



सत्यमेव जयते

Government of Mizoram

MIZORAM ENTREPRENEURSHIP & STARTUP POLICY, 2019

Table of Contents

1. PREAMBLE.....	2
2. VISION	3
3. MISSION	3
4. OBJECTIVES	3
5. SCOPE.....	4
6. POLICY PERIOD.....	4
7. DEFINITIONS.....	4
8. POLICY GOVERNANCE	5
9. ECOSYSTEM BUILDING: ENTREPRENEURSHIP DEVELOPMENT SCHEME	6
9.1. AWARENESS, OUTREACH & EVENTS.....	6
9.1.1. <i>Entrepreneurship Awareness Programmes:</i>	6
9.1.2. <i>Entrepreneurial Events</i>	6
9.1.3. <i>Mizoram Outstanding Entrepreneurs Award</i>	7
9.2. SKILLING & TRAINING.....	7
9.2.1. <i>Entrepreneurship Manual in Mizo</i>	7
9.2.2. <i>Master Trainer Programme</i>	7
9.2.3. <i>Exposure and Study Tours</i>	8
9.2.4. <i>Entrepreneurship cum Skill Development Programme</i>	8
9.2.5. <i>Research funding</i>	8
9.3. INSTITUTION BUILDING.....	8
9.3.1. <i>Entrepreneurship Development Centre</i>	8
9.3.2. <i>Entrepreneurship knowledge Cell</i>	9
9.3.3. <i>Startup Hub and Incubation Centre</i>	9
9.3.4. <i>Need Based Assistance to Partner Agencies</i>	10
9.4. MICRO FINANCE.....	10
9.4.1. <i>Micro Startup Capital Competition (Mizoram Rahbi)</i>	10
9.4.2. <i>Business Plan Contest (Mizoram Kailawn)</i>	11
9.4.3. <i>Acceleration programme</i>	11
9.5. REGULATION	11
10. GENERAL TERMS AND CONDITIONS	12

1. PREAMBLE

- 1.1. The State of Mizoram, owing to factors both historic and geographical, has remained in relative isolation with industrialization and technological advancements that have brought prosperity to so many other states of India having had limited penetration in this far corner of the Country. The young State has suddenly found itself emerging in a globalized economy and now must catch up to her sister-states in this competitive world with an innovative, market oriented and factor endowment-based strategy for growth.
- 1.2. As the engine of economic growth, Entrepreneurship is the ideal approach to address traditional development problems in innovative ways. It is the most feasible option for solving the unemployment problem and the best tool for bringing about equitable distribution of wealth and bridge the gap between the urban and rural areas. Additionally, it is the ideal path for balanced regional development. Proper policy formulation and its implementation could significantly change the face of Mizoram.
- 1.3. The high growth rate being witnessed in the present day among countries such as China, India, Israel, Korea, Vietnam etc. is because of proper groundwork laid for promotion of entrepreneurship in these countries. As noted by the distinguished economist Prof. Tarun Khanna, setting up of hydro projects and construction of large infrastructural projects does not automatically spell development; rather, it is advancement in entrepreneurship which makes these infrastructures meaningful for the growth of the country.
- 1.4. Presently in Mizoram, about 30 per cent of the population is between 0 and 14 years old, and more than 64 per cent of the population is in the working age group (i.e. 15-59). In terms of demography, Mizoram is entering its golden age to reap demographic dividend with high potential to boost economic productivity. The aspirations and achievements of these young people will shape the future of Mizoram.
- 1.5. As Mizoram is witnessing an emergence of a young business class with sharp entrepreneurial acumen with a drive for success, not only do these potential contributors to the economy need to be encouraged and supported, the spirit of entrepreneurship needs to be promoted further especially among the youth of the State.

- 1.6. With this perspective, the Mizoram Entrepreneurship & Startup Policy, 2019 seeks to build a better environment in which entrepreneurs can innovate and commercialize the results of their creativity, and in which businesses and startups can thrive to create jobs and wealth.

2. VISION

- 2.1. To create a vibrant entrepreneurial eco-system, facilitate nurturing of startups and promulgate a culture of innovation in Mizoram.

3. MISSION

- 3.1. To spread awareness on entrepreneurship.
- 3.2. To ignite the spirit entrepreneurship among the masses in general and among students & the youth in particular.
- 3.3. To impart skills necessary to prepare potential entrepreneurs to start their own venture and be successfully self-employed.
- 3.4. To promote small and micro-enterprises with promising prospects based on innovativeness and structural coherence that could play an important role in employment creation, resource utilization and income generation.
- 3.5. To facilitate networking and mentoring to businesses and startups.
- 3.6. To enable a supportive regulatory framework for a business-friendly entrepreneurship ecosystem.

4. OBJECTIVES

- 4.1. Spread awareness on entrepreneurship through entrepreneurship events and through media.
- 4.2. Institute the 'Mizoram Outstanding Entrepreneurs Award' and conduct it at regular intervals to promote entrepreneurs and inspire the youth.
- 4.3. Publish literature and manuals on entrepreneurship in the Mizo language.

- 4.4. Provide up-skilling through exposure/study tours, workshops and training programme.
- 4.5. Facilitate networking and mentoring through Master Trainer programme.
- 4.6. Institution building through setting up of entrepreneurship development centre and cells, incubation centre and providing need based assistance to partner agencies.
- 4.7. Provide micro finance through competition to startups.
- 4.8. Coordinate regulatory frameworks for ease of doing business in the State.

5. SCOPE

- 5.1. The policy would provide grants, facilities, training etc. over and above the Startup policy of Government of India and any other existing policies in the State.

6. POLICY PERIOD

- 6.1. The Mizoram Entrepreneurship & Startup Policy, 2019 shall be effective from the date of its notification until modified, replaced or terminated by the Government of Mizoram.

7. DEFINITIONS

- 7.1. *Entrepreneur*: An individual who develops and transforms a new idea or invention into a good or service that creates value in the market.
- 7.2. *Innovative project*: The introduction of a creative idea that causes a new product, process or service, or which provides an improved solution that meets new requirements, unarticulated needs or existing market requirements.
- 7.3. *Startup*: An entrepreneurial venture that develops a business model based on novelty or innovation for development, deployment and commercialization of a differentiated service or product.

8. POLICY GOVERNANCE

8.1. The Entrepreneurship Development Scheme (EDS) will be the vehicle for the implementation of the Mizoram Entrepreneurship & Startup Policy.

8.2. The Government of Mizoram has constituted the ‘Mizoram State Entrepreneurship Development & Monitoring Committee’ or MEDMOC through its Notification No.G.28011/11/ED/2016-PLG(RDB) dated 25.10.2016 with the following composition:

Chairman : Chief Secretary, Government of Mizoram.

Alternate Chairman : Secretary to the Govt. of Mizoram, Planning & Programme Implementation Department.

Official Members : Secretary to the Govt. of Mizoram, Commerce & Industries Department.

Secretary to the Govt. of Mizoram, Higher & Technical Education Department.

Expert Members : 3 notable individuals with expertise and experience in the field of entrepreneurship.

Member Secretary : Economist, Planning Department.

8.3. MEDMOC will oversee EDS and coordinate its implementation through concerned State departments, educational institutions and other agencies.

8.4. Planning & Programme Implementation Department, Govt. of Mizoram will act as nodal department for EDS, and also provides secretarial assistance to the Committee.

8.5. EDS will be executed through the Entrepreneurship Development Centre established under Planning & Programme Implementation Department.

9. ECOSYSTEM BUILDING: ENTREPRENEURSHIP DEVELOPMENT SCHEME

9.1. AWARENESS, OUTREACH & EVENTS

9.1.1. *Entrepreneurship Awareness Programmes:*

a) The concept of entrepreneurship and startups is in its infancy in Mizoram. This necessitates the dissemination of its knowledge through entrepreneurship awareness and outreach programme which will be conducted in all the District headquarters in the first phase and in the block and village levels in subsequent phases. The programmes will be held thereafter as and when required. Efforts will be made to promote entrepreneurship through local cable television programme. Documentary programme will also be prepared by collaborating with the local documentary film presenters.

b) The Scheme will also allow NGOs or any other organization to organize awareness through their respective organization. Grant admissible per event may not exceed Rs. 25000/- for an audience of not less than 300 person. The awareness programme or campaign must include at least one talk on entrepreneurship and one experience sharing/testimony from an actual entrepreneur. At least one resource person must be one of the Master Trainers trained under EDS.

9.1.2. *Entrepreneurial Events*

a) Entrepreneurial events such as entrepreneurship conclaves, investor summits, etc. will be conducted from time to time to bring together in an interactive manner the policy makers, expert in the field, academicians, leaders of the NGOs, students, start-ups and entrepreneurs for deliberation on the challenges and opportunities in the process of economic growth and for enabling B-to-B and B-to-G networking.

b) Hackathons and Grand Challenges will also be organized for identification of public problems and producing solutions that can be provided by the private sector.

9.1.3. *Mizoram Outstanding Entrepreneurs Award*

a) The Mizoram Outstanding Entrepreneurs Award will be instituted to encourage the local entrepreneurs, raise their business standing and showcase role models for potential entrepreneurs among the youth. The Award will be open for all indigenous entrepreneurs who will be judged on their accomplishments achieved within Mizoram. The Award categories will bear representation for all sectors to the extent possible and the awardees will be felicitated with a citation, a trophy and cash award of Rs.50,000/- each.

9.2. SKILLING & TRAINING

9.2.1. *Entrepreneurship Manual in Mizo*

a) Publication of an Entrepreneurs Manual in the local language, i.e. Mizo, is a crucial step in ensuring that the same standard of guidance and training can be provided to everyone within the State. This Manual will be disseminated without cost at all the events organized under EDS and be uploaded on the internet for free download. The Manual will lay down the foundational tenets on becoming a successful entrepreneur including basic concepts in entrepreneurship, simple market research techniques, accounting & financial management strategies, decision making, operations, business law, preparing business plan etc.

9.2.2. *Master Trainer Programme*

a) Creation of a cadre of Entrepreneurship Master Trainers is envisaged for the purpose of spreading awareness on entrepreneurship within the State as well as mentoring and handholding potential entrepreneurs. The Master trainer (Trainer's Training Programme) is expected to produce Master Trainers in the field of entrepreneurship for percolating the ideas, importance and roadmap for entrepreneurship development. The training will focus on building the capacity of Master trainers for creating entrepreneurship awareness through awareness programmes among youth and any given community, understanding the process of entrepreneurship development, understanding the impact of entrepreneurship in the economy, learning how to facilitate Start-ups and budding entrepreneurs, solving identified problems and helping in finding and applying new knowledge, taking action, and coping with uncertainty and challenges that

may be confronted. The Government will tie up with national and international technical and research institutes of repute for the Training of Trainers courses.

9.2.3. *Exposure and Study Tours*

a) Due to the lack of exposure to technical, financial, managerial and process knowhow among the entrepreneurs of the State, it is necessary to organize exposure cum study tour for promising entrepreneurs. Arrangement will be made to study technology transfer, market chain, value addition etc. in various corporations, industrial estates and startup destinations within India and abroad.

9.2.4. *Entrepreneurship cum Skill Development Programme*

a) In addition to imparting training and skilling through the Entrepreneurship Development Centre, EDS will also converge with other agencies for conducting Entrepreneurship & Skill Development Programme. The initiatives will provide funding to Institutes/Partner Agencies engaged in promoting and developing entrepreneurship in Mizoram

9.2.5. *Research funding*

a) Provision will be made for funding up to Rs.10.00 lakh for conducting research in selected potential and high/low growth sectors in collaboration with technical/educational/research institutes or reliable agencies. The objective is to produce systematic enquiry into the dynamics of the State's market economy, consumer behavior, industry potential etc. that could act as the basis for precision government intervention or guide to entrepreneurs and investors looking for venture avenues.

9.3. INSTITUTION BUILDING

9.3.1. *Entrepreneurship Development Centre*

a) An EDC has been set with the mission to become a catalyst in facilitating the emergence of competent group of entrepreneurs and provide hand holding support for entrepreneurs through spreading awareness on entrepreneurship, promote innovation and novelty, impart skills necessary to prepare the youth to start and run their own ventures successfully

through training & workshops, facilitate consultation meetings, provide mentoring and facilitate networking to potential and early stage entrepreneurs, and channel micro-financing for startups. It bases its activities on the belief that–

- Entrepreneurship is a vital tool that facilitates inclusive growth of society.
- Entrepreneurship education, training & counseling can hasten the emergence of progressive entrepreneurs.
- Entrepreneurship encourages youth to seek innovations & challenges thus leading to optimal utilization of the State’s demographic dividend, resources & wealth creation.

9.3.2. Entrepreneurship knowledge Cell

a) EKC’s will be set up as satellite centres of EDC at partner institutes in every district. The cells will provide easier access of support, handholding and guidance with assignment of Master trainers and other experts in each cell. The cells will cater to the needs of local entrepreneurs and students by providing soft skill trainings. The principal aim is to develop entrepreneurial flair in students, to make students understand entrepreneurial attitude and entrepreneurial skills and to provide a platform which gives number of outreach and awareness opportunities.

9.3.3. Startup Hub and Incubation Centre

a) The Government will facilitate the creation of a Startup Hub in Aizawl so that entrepreneurs can be provided with ideal conditions to flourish and accelerate the growth of their ventures. This will include the setting up of a an incubation Centre under EDC which would provide the start-ups with necessary mentoring, tech support, infrastructure, networking, and facilitating other resources that may be required for the entrepreneurs to create a sustainable, scalable & profitable business model. The Incubator will provide fully equipped and fully functional plug-&-play working spaces, brainstorming rooms, video conferencing hall, internet connectivity, electricity, water, security, shared IT infrastructure such as projectors, fax machines, etc.

b) The existing incubation centres in Mizoram shall be partnered for providing additional mentoring and networking assistance to incubates. Educational and technical institutes in Mizoram will be encouraged and guided to set up incubators within their premises.

9.3.4. Need Based Assistance to Partner Agencies

a) Institutions engaged in development and promotion of entrepreneurship play a vital role in preparing young people to be responsible, enterprising individuals so that they can contribute to economic development and sustainable communities. Recognizing the need to develop the infrastructure, teaching aids etc. of such institutions, EDS will provide Need-based Assistance to Institutes/Partner Agencies based on proper criteria and guidelines.

9.4. MICRO FINANCE

9.4.1. Micro Startup Capital Competition (Mizoram Rahbi)

a) In order to promote self-reliance and tap the entrepreneurial potential of the State and to facilitate generation of employment through startups, the Micro Startup Capital Competition or “Mizoram Rahbi” initiative seeks to provide a “stepping stone” for emerging and early stage entrepreneurs who are yet to gain traction through grant of micro capital. This assistance will be administered through a fair contest wherein business startup plan proposals will be judged by an unbiased panel of experts to assist sincere enterprises that will potentially in turn contribute to the socio-economic development of the State. The cascading effect of forward and backward linkages of these ventures is also expected to generate significant direct and indirect employment.

b) As risk-taking is an integral part of entrepreneurship and risk free investment almost never succeeds, the winners will be expected to match fund required for their business plan that is over and above the grant amount (which is a sum not exceeding Rs.5 lakh or half the estimate of the business plan, whichever is lower) or through bank loan.

c) The overarching objective of this initiative, besides financial assistance to turn ideas into action, is to spread awareness on entrepreneurship among the masses in general and to promote it among the

youth in particular through open Competition. The initiative goes further by putting in place a mechanism for monitoring the progress of the ventures funded under it, provide institutional and knowledge-based support and scrutinize whether the fund granted is being utilized properly.

9.4.2. *Business Plan Contest (Mizoram Kailawn)*

a) “Mizoram Kailawn” is the branding for the business plan contest, a multi-stakeholder initiative with the objective of facilitating a state-wide societal culture that accepts and appreciates entrepreneurs, making it easier for promising potential entrepreneurs to gain institutional support, community recognition and encouragement from family in their journey towards entrepreneurial success. The highlight of the Contest will be outreach roadshow to all district and a four-day residential bootcamp programme which will hone the skills and ideas of the contestants. The Contest will be conducted in collaboration with reputed national level management institutes.

9.4.3. *Acceleration programme*

a) The Accelerator programme will include seed investment, connections, mentorship, and educational components as assistance to businesses, typically start-ups, which have moved beyond the earliest stages of getting established. In addition to mentorship and investment opportunities, the business accelerator will facilitate access to logistical and technical resources as well as shared office space, if necessary, in collaboration with other incubation centres. An accelerator will also connect companies to networks of peers whose experience they can learn from. The selection of businesses/start-ups for acceleration will be competition based.

9.5. REGULATION

9.5.1. Reforms to produce business-friendly regulatory framework will be initiated in cooperation with relevant State departments for single window clearance, ease of doing business, easier filing of patents etc. The Government will also explore avenues for providing subsidies and

reimbursement facilities, relaxation of public procurement norms for startups etc.

10. GENERAL TERMS AND CONDITIONS

- 10.1. No right or claim of any assistance under this policy shall be deemed to have been conferred merely on the ground of provision in this policy. Implementation of various provisions covering the grants, facilities, training etc. is subject to the issue of detailed guidelines/statutory notifications, wherever necessary, in respect of each item by the concerned Administrative department.
- 10.2. The Government of Mizoram may at any time amend any provision of this policy.

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