% limit, the income tax exemption becomes jeopardised. Instead, had ₹4 crore come as grants or CSR and ₹1 crore (20%) as fees, it would have stayed within the limit.

2.3 How Income of RNPOs are Taxed: the 85% Rule

Under **Section 335**, "regular income" of RNPOs covers four heads:

- income from your registered activity (programme fees),
- income from property and investments (rent, interest and dividends),
- voluntary contributions (donations and grants), and
- income from incidental business.

Organisations must apply or accumulate **85%** of regular income to their objects and the taxable amount is nil **(Section 336)**. If you fall short and the shortfall is taxed. Certain failures including investing outside permitted modes, benefiting a related person, breaching accumulation rules are "specified income" taxed at a flat **30% (Section 337).**

Inter-charitable donations, i.e., donations to another charity only count towards 85% of application of your income towards charitable purposes. Therefore, if ₹ 1 crore is donated to another charity, only **₹85 lakh** of such donation will be construed as application of charitable income.

2.4 A Social Impact Incubator Holding Equity in your Incubatees is Permitted

Typically, an RNPOs fund must sit only in the **permitted modes in Schedule XVI (read with Section 350).** Investing outside that list is specified income taxed at 30% (Section 337) and a specified violation (Section 351).



Schedule XVI, clause **(20)** expressly permits an RNPO to hold equity in its incubatees subject to certain conditions: *"investment by way of acquiring equity shares of an incubatee by an incubator."* The definition (Schedule XVI, para 2) of **"incubator" is a DST/Ministry of Science and Technology-notified TBI or STEP.** So a recognised incubator can hold plain equity in its incubatees, fully compliant.

There are three practical limits:

Equity shares only:

The clause does not cover preference shares, compulsorily convertible preference shares, convertible notes, SAFEs or loans. If a recognised RNPO Incubator holds preference shares, compulsorily convertible preference shares, convertible notes, SAFEs or loans in the incubatee, you risk 30% tax and a violation. To hold such instruments opt instead for Pattern D: route convertibles and carry through in **a separate for-profit vehicle or SEBI-registered AIF**.[2]

The one-year rule:

An asset not in a permitted mode, such as shares received as a donation must not be held beyond one year from the end of the tax year of acquisition.[3]

Business profits need separate books:

Funds representing business profits are permitted only if you keep separate books for that business.[4]

[2] Note: **Section 350(2)** lets the Central Government notify additional modes.
[3] Schedule XVI of the Income Tax Act, 2025 (read with Section 350), sub-paragraph (31)
[4] Schedule XVI of the Income Tax Act, 2025 (read with Section 350), sub-paragraph (32)

2.5 Dividends and exits

Dividends on incubatee equity are investment income under Section 335, exempt if applied to your objects; they can never be paid out to the incubator's members (Section 8 prohibits paying dividends).

Exits and capital gains: A sale of incubatee equity may give rise to capital gains. The availability and extent of charitable exemption should be analysed under the applicable RNPO provisions, including the rules governing application of capital gains and reinvestment. The tax treatment should therefore not be described simply as "exempt if reinvested". Exit proceeds should also be tracked carefully to demonstrate their application towards the organisation's charitable objects.[5]

Caution: If you invest and exit so systematically that it looks like a trade, the gains can be recharacterised as business income and pulled back into the Section 346 / incidental-business analysis. Document the charitable rationale.

Key Takeaways

01 Pick your Section 2(23) limb deliberately; the GPU 20% limit (Section 346) is the single most common failure point.

02 A recognised (DST) incubator can hold **plain equity** in incubatees under Schedule XVI clause (20) but *only* equity.

03 Put convertibles and carry in a separate vehicle, not the Section 8.

04 Recycle exit proceeds into your objects; never distribute to members.

[5] Section 341 of the Income Tax Act, 2025- the successor to Section 11(1A) of the 1961 Act



Part III: Funding the Non-Profit Social Impact Incubator Sustainably

A sustainable incubator may combine grants, CSR, programme fees, government funding and permitted investment income. The appropriate mix will depend on its objects, tax position, regulatory permissions and operating model. Here is the compliant menu, mapped to where each should sit.

3.1 The Funding Stack

Source	Which Entity	Tax / Compliance Note
Philanthropy & donations	Section 8 (RNPO)	80G deduction for donors (approval under Section 354, successor to 1961 Act Section 80G)
CSR	Section 8 (RNPO)	Register CSR-1; see 3.3
Government scheme grants	Section 8 (RNPO)	Grant/corpus, tax-neutral if applied; see 3.2
Fees, rent, lab access, consulting, royalty	Section 8 (RNPO)	Incidental business; watch the Section 346 20% limit on the GPU limb; separate books

3.2 Government Schemes that Enable Social Impact Incubators: An Illustrative List

Fund of Funds for Startups (FFS): Operationalised by Small Industries Development Bank of India (SIDBI), The FFS places capital in **SEBI-registered AIFs** that then invest in startups (each AIF must deploy at least twice the FFS commitment into startups). As on 30 June 2025, net commitments of ₹9,994 crore had been made to 141 AIFs. This is the primary route by which a social-impact group's **for-profit fund arm** can be part-capitalised with government money.

Startup India Seed Fund Scheme (SISFS): Disburses seed capital to startups **through selected incubators.** As of 30 June 2025, ₹945 crore had been approved to 219 incubators. A recognised incubator can therefore serve as a disbursing channel.

Credit Guarantee Scheme for Startups (CGSS): Collateral-free loan guarantees via National Credit Guarantee Trustee Company Ltd (NCGTC).

DST-NSTEDB / NIDHI suite (NIDHI-TBI, Seed Support, EIR, PRAYAS), **NITI Aayog / Atal Innovation Mission** (Atal Incubation Centres), **BIRAC** (bio-incubators), **MeitY** (electronics/software): these fund and recognise the incubator itself, and confer the TBI/STEP status that unlocks the Schedule XVI equity mode.

3.3 CSR

Corporate CSR is a major channel. **There are three broad routes:**

01

As an implementing agency: A Section 8 company (or trust/society) with a three-year track record registers Form CSR-1 and receives CSR from any company

02

As a direct Schedule VII recipient Schedule VII, item (ix) of the Companies Act, 2013 specifically allows CSR contributions to incubators funded by government or housed in approved academic and research institutions; and

03

Through the Social Stock Exchange: An eligible entity registered on the Social Stock Exchange may issue Zero Coupon Zero Principal (ZCZP) instruments.

AssisTech Foundation, for example, holds 12A, 80G and CSR-1 registrations and receives substantial CSR funding.

3.4 Foreign Funding

Any foreign grant or donation triggers the **Foreign Contribution (Regulation) Act, 2010**; you need FCRA registration or prior permission before receiving it. This is particularly relevant where philanthropic funders are based overseas (as with foundations partnering Deshpande and Social Alpha).



Use foreign funds only for programme expenditure such as running cohorts, mentoring, salaries and infrastructure. DO NOT use foreign funds to invest in incubatees in return for equity or for grants. The rationale is below:

1. Equity is a "speculative activity" and is prohibited under Rule 4, FCRR 2011. Rule 4 defines speculative activity to expressly include *"investment in mutual funds or in shares,"* i.e. anything whose value rises or falls with market forces. Foreign contribution cannot be put into speculative activities. Only secure, fixed-return instruments (bank deposits, government-approved debt) are permitted for parking FC. So using foreign donation money to subscribe to a startup's shares is a straight breach, regardless of what the Income Tax Act permits.

2. Onward transfer of foreign contribution (FC) is barred (Section 7, FCRA 2010). Since the 2020 amendment, an FCRA-registered entity cannot transfer foreign contributions to *any* other person or organisation, even another FCRA-registered one. An equity infusion routes FC money into the startup, which sits badly against this prohibition too.

3.5 The For-Profit / AIF Sibling

The cleanest way to run "for-profit economics" alongside a charity is to keep them in different entities. The RNPO does incubation, mentoring, grant deployment and holds compliant equity; a **separate SEBI-registered AIF or Limited Liability Partnership (LLP)** holds convertibles, takes carry, charges management fees, and can draw FFS capital.

Social Alpha's architecture, pairing the FISE non-profit platform and distinct investment vehicles is the working example.

Guardrail: Transactions between the two must be at arm's length.

Income of the RNPO applied for the benefit of a related or specified person is specified income taxed at 30% (Section. 337). The related-party obligations are the main risk in this structure.



Part IV:
Intellectual Property: Who Owns the Innovation Being Incubated by Non-Profit Social Impact Incubators?



Does an incubator that takes equity from incubatees also own the intellectual property of incubatees?

Usually it does not. Where the Intellectual Property (IP) sits depends on **where the innovation was created**, and this has tax consequences for a charitable incubator.

4.1 Two Models of IP Ownership are Dominant:

Startup-Owned (Standalone Incubators)

Where the innovation is built inside an independent startup, the norm for Villgro, AssisTech Foundation, NSRCEL and Deshpande Sandbox, the startup owns its own IP. The incubator provides IP support (patent filing, IP strategy and access to counsel) and takes equity, not title. Holding the founders' IP would undercut the venture, so the incubator's interest stays in the cap table, not the patent register.

Institution-Owned and Licensed (Academic / Research Incubators)

Where the innovation is generated in an institution's labs as at **IIT Madras** and **C-CAMP**, the **host institution owns the IP and licenses it** to the spin-off. At IIT Madras, the institute retains patents from institute research and licenses them to student- and faculty-founded startups through its Technology Transfer Office; the incubation company facilitates but does not hold title. Note *who* holds it: the **institution (Entity A), not the incubation Section 8 (Entity B),** another reason the two-body structures keep IP-licensing and equity in different vehicles.

What an incubator can take instead of IP ownership.

Rather than ownership, incubators take an IP-*linked* economic interest, such as:

- a **royalty or revenue-share** on a licensed technology (the BIRAC model uses ~5% of net sales),
- a **licence-back,** or
- **equity** that captures the IP's value indirectly.

4.2 The Tax Treatment of Holding, Earning from and Transferring IP by a Non-Profit Social Impact Incubator:

1.Holding and licensing IP is not a "permitted mode" problem

Unlike equity, which a charity may hold only within Schedule XVI clause (20), IP is an *operational asset*, not a financial investment. A Section 8 / RNPO can own IP and license it, and the **royalty or licence fee is income applied to its objects**, a legitimate sustainability lever (the "royalty" line in the funding stack).

2.IP moving to a for-profit must be at arm's length

If a charitable entity assigns or licenses valuable IP to a for-profit startup below fair value, that is a **benefit to a related or specified person → specified income taxed at 30% (Section 337)**. Fair-value terms, an independent valuation, and documented licence agreements are the guardrail.

3.Keep the licensing income in books

Where IP licensing is run as a business activity, maintain separate books (Schedule XVI clause 32), and watch the Section 346 20% commercial-receipts limit if the entity sits on the GPU limb.



Part V:
Founder's Cheat-sheet for Setting Up a Non-Profit Social Impact Incubator Holding Equity

Structuring

- Incorporate as a Section 8 company; draft the objects clause to include incubation and the equity-and-revenue ancillary object.
- Decide your Section 2(23) limb (education / relief / GPU) and design revenue to fit — GPU means the 20% commercial-receipts discipline (Section 346).
- Split entities where activities conflict: put risk capital and carry in a separate vehicle/AIF.

Recognition & Registration

- Register as an RNPO (Section 332); obtain 80G approval and, if raising CSR, CSR-1.
- Secure DST TBI/STEP recognition before taking incubatee equity.
- Register under FCRA before accepting any foreign money.

The Five Guardrails (Keep these True Every Year)

- No distribution of profit to members.
- Apply/accumulate ≥ 85% of regular income to objects (Section 336).
- If on the GPU limb, keep commercial receipts ≤ 20% (Section 346).
- Invest only in Schedule XVI permitted modes; incubatee holdings in **plain equity** only (clause 20).
- Maintain separate books for any business activity; keep all related-party dealings at arm's length.



Part VI: Reference Entities at a Glance - A Sampling of Non-Profit Social Impact Incubators in India

Incubator (brand)	Legal Entity	Form	CIN
AssisTech Foundation	AssisTech Foundation	Section 8	U85300KA2019 NPL129231
Deshpande Startups (Hubballi)	Foundation for Sandbox Startup Initiatives	Section 8	U74999KA2016 NPL092977
IITM Incubation Cell	IITM Incubation Cell	Section 8	U73200TN2013 NPL094014
IIT Madras Research Park	IIT Madras Research Park	Section 8	U73100TN2006 NPL059651
NSRCEL (IIM Bangalore)	IIMB Innovations Pvt Ltd	Section 8	U73200KA2010 NPL053371
Social Alpha	Foundation for Innovation and Social Entrepreneurship	Section 8	U74900KA2015 NPL082167
Villgro Foundation	Villgro Innovations	Section 8	U91990TN2001N PL047075

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Annexure - Non Exhaustive List of Social Impact Incubators Making Equity Investments in India

Name	Sector	Working Model	Notable For-Profit Portfolio
Villgro Separate SEBI-registered fund / for-profit vehicle - Menterra **Pattern D**	***Sector Agnostic*** 1. Climate-Smart Agriculture 2. Climate Action 3. Healthcare 4. Inclusive Livelihoods and Entrepreneurship	A not-for-profit that has supported **340+** climate, health, and agriculture startups since 2001, impacting over 20 million lives, and expanded internationally through Villgro Africa Supports early-stage social enterprises through incubation, acceleration, seed funding, investment readiness, market linkages, mentorship, corporate partnerships, and ecosystem building. Combines financial and non-financial support tailored to each enterprise's stage, with seed funding of up to ₹25 lakh for selected startups. Funding instruments span the full continuum : • Grants, • Debt, and • Equity	**Biosense Technologies:** Non-invasive diagnostic devices (*ToucHb needle-free anaemia/haemoglobin screener*); acquired by Tulip Diagnostics, 2019. **Ecozen Solutions** Solar-powered cold-storage units and irrigation pumps for smallholder farmers. **Wysa** AI-driven mental-health chatbot using CBT techniques for accessible emotional support.

Name	Sector	Working Model	Notable For-Profit Portfolio
Social Alpha **Pattern D_**	***Sector Agnostic*** 1. Energy 2. Resources 3. Materials 4. Food Systems 5. Health	Social Alpha backs science and technology-led innovations that address critical social, economic, and environmental challenges, supporting mission-driven entrepreneurs from lab to market. Through full-stack architecture, they help de-risk, deploy, and scale deep-tech innovations across energy, resources, materials, food systems, and health	**PHOOL** 'Flowercycles' turns temple floral waste into incense, and Fleather, a leather alternative made from flower waste. **PadCare Labs** On-site machines that sanitise and recycle used sanitary napkins into reusable cellulose and plastic. **Voxelgrids** Low-cost, high-field portable MRI scanner aimed at expanding imaging access outside major hospitals.

Name	Sector	Working Model	Notable For-Profit Portfolio
Rural Technology & Business Incubator (RTBI) **Pattern C**	***Sector Focused - Rural Technology*** 1. Agriculture 2. Rural Health & Finance 3. Education 4. Vocational & Rural ICT	Set up in 2006 under DST, Govt. of India, and World Bank's Infodev; academic (IIT-anchored) incubator. Two-pronged incubation + exploration methodology; infrastructure, admin and funding support. Focus on affordable rural technology, market research, and inclusive business-model design.	**Stellapps Technologies** IoT-enabled dairy-automation platform — smart milking, cold-chain and herd-management tools for smallholder dairy farmers.

Name	Sector	Working Model	Notable For-Profit Portfolio
CIIE.CO (IIM Ahmedabad) Separate SEBI-registered fund / for-profit vehicle - IIMA Ventures **Pattern D**	***Sector Agnostic*** 1. Fintech & Financial Inclusion 2. Agriculture 3. Cleantech 4. Healthcare 5. Enterprise Tech	Established in 2002 at IIM Ahmedabad, CIIE.CO is one of India's largest startup incubators, combining traditional venture incubation with a dedicated impact entrepreneurship vertical. It operates multiple specialised programmes including ***iAccelerator***, ***Power of Ideas***, *and the* ***Bharat Inclusion Initiative,*** supporting ventures from idea stage through Series A and beyond. Government grant to seed/Series funding (₹10–15 lakh up to ~US$5 million); mentorship-heavy.	**Razorpay** Full-stack digital payments and business-banking platform for Indian merchants; now a fintech unicorn. **IdeaForge** India's leading drone manufacturer, supplying UAVs for surveillance, mapping and defence. **Agnikul Cosmos** Builds and launches customisable small-satellite orbital rockets using 3D-printed engines.

Name	Sector	Working Model	Notable For-Profit Portfolio
Selco Foundation Separate SEBI-registered fund / for-profit vehicle - Selco Fund **Pattern D**	***Sector Specific - Energy*** 1.Clean/Decentralised Energy 2. Energy Access for Health, Education & Livelihoods	Non-profit arm of SELCO Solar; incubates energy-access solutions for underserved communities. Grants, technical & design support, and last-mile ecosystem building (financing partners, technicians).	**SELCO Solar (parent company)** Solar home-lighting systems and livelihood-linked energy products (sewing machines, cold storage, dryers) sold on commercial terms; incubated use-cases graduate into its product line.
Deshpande Foundation (Sandbox / Hubli) **Pattern C**	***Sector Specific - Rural development*** 1. Rural Entrepreneurship 2. Skilling 3. Agriculture 4. Grassroots Innovation	Builds a regional entrepreneurship ecosystem ('Sandbox') centred on Hubli-Dharwad. Combines incubation, mentorship networks and community-anchored innovation labs. Emphasis on long-term, place-based ecosystem building over individual deal-making.	(Bharat-focused ventures) Portfolio skews toward agri, ESDM and rural-tech hardware startups; individual graduates are less centrally publicised than at metro-based incubators.

Name	Sector	Working Model	Notable For-Profit Portfolio
Intellecap / Sankalp Forum Separate SEBI-registered fund / for-profit vehicle - Aavishkar Capital **Pattern D**	***Sector Agnostic*** 1. Agriculture 2. Livelihoods 3. Climate Change 4. Clean Energy 5. Financial Services 6. Health 7. Gender & Inclusion	Advisory, investment-banking and ecosystem-convening firm (not a hands-on incubator). Runs the Sankalp Forum, one of the world's largest impact-enterprise platforms connecting founders to investors. Consulting, research and syndication services; has enabled $800M+ in enterprise funding raised via its network.	(Advisory only) Convenes and syndicates capital for other incubators' portfolio companies rather than incubating and holding its own for-profit portfolio.

Name	Sector	Working Model	Notable For-Profit Portfolio
Assist Tech Foundation **Pattern C**	***Sector Specific:*** *Persons with Disabilities India's first organisation built specifically around assistive technology (AT) startups building products for* ***Learning, Livelihood and Living (the "3Ls")*** *of persons with disabilities.* *Sector-specific rather than sector-agnostic, spanning healthtech, edtech, mobility devices, and AI-based accessibility tools.*	Runs incubation and acceleration programmes, notably the **Enable Acceleration Program and the cAtalyst AT Startup Acceleration Program**, plus the **imaginATe Fellowship** specifically for entrepreneurs with disabilities, run in partnership with Bajaj Finserv's CSR arm. Support is the standard incubator bundle: mentorship, business-development and technology guidance, plus market/distribution connections, since AT often struggles with market discovery even after the product works. Co-runs (with BIRAC and Social Alpha, backed by Mphasis CSR) sourcing programmes like the "Quest for Assistive Technologies," showing it plugs into the broader Social Alpha/BIRAC ecosystem rather than operating in isolation.	**Buddy Up**

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