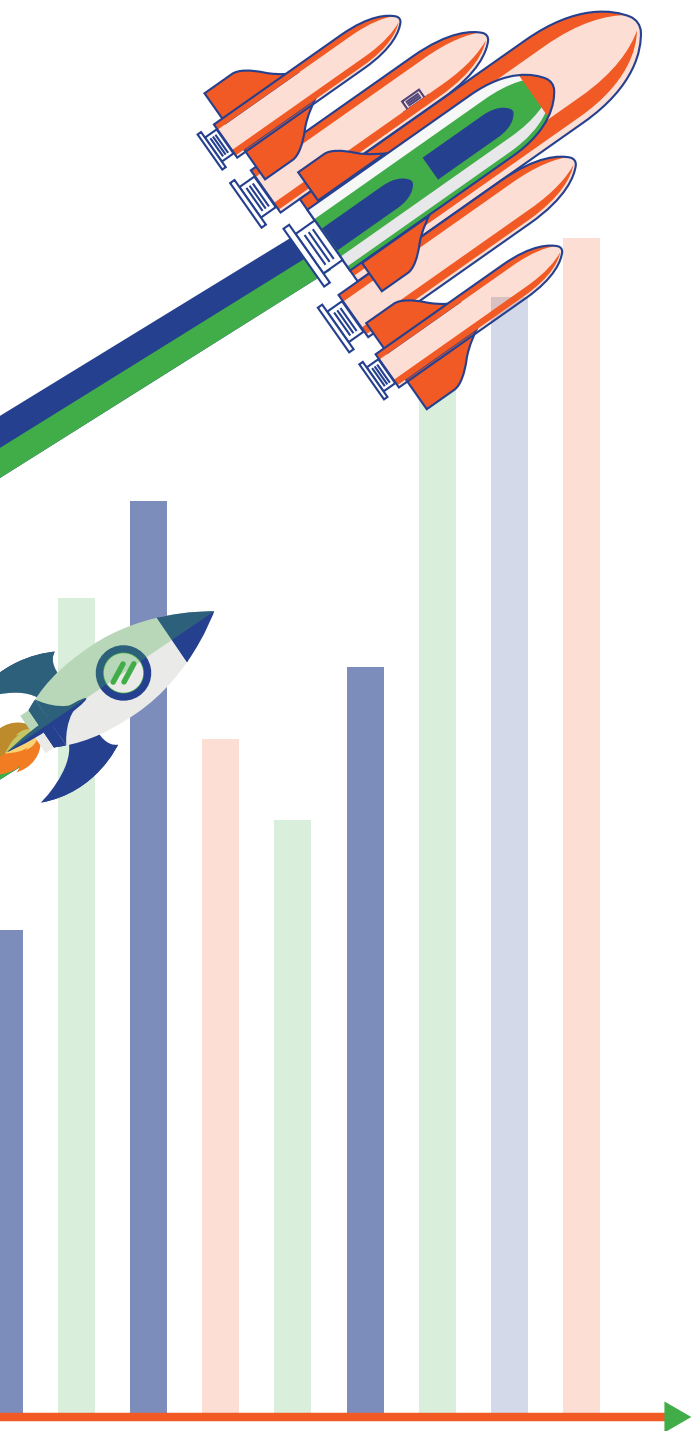




Government of India  
Ministry of Commerce and Industry  
Department for Promotion of Industry and Internal Trade



# STARTUP INDIA

Compendium of Best  
Practices

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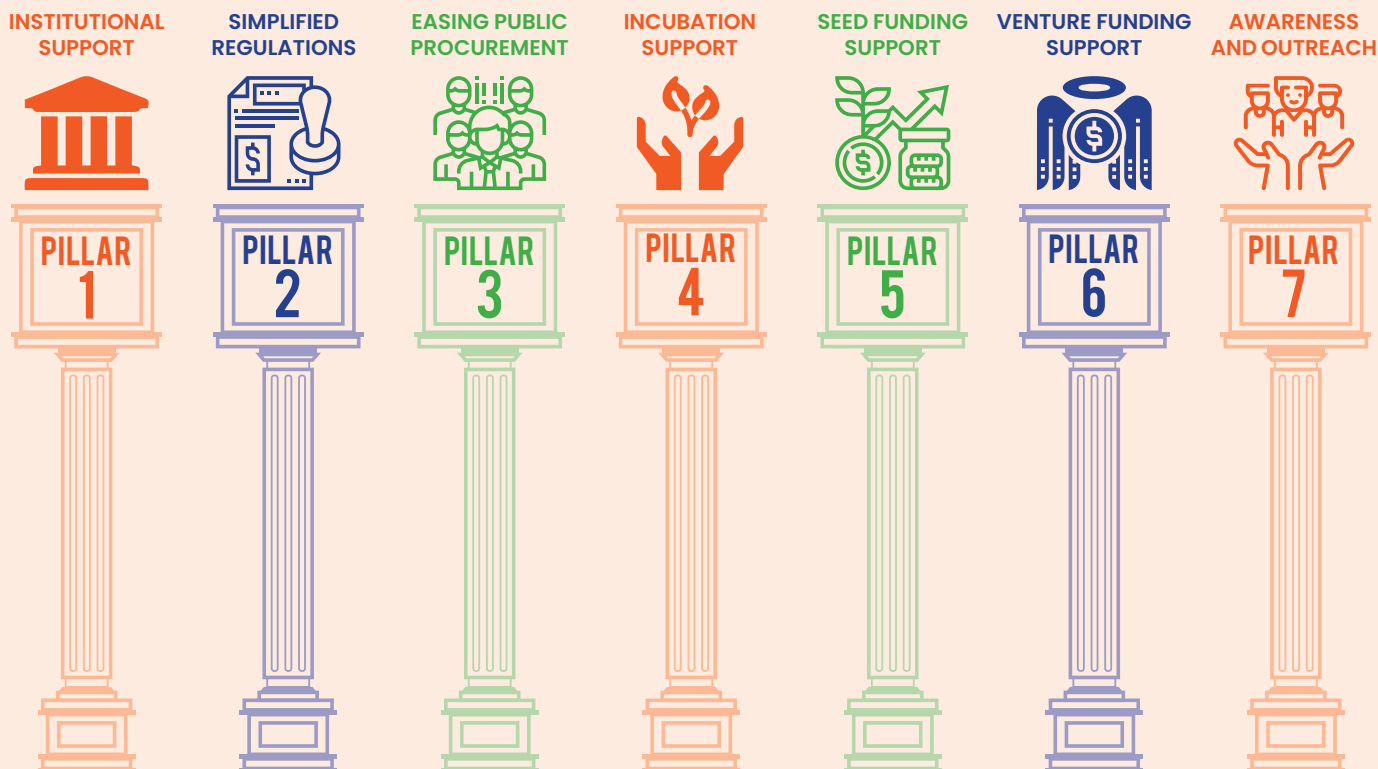
2019







# 7 PILLARS SUPPORTING THE STARTUP ECOSYSTEM



- 1. Institutional support** – It covers states' best practices to develop a startup ecosystem that includes availability of a startup policy, nodal department, mentors and partnerships in a state
- 2. Simplified regulations** – It covers states' support in simplifying the regulatory regime for startups and building a strong business compliance mechanism
- 3. Easing public procurement** – It includes states' initiatives in relaxing public procurement guidelines for startups
- 4. Incubation support** – It includes states' initiatives in setting up incubators, allocation of seats and providing acceleration support to startups
- 5. Seed funding support** – It covers states' initiative in formulating seed funding guidelines and making an online system available for managing seed funding for startups
- 6. Venture funding support** – It includes states' support in setting up venture funds or fund of funds
- 7. Awareness and Outreach** – It covers states' efforts taken in creating awareness through various measures such as conducting bootcamps and hackathons for startups







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# Outline

The contextual knowledge of each pillar has been divided into three parts.

01

**FIRST, an overview covering** the list of states and UTs that have performed well under each pillar and an ideal practice under the stated pillar

02

**SECOND, is a snapshot of the best practices undertaken by the states and UTs** against the pillars and its impact thereof

03

**THIRD, a detailed assessment on best practices** undertaken by states and UTs under the pillar

04

**FOURTH, is a detailed assessment on the best practices** from the previous year undertaken by states under the pillar







# PILLAR 01 | INSTITUTIONAL SUPPORT

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SNAPSHOT OF BEST PRACTICES & IMPACT	07
STATEWISE DETAILS ON BEST PRACTICES	10
STATEWISE DETAILS ON BEST PRACTICES FROM PREVIOUS YEAR	31





# 01: Overview

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## List of featured states

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GUJARAT

KARNATAKA

KERALA

MAHARASHTRA

ODISHA

RAJASTHAN

## Featured states from previous year

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ANDHRA PRADESH

BIHAR

## Ideal Practice

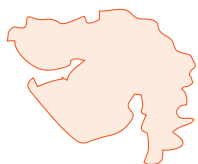
In a bid to encourage and promote local entrepreneurs, individual state governments, through enabling policy measures, have created a robust startup ecosystem. While the maturity of these ecosystems vary across states, steps taken towards a good startup ecosystem include:

1. Startup Policy
2. Nodal department, officer and team
3. Online implementation system
4. Mentor Network
5. Intellectual Property (IP) Support
6. Partnerships
7. Women Entrepreneurship
8. Support from other departments

The critical elements of these initiatives undertaken by the state governments should help motivate, ideate, innovate and hand hold entrepreneurs from cross section of society to convert ideas into game changing business plans which support states by way of employment and provide innovative solutions to local issues. A proactive approach through inter-departmental involvement seeking constant feedback from various stakeholders and facilitating appropriate change is essential to build a sustainable and vibrant startup ecosystem.



## 02: Snapshot of Best Practices & Impact



### 01

GUJARAT

**SYNOPSIS:** Gujarat has a well-structured startup ecosystem with focus on regulatory support. The state offers strong infrastructure support, a dedicated nodal department as well as a comprehensive and reliable online portal. The startups are supported by educational institutions, investor communities and specific state policies.

**IMPACT:** Educational institutions have offered a platform to launch incubators and co-working spaces. The Electronics & IT policy of the state aims to facilitate at least 2000 startups and facilitate investments worth USD 1 Billion. SSIP aims to build capacity for at least 200 premier educational institutes, harness 500 student startups in the next five years and file at least 1000 patents.



### 02

KARNATAKA

**SYNOPSIS:** In Karnataka, startups have been the drivers of change. The bustling startup ecosystem is supported by a well-defined startup policy with provisions for reimbursement of tax, patent filing cost and marketing cost. The ecosystem is supported by a startup online portal, a nodal department and a startup cell.

**IMPACT:** The challenge for the government is to replicate the success seen in Bangalore to other parts of the state. Thus, policy interventions such as reimbursement of service tax & GST, marketing incentives of reimbursement of upto 30% of actual cost – all help encouraging startups. As an illustration, cost of filing patents reimbursements has benefited more than 20 startups.



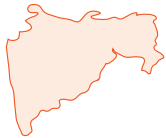
### 03

KERALA

**SYNOPSIS:** The Kerala Startup Mission (KSUM) has created a vibrant start up ecosystem in the state. Apart from conducive policies and infrastructure, the startup ecosystem is supported well by other state departments. As part of the Youth Entrepreneurship Development Programme, the state has introduced various incentives and benefits for women entrepreneurs.

**IMPACT:** Kerala has more than 600 registered startups, 175 seed funded, seven venture funded and six incubator supported startups. Apart from this, it has over 300 incubatees and has awarded 26 purchase orders. Patent cost of filing can be reimbursed upto INR 2 lakh for domestic and INR 10 lakh for international patents. More than 250 startups have benefited from mentor network.



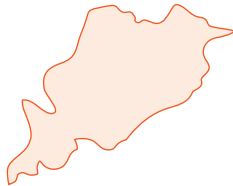


# 04

## MAHARASHTRA

**SYNOPSIS:** The startup ecosystem in the state of Maharashtra focuses on Intellectual Property Rights (IPR), incubation and seed funding. The startup policy aims to drive economic growth and job creation, especially in sectors such as fintech, biotechnology, artificial intelligence, internet of things and clean energy.

**IMPACT:** The state aims to attract angel and seed investments worth INR 5,000 crore, develop 15 incubators to support at least 10,000 startups and create 500,000 direct and indirect employment opportunities. The state policy has uniquely encoded eight tenets, encapsulated in the acronym LEAPFROG, i.e. Lighten regulatory compliance, E-connect the ecosystem, Augment infrastructure, Partner with industry, Funding startups, Realising human potential, organise competitions and events and Governance.

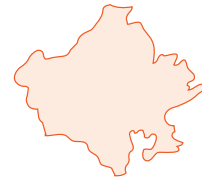


# 05

## ODISHA

**SYNOPSIS:** Odisha has a well-defined startup policy and a reliable online implementation system to avail incentives for startups. It has set-up a startup cell with a dedicated team to aid startups and has also put in place a mechanism to provide subsidies for intellectual property. The government also offers benefits to promote women entrepreneurs.

**IMPACT:** The state currently recognises 450+ startups under the Startup Odisha initiative. The government schemes have helped reimburse cost of trademark and patent registrations for more than 20 startups. Government's assistance for IP subsidy is upto INR 10 lakh. The state has also formed strong partnerships with educational institutions and international organisations to foster the state's startup ecosystem.



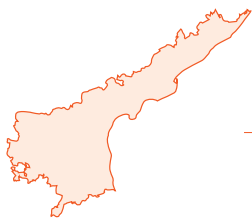
# 06

## RAJASTHAN

**SYNOPSIS:** The state has a reliable online implementation system to help startups avail incentives offered by the state government. Apart from this, the state has a nodal department and a well-defined grievance redressal mechanism. Further, the state has a dedicated startup cell and a system in place to provide subsidies for intellectual property. Women entrepreneurs are provided specific incentives to establish startups.

**IMPACT:** Rajasthan has established cohesive partnerships with educational institutions, corporate partners and investors for supporting startups. Cost of filing patent can be reimbursed upto INR 3 lakh and the provision has benefited more than 65 startups.



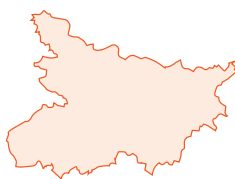


# 07

## ANDHRA PRADESH

**SYNOPSIS:** The state has performed well to make registration, online compliance, tracking applications extremely simple and transparent. It has a mechanism to connect mentors with startups. It also has a unique dashboard to measure key performance indicators of a startup ecosystem that compares achievements with the target.

**IMPACT:** The state has created 21 acceleration centers, incubated 52 startups, conducted 250 bootcamps and 12 hackathons. In addition, 140 startups have received acceleration support.



# 08

## BIHAR

**SYNOPSIS:** The state has provided strong institutional support to startups by defining policy incentives in its Startup Policy. In addition, the state provides special incentives to promote women entrepreneurship. Finally, Department of Information Technology has provisions to incentivise technology-focused startups.

**IMPACT:** An event organised for startups by the Department of IT saw participation of 1000+ startups across 14 themes.





## 03: Statewise details on best practices



### GUJARAT

#### Startup Policy

The state's startup policy is comprehensive in terms of its coverage of all the aspects of the startup ecosystem. It has clear guidelines on the definition, the registration process and the incentives available for startups. The policy is sector agnostic. Furthermore, the state has announced sector specific policies for startups, specifically in disruptive sectors.

Some of these policies are listed below:

#### Gujarat Biotech Policy

The state has formulated a Biotechnology Policy in order to promote the biotechnology sector in the state and create entrepreneurial opportunities. The policy aims to encourage research and development of technologies in the field of biotechnology, thereby creating a strong intellectual property driven technology base in the state. The incentives under the policy include incentives for biotechnology park, biotechnology units and biotechnology incubators

#### Gujarat Science, Technology and Innovation (STI) Policy

The policy aims to incentivise startups with an aim to evolve solutions to complex issues of the public sector, which otherwise are difficult to implement due to lack of adoption opportunities or presence of procedural challenges. A dedicated Innovation Fund has been created under the policy which will cater to the requirements of two schemes – one for supporting research and development and the other for pilot deployment and testing of technologies

#### Electronics & IT/ ITeS Startup Policy 2016

The state devised a separate policy for IT and Electronics in order to meet the requirements for additional support and nurturing for Electronics & IT/ ITeS startups. The policy aims to nurture the growth of incubators and facilitate investment opportunities for startups in this field

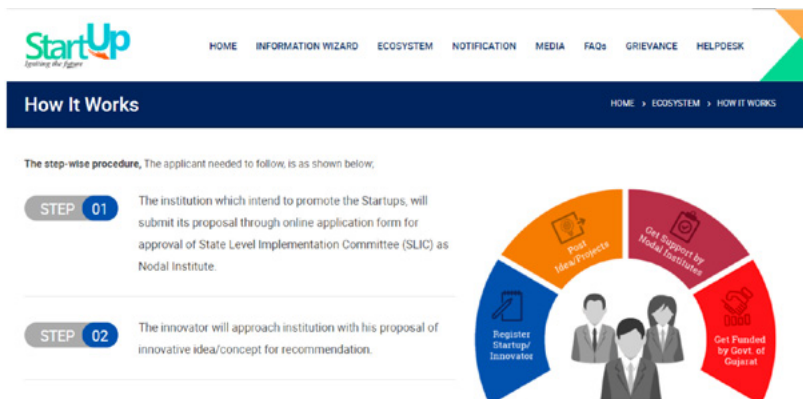
#### Gujarat Student Startup and Innovation Policy 2017

The Student Startup & Innovation Policy aims to create an integrated, state-wide, university-based innovation ecosystem to support innovations and ideas of young students and provide a conducive environment for optimum harnessing of their creative pursuit. The policy synergises complementary efforts by different stakeholders while making strong efforts towards cultural change amongst students, pre-incubation support and other necessary measures required in creating and nurturing student innovations and support towards self-sustenance



## Dedicated Startup Team

The state has a robust Startup Cell which comprises of a dedicated team to provide assistance to startups. In April 2018, the Industries Commissionerate was assigned as the nodal agency and the Industries Commissioner was assigned as the nodal officer. Contact details of nodal department/agency and officers (with designation) and the profiles of the dedicated team assigned for any startup are made available on the startup portal.



## Startup Portal

The state's startup portal is [startupgujarat.in](http://startupgujarat.in). It is a highly interactive platform created to initiate seamless registration of startups with the government of Gujarat.

The startups can submit their application for registration by submitting all documents online. The status of the application is also reflected online in real-time and can be tracked accordingly. Once the startup is registered successfully, they are issued a registration certificate with a Unique Registration Number (URN)

- A robust startup helpdesk has been set-up under the Gujarat Startup Cell at the Industries Commissionerate office to receive and resolve queries via phone, e-mail and through the online portal
- The details of incubators and mentor registered with the portal are displayed in the public domain
- The details of the policy implementation dashboard are displayed on Gujarat's startup portal

## Intellectual Property Support

The state has a strong system in place to provide intellectual property assistance to startups in terms of provision of subsidies for filing patents/ trademarks. The government of Gujarat offers IP support through its Education Department which has issued the Student Startups and Innovation Policy (SSIP), which provides various provisions to extend intellectual property rights' support to startups. Following benefits related to IP support are provided in the policy:

- University Level: Financial support for a period of five years up to INR crore for state universities and INR 2.5 crore for private or self-financed universities to help startups in filing patents
- Institute Level: A grant of up to INR 2.5 lakh for filing an average of 10 national patents per annum and an additional grant of up to INR 2.5 lakh for filing international patents. Further, a grant of up to INR 40 lakh to be disbursed to a maximum of 40 eligible institutes per year



## Partnerships

One of the key aspects of the state's support system for startups is the number of incubators and accelerators which have grown through partnerships between the state government and various business enterprises and educational institutions



The business enterprises include both private and public sector organisations. Companies, such as, Google, Cisco and Claris Capital are some of the renowned global organisations that have established partnerships with state supported incubators in Gujarat



Stanford University, University of Toronto, Israel Institute of Technology, etc. are some of the educational institutes that have established partnerships with the state



Startups have benefitted immensely under these partnerships through professional services, mentorship, access to libraries and labs, software/ hardware tools and other lab equipment, knowledge exchange, technology transfer and market linkages



Details of partnerships along with contact details are available on the state's startup portal







## KARNATAKA

### Startup Policy

The state has an exhaustive startup policy which provides tangible benefits to startups. The policy is largely sector agnostic and the definition of a 'startup' is clearly defined in the policy. The policy envisaged that the startup in the state should be technology based; however, it was altered through an amendment to the definition of 'startup' in the policy, illustrated as follows:

- An entity working towards innovation, development or improvement of products or processes or services, or if it is a scalable business model with a high potential of employment generation or wealth creation
- The entity must not be registered for more than 10 years. The entity must be registered in Karnataka
- The company should employ at least 50% of its total qualified workforce in Karnataka on a full-time basis

### Dedicated Startup Team

The state has an established nodal department, the Department of Information Technology, Biotechnology, and Science & Technology (S&T) for implementation of the policy. The development of startup ecosystem in the state is examined by the Principal Secretary, Department of IT, BT and S&T as the nodal officer of the state.

The state has an exclusive startup cell which aims to promote the state of Karnataka as the ultimate startup destination in the world.



### Startup Portal

The policy is readily accessible on the Karnataka startup portal: <https://startup.karnataka.gov.in/> and the operational guidelines on the portal specifies details of availing the schemes and eligibility criteria for startups in the state.

- On signing up on the portal, a startup can be amicably registered as shown in the screenshot.
- On registration of an entity as a startup, the portal allows them to claim reimbursement wherever applicable which encourages the entities to register themselves online and avail necessary benefits for pertinent growth and development.



The information available on the portal consists of:

- An online system for registration, tracking, issuance of registration certificate, online query resolution system, call center number and incubation details (list of incubators, partner incubators and a list of incubatees)
- A publicly visible dashboard on the home page showing key highlights of startups in Karnataka It displays partner's information (booster kit, list of mentors, academic institutes, and intellectual property (IP) facilitation centers)
- It also displays other details including funding details, operational guidelines document, incentives available and reports.

### Mentor Network

The state has created a robust mentor network comprising of experts from industry, academia and the startup ecosystem. Startups in the state are able to seek guidance from experienced professionals from the Indian business landscape. The portal provides an option to startups in the state to view the LinkedIn profile of each mentor and connect with them. The portal displays a list of more than 100 registered mentors which in turn supports to build relationships that helps startups in the state break the inequality of opportunity.



The scheme of 'Unnati' under the Social Welfare Department of the state aims to provide a comprehensive entrepreneurship platform for Scheduled Castes/ Scheduled Tribes startups with ideas that have a social impact. The maximum funding that can be availed is up to INR 50 lakh, which is a one-time grant disbursed over two years a milestone basis to startups in the state. The state has also collaborated with various other departments of the Government to organise mentoring workshops. The supporting departments are Department of Agriculture, Department of IT, BT, and S&T, Department of Industries and Commerce, Urban Development Department, Department of Revenue and Disaster Management and Department of Agriculture.

### Intellectual Property Support

The Government of Karnataka provides support for filing patents to the beneficiaries in terms of offering reimbursement. The reimbursement is made in two stages i.e. 75% post filing the patent and the balance 25% after the grant of the patent. The reimbursement can be categorised as below:



#### FOR DOMESTIC PATENTS

The cost of filing and prosecution of patent application is reimbursed to the incubated startup company to a limit of INR 2 lakh per Indian patent awarded



#### FOR FOREIGN PATENTS

On a single subject matter, upto INR 10 lakh is reimbursed to the incubated startups



## Partnerships

The Karnataka Government has partnerships with institutes which can be accessed by logging on to the portal. The key international partnerships include those with Australia, Finland, France, Germany, Japan and a few other countries. There have been delegation visits by notable representatives from these countries for workshops and/ or collaborations. The state Government also has certain academic partnerships with institutes for courses and/ or research. Some of the notable institutes include Indian Institute of Science (IISc) and the Manipal University.

### Women Entrepreneurship

Catalyst for Women Entrepreneurship (CWE) being a business Incubator of the Government of Karnataka provides space for women entrepreneurs with tech enabled enterprises in Bangalore. The incubator provides 20 seats and facilities for 12 months at the K-Tech Innovation Hub by 'NASSCOM 10K Startup' warehouse. The CWE platform provides mentoring and access to finance, markets, enabling technology, information and trade networks to the selected entrepreneurs and enables them to attain success and profitability in their businesses. The policy highlights the following provisions for women entrepreneurs:

- Reserving 10% incubation space for women entrepreneurs
- Ensuring one-third representation of women entrepreneurs, students and teachers.
- Working of female employees in 3-shift operations with availability of general permission to operate during night hours specially for women-led startups. This is subject to prescribed precautions with respect to the safety & security of women employees





## Startup Policy

Kerala has a well-defined startup policy with clear guidelines on the definition and registration process for startups. The policy is sector agnostic. Under its startup policy, the state has set-up the Kerala State Innovation Council (KSInC) to devise innovative, efficient, sustainable and cost-effective measures for the economic development of the state. The state has 550+ startups registered under its startup policy

## 550+ STARTUPS

The policy clearly outlines the incentives available for startups and processes to be followed to avail the following:



Rent subsidy



Seed support



Patent support

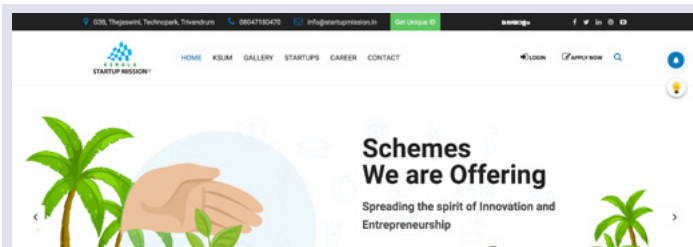


Workshops and mentoring



Innovation grants

- **Rent subsidy** – As a reimbursement of a portion or rent paid as a subsidy for a limited period
- **Seed support** – Offered As loans with free collaterals and lesser interest rates when compared to other financial institutions and banks
- **Patent support**– Offered By reimbursing the patent cost including consultation fee, subject to a limit of INR 2 lakh per Indian patent awarded. For foreign patents awarded on a single subject matter, up to INR. 10 lakh would be reimbursed
- **Workshops and mentoring** – The intensive mentoring & coaching programmes involve one to one mentor connects, mentor clinics, chat with mentor, mentor speed recheck and on demand mentoring activities for startups.
- **Innovation grants**– Idea Grant of upto INR 2 lakh will be disbursed to ideas/startups through 2 processes:



### Startup Portal

The state has a comprehensive online implementation system ([startups.startupmission.in](http://startups.startupmission.in)) which allows startups to register themselves and track applications and generate certificates



The state has maintained an interactive dashboard (month-to-date and year-to-date specific) highlighting the following:

- NUMBER OF **REGISTERED STARTUPS**
- NUMBER OF **SEED FUNDED STARTUPS**
- NUMBER OF **VENTURE FUNDED STARTUPS**
- NUMBER OF **INCUBATORS SUPPORTED**
- NUMBER OF **PURCHASE ORDERS AWARDED**

The startup portal has a comprehensive mechanism for online receipt and resolution of queries and complaints. The portal also has a detailed list of incubators and mentors.



### Intellectual Property Support

IP support is offered as per an order from November 2018, by the Electronics and Information Technology Department. The following guidelines apply for patent support:

- Support is provided as reimbursement of costs incurred for filing, prosecution and award of the patent
- Support is limited to INR 2 lakh for national patents & INR 10 lakh for international patents

### Partnerships

The state has established tie-ups with various technology solution providers such as Google Cloud, Amazon Web Services, Cleartax, Razorpay, Digital Ocean etc. As a result of these tie-ups, the startups registered under KSUM can avail the services of technology companies at subsidised rates. Further, the state has also partnered with the following national/ international agencies for developing solutions in a host of areas.



#### University of Illinois

Kerala Startup Mission (KSUM) and University of Illinois at Chicago have entered into a Memorandum of Understanding (MoU) to enable startups in Kerala to access infrastructure and obtain mentorship. This will be the country's first incubator for developing digital products for cancer diagnostics, prevention and care



#### Airbus

The state has signed a MoU with Airbus BizLabs (a global aerospace accelerator, part of the Airbus group) to set-up an incubation center in Thiruvananthapuram. The accelerator will also provide mentoring support to startups through workshops and discussions with experts from aerospace and defense sectors





### Center National d'Études Spatiales (CNES)

KSUM has entered into an agreement with the space agency of France, Center National d'Études Spatiales (CNES). The agreement will enable startups and small and medium companies operating within the Space Technology Application Development Ecosystem (STADE) in Kerala to get market access to potential customers and investors in France. The agreement is a part of an initiative launched by CNES called 'Connect by CNES' to support the development of innovative products and services using space technology and solutions



### Future Group

The Kerala Startup Mission has tied up with the Future Group where KSUM will serve as a market access platform for the group allowing them to promote their business at events supported by KSUM. In return for this support, the Future Group will provide mentorship and technology support to startups registered with KSUM



### Unity Technologies

KSUM has partnered with Unity Technologies to launch a Center of Excellence for augmented reality and gaming. The center will provide different levels of training on developer tools for augmented reality to students and professionals in the state



### OPPO

KSUM has signed an MoU with OPPO. This collaboration will provide select startups access to an incubation programme launched by OPPO which aims to provide startups with technical and business expertise. The MoU also agrees to host the selected startups at OPPO's Research and Development Centers for training and workshops. Furthermore, the collaboration aims to create synergies in areas of artificial intelligence, camera and image processing, gaming, payment gateways, system performance etc.



### Wadhvani Foundation

Wadhvani foundation signed an MoU with KSUM for supporting startups in the state and creating a mutually rewarding ecosystem for all parties with a special focus on acceleration programmes for startups, entrepreneurial education and development of women-led startups.



The state has a mechanism in place to connect startups with mentors. The details of the mentors are accessible through the state's startup portal. Through the portal, mentors can register themselves and subsequently communicate with startups and offer their guidance and support. The state also maintains a list of startups that have successfully connected with mentors. The state has connected **250+ startups** with mentors in 2019-20

### **Women Entrepreneurship**

As part of the Youth Entrepreneurship Development Programme, the state has introduced the following incentives and benefits for women entrepreneurs

- Pre-incubation support is provided to startups led by women entrepreneurs and includes incubation, mentorship and technical support
- The state also provides 100% reimbursement for the following:
  - Product showcasing costs
  - Travel costs
  - Marketing support costs (up to INR 5 Lakh per startup per year and valid for two years)
- The incentive also extends moratorium period of seed funds provided by the Kerala Startup Mission from one year to two years

### **Support from other state departments**

The startup ecosystem in Kerala receives strong institutional support from various government departments in the form of hackathons and financial incentives.

#### **Department of Electronics and Information Technology**

As per orders released by the Electronics and Information Technology Department, government departments, Public Sector Undertakings, autonomous bodies, boards and local self-government institutions are permitted to select startups registered in Kerala for implementation of their IT projects costing between INR 20 lakh to INR 100 lakh

#### **Kerala State Disaster Management Authority**

The State Disaster Management Authority with the support of Kerala Startup Mission and IBM hosted a two-day hackathon called 'Call for Code Kerala' which focused on disaster management. The theme of the hackathon, which witnessed participation of more than 25 startups, was to find an innovative solution for solving crisis that arise during the time of floods or other natural calamities

#### **Kerala Police Department**

The Kerala Police Department along with the Kerala Startup Mission invited proposals from selected startups for establishing the Police Innovation Center. A total of 12 startups presented their ideas to the Departmental Innovation Zones

#### **Departmental Innovation Zones**

- KSUM has set-up innovation zones in partnership with Kerala State Electricity Board (KSEB) and Kerala Water Authority where innovators are given an opportunity to demonstrate their products and services
- Under KSEB – Energy Innovation Zone, nine projects were funded with an innovation grant of INR 54 lakh
- Similarly, KSUM partnered with Kerala Water Authority Innovation Zone for funding the man-hole cleaning robot project with an innovation grant of INR 27 lakh



### **Kerala Finance Corporation**

The Kerala Finance Corporation aims to provide handholding and mentoring support to 100 startups. The scheme is meant to encourage new and innovative startups that have the potential to contribute significantly to employment generation in the state. It also provides working capital funding support for startups younger than seven years and whose turnover has never exceeded INR 25 crore in any financial year.

### **Kerala State Industries Development Corporation**

The Kerala State Industries Development Corporation has established a seed funding scheme under which a maximum of INR 25 Lakh will be provided to startups with innovative products. The assistance is sanctioned as a soft loan for a period of one year, post which the company shall either convert the loan to equity or repay with applicable interest. Till now, more than INR 15 crore has been sanctioned to 72 innovative startups operating across healthcare, agriculture, fintech, robotics etc.







# MAHARASHTRA

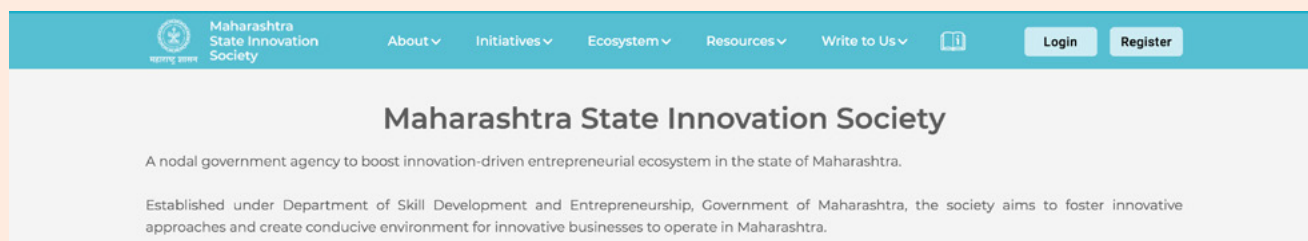


## Startup Policy

The state's startup policy is comprehensive and spells out the definition of a startup. The policy provides benefits and incentives across sectors, with special emphasis on the startups in the social sector which include, however not restricted to education, skill development, health, clean energy, water sanitation and conservation, waste management, agriculture, food security and financial inclusion.

The policy aims to reduce long drawn processes by easing the regulatory regime, thereby enabling startups to minimise the compliance cost. The initiatives are in the form of reimbursement for stamp duty and registration fee, support in quality testing and patent filing and tax holidays in lieu of GST paid.

## Dedicated Startup Team



The state has a dedicated nodal agency named 'Maharashtra State Innovation Society' (MSInS) that intends to foster innovation-driven entrepreneurial ecosystem in the state. MSInS is the governing council for implementation of the policy. The society provides a platform to entrepreneurs, researchers, academics and fosters a culture of innovation with the following objectives:

- To prepare the innovation roadmap of the state
- To provide an innovation promotion platform to academics, entrepreneurs, and researchers as well as enabling the government from drawing upon national and international experiences to foster a culture of innovation in the state
- The society would promote a network of world-class innovation hubs and grand challenges for the state
- The society would act as an umbrella advisory body to boost innovation driven performance and efficiency in every sector
- To create a smart ecosystem to boost and nurture innovation



## Startup Portal

The state has a dedicated online portal ([msins.in](https://msins.in)) for startups. The portal has a user-friendly registration process and is also equipped with an online resolution for queries. The online system has a dashboard detailing the number of registered startups, seed funded startups, venture funded startups, incubators supported, number of incubates and number of purchase orders awarded. The state also has a call center facility for all query resolutions, the startups can reach out by mail and call center number

## Partnerships

The state government has partnered with both institutions and corporates for assistance of professional services, mentorships, lab equipment, knowledge exchange, technology transfer and market linkages.



## Intellectual Property Support

The startup policy holds readiness for IPRs and provides both financial and technical assistance to startups in filing of patents and trademarks, thereby illustrating the state's competitiveness in strengthening their IP framework.-

- The policy entails rebate of 80% in patent filing, up to INR 2 lakh for Indian patents and up to INR 10 lakh for international patents to strengthen the innovative output of startups
- The state has issued guidelines with clear directions to state's startups to avail IPR benefits under the policy
- In addition, Rajiv Gandhi National Institute of Intellectual Property Management has been established at Nagpur that conducts IP training, awareness, management and research to improve the performance of startups and increase investments in IPR and technology development.

## Women Entrepreneurship

The state provides incentives to women entrepreneurs under its detailed Fintech Policy 2018 and promotes fintech startups with women as entrepreneurs. The state has taken profound initiatives and earmarked a certain portion of the total funds to benefit women startups in the state.

- An Incentive fund of INR 10 crore has been created to encourage such women-led fintech startups wherein women are encouraged to be the founders of startups and can avail the preferential funds from the state.
- The state has provided seed funding support to unique women-led startups wherein approximately 500 such beneficiaries have benefitted.



### Support from other state departments

The government provides support to startups through sustainable programmes, hackathons, incubation, seed funding, public procurement, etc. The provision of support is in addition to the aid provided by the nodal department of the state. The key departments of the state that have immensely supported and made endeavors in the state's projects/ policies are:

- Department of Agriculture leading the State of Maharashtra Agri Business and Rural Transformation
- IT Department leading the AI Innovation Challenge and the FinTech Policy 2018
- Mumbai Metropolitan Regional Development Authority (MMRDA) leading Station Access and Mobility programme (STAMP)
- Department of Industry, Energy and Labour through formulation of the Maharashtra Industrial Policy 2019

The state has prominently enacted initiatives towards the state's startups with ancillary support of key departments wherein different sectors are encouraged to implement the concept of startups and gain maximum support towards establishment, thereby leading to the overall state's economic growth.







### Startup Policy

The state has a robust startup policy which covers all the aspects of the startup ecosystem. It has clear guidelines on the definition of startups, their registration process and the incentives available for startups. The policy was released in 2016 and was last amended in 2018. The startup policy is sector agnostic.

The state currently recognises 450+ startups under the Startup Odisha initiative

## 450+ STARTUPS

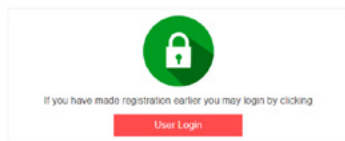
### Dedicated Startup Team

The state has set-up a startup cell as part of the Institute of Entrepreneurship Development (IED) under the MSME Department which has a dedicated team of eight members to provide support to startups. The key activities performed by the team are:

- Provide full facilitation, mentorship, guidance and advisory to startups
- Coordinate communication regarding the Startup Odisha initiative with all relevant stakeholders
- Identify and invite partners to plan and execute awareness activities and events to promote entrepreneurship, innovation and startup culture within the state
- Update, manage and increase usage of the Startup Odisha portal
- Enable participation of startups in national and international events



## Startup Registration / Login



### NEW REGISTRATION

- Fields marked with (\*) are mandatory
- Inappropriate values in profile may lead to deactivation
- Please use a valid E-mail ID and mobile number in registration
- After registration, please check your mailbox/spam/junk and click on verification link within two hours.

**Entity details:**

\* Name:

\* Mobile No:

\* Email id:

**ifm47**

\* Security Code:

## Startup Portal

The state has a highly interactive startup portal ([startupodisha.gov.in](http://startupodisha.gov.in)). The startups can submit their registration applications and documents online and track the status of the applications on a real time basis.

The portal has a robust query resolution mechanism which can be accessed via email and phone. All helpline numbers are listed on the website.

The details of incubators and mentors registered on the portal are displayed in the public domain.

The details regarding policy implementation are displayed on the dashboard of the startup portal. The dashboard reports both Month to Date (MTD) and Year to Date (YTD) figures.

## Intellectual Property Support

The state provides Intellectual Property support under Industrial Policy Resolution 2015 in the form of 100% reimbursement of registration cost which could be up to a maximum of INR 10 lakh. The state's definition of IP includes industrial design, trademarks, geographical indications and integrated circuit layout designs registrable under the Semiconductor Integrated Circuit Layout Designs Act 2000.

### The following entities are eligible for IP support:

- New Industrial Units
- Existing industrial units in MSME taking up expansion/ modernisation/diversification.
- Migrated industrial unit treated as new industrial unit.
- Rehabilitated sick industrial unit treated at par with new industrial unit and duly recommended by State Level Inter Institutional Committee.
- Industrial unit seized under Section 29 of the State Financial Corporation Act and thereafter sold to a new entrepreneur on sale of assets basis and treated as new industrial unit for the purpose of intellectual property rights.
- The entrepreneur should have submitted his/ her claim for IP support within one year from the date of obtaining patent registration.

### Startup Guidelines

Odisha has always endeavoured to provide a hassle-free business environment to enable investors. The Operational Guidelines for Odisha Startup Policy-2016 explains the ease of doing business and the process for setting up a Startup entity in Odisha.

Startups	Incubators	Nodal Agency
Startup Recognition		+
Application Process for Recognition under Startup Odisha program		+
Benefits to recognized Startups		+
Additional benefits to Women led Startups		+
Application Process for availing financial benefit		+

### The eligible costs of assistance shall include the following:

- Cost of application form, processing charges, and all other costs/charges/fees.
- Reasonable expenditure incurred on documentation for the purpose of registration of patent/IP including fees paid to the consultants as consultancy fees and cost of work of preparation, reprography of artwork, industrial design.
- If any entity secures registration of more than one patent, the assistance shall be available for each of the entities



## Partnerships

The state has established cohesive partnerships with educational institutions and business entities to foster growth of the startup ecosystem. As per their startup policy, the state has an objective to create a **“Three – I” (3i) platform where institutions, incubators and industry** shall collaborate through an e-platform which will function as a “Virtual Incubator” for startups. The platform shall also provide access to government empaneled service providers in areas such as law, finance, accountancy, marketing

- The state has formed partnerships with various international organisations, such as, The IndUS Entrepreneurs (TiE) Silicon Valley and Facebook
- The state has tie-ups with various educational institutions such as NIT Rourkela, IIT Bhubaneswar, National Institute of Fashion Technology



## Women Entrepreneurship

- The state provides strong support to startups where women have more than **50% equity**.
- The support is in the form of monthly allowance of **INR 22,000**
- The state also offers product development/ marketing assistance of up to **INR 16 lakh** to women entrepreneurs for introducing innovative products to the market
- The state has advised incubators to reserve at least one third of the subsidised incubation space (**5000 square feet**) for women-led startups







## RAJASTHAN



### Startup Policy

The **Rajasthan Startup Policy, 2015** is publicly available on the state's startup portal and has clear guidelines on the registration process for startups and the benefits and incentives (both fiscal and non-fiscal) are available for startups, incubators, nodal institutions, and educational institutes. The policy is sector agnostic. The policy clearly states the definition of a startup as an entity that develops business model based on innovation and enables startups to achieve scalable commercial success.

### Dedicated Startup Team

Department of Information Technology & Communication is the nodal department. In November 2019, the Deputy Director and Programmer from Department of information Technology & Communication, was appointed as the nodal officer for startups programme, iStartup. The state has set-up a Startup Cell which comprises of a dedicated team that provides all necessary assistance to the startups



### Startup Portal

The state has a dedicated online portal ([sso.rajasthan.gov.in/signin](https://sso.rajasthan.gov.in/signin)) for startups to register and use their credentials to avail various policy benefits and incentives on a separate portal ([istart.rajasthan.gov.in](https://istart.rajasthan.gov.in)). Startups are able to register, obtain registration certificates, track application status and generate online receipts on the portal.

The registration process is straightforward as startups get required access from a single portal called iStart. Receipt and resolution of queries are facilitated online:

- The portal has a robust query resolution mechanism which can be accessed via e-mail and phone
- All the helpline numbers are listed on the website. All queries received on the dedicated email ([helpdesk.istart@rajasthan.gov.in](mailto:helpdesk.istart@rajasthan.gov.in)) are responded within 48 hours
- The details of incubators and any mentor registered with the portal is displayed in the public domain

### Mentorship Support

In order to provide access to business experts and successful entrepreneurs, the state has built a strong mechanism to connect startups to mentors on the state portal to provide business and technical mentorship to startups or entrepreneurs on the state portal.



## Intellectual Property Support

The state has a strong system in place to provide intellectual property assistance to startups by providing subsidies for filing patents/ trademarks. IP protection is offered to all entrepreneurs developing software and animation through legal mechanism. The state has established an IP team to support startups which also conducts IP awareness workshops and provides reimbursement up to INR 3 lakh per patent awarded to an entity/ company.

## Partnerships

The state has formed partnerships with various academic institutes such as Birla Institute of Technology and Science (BITS Pilani), Amity University Rajasthan, Jaipur Engineering College & Research Center, Malaviya National Institute of Technology Jaipur, MLSU Udaipur, and Mody University, Lakshmangarh-Sikar.

### ACADEMIC PARTNERS



Axis Bank, Ankur Capital Fund, HDFC Bank, Applyifi, Gilda and Let's Venture are some of the investors in partnership with the state. The state has formed tie-ups with various corporate partners such as Amazon web services, OYO rooms, The Indus enterprise, Inc42, Yourstory, Google cloud, SV.CO, 100 Open Startups Udaipur Times.

### CORPORATE PARTNERS



### INVESTING PARTNERS





## Women Entrepreneurship

Women entrepreneurs are provided specific incentives by the state to establish women-led startups. The state has taken initiatives to foster women entrepreneurship through various funding support programmes. The key initiatives are encapsulated below:

**Bhamashah Techno Fund** – The state launched the 'Bhamashah Techno Fund' of INR 500 crores, out of which INR 100 crores have been specifically earmarked for women entrepreneurs.

**Micro, Small and Medium Enterprises (MSME) Policy 2015** – The state policy has made a provision for reimbursement of service processing charges for credit facilities up to INR 50,000 for women.

**State Government's National Knowledge Tours** – The state had selected 30 student entrepreneurs for a tour of entrepreneurial ecosystems of Delhi, Mumbai, Bengaluru and Hyderabad. 40% of the participants were women and have worked on building their idea into prototype products and gained opportunities to pitch their ideas to prospective customers and investors in the national eco-system.

**Mentoring at Incubators** – iStart Rajasthan provides mentoring support to women entrepreneurs across its Techno Hub and iStart Nest incubators

**Hers&Now** – Startup Oasis, a state funded programme, in collaboration with Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) has established a unique programme which aims to facilitate women entrepreneurship through dedicated incubation and acceleration programmes.

**Banasthali Vidyapith Incubation** Centre has been established with the vision of empowering women. The incubation center provides women-led startups access to world-class labs, modern equipment, world class mentor & industry networks, funding opportunities and state of the art incubation facilities.

**WOMENPreneur** – This is an eleven-month incubation programme that seeks to nurture aspiring women entrepreneurs at all stages of the startup cycle.

**WE Sprint** – Women Entrepreneur Sprint is an accelerator programme for promoting women startups who are looking for capital, mentoring and structural resources to scale up. Startups are provided support for developing minimum viable product (MVP), designing marketing strategies, prospective scale-up plans and getting funding support from the best mentors in the industry.





## **Support from other state departments**

The state has been supported by other departments of the state government to foster the startup ecosystem and take it to an elevated level. The other departments which provide support to the startups in the state are:

### **Department of Tourism**

The state tourism policy offers tax subsidies, investment subsidies and other incentives for startups. iStart Rajasthan was allotted a separate booth at Great India Travel Bazaar event to connect with the stakeholders in Tourism sector

### **Rajasthan State Agriculture Marketing Board**

The department held a round table conference to understand issues faced by startups in agriculture and discuss various mechanisms through which the government could support agri-tech startups

### **Department of Industries**

The department has organised the Rajasthan Digitech Summit 2019. In the event, industry leaders, government officials and investors met with innovative startups to extend their support and discuss about possible business partnerships. The department also passed an ordinance to allow all MSME including startups to start business without any prior approval or inspection for the period of 3 years.

### **Centre For Electronic Governance**

The department has entered into a MoU with Elation Edutech, an iStart Rajasthan startup, working on enabling “Learning by Doing” and fostering creativity, learning and imagination amongst students.

### **Urban Development and Housing Department**

Municipal Council, Sikar is providing institutional support to WeVOIS Labs Private Limited, a Jaipur based startup, for collection of household waste from the region under the municipal limits of the council

### **Multi-Department Event**

Department of information Technology & Communication along with seven other departments organised an innovation festival Rajasthan Innovation Vision 2019 (Rajiv 2019) from 19th August – 21st August 2019 in Jaipur. The objective of the event was to offer the startups and young entrepreneurs’ access to initiatives of other state government departments in the state and to provide them with an opportunity to collaborate with the respective departments.

### **Department of Environment**

The department has organised Greena-Thon, a green technology themed Hackathon. It was a 24-hour event and aimed at offering young entrepreneurs a platform to showcase their ingenious ideas related to sustainable energy as well as environmental issues. Krimanshi Technologies Private Limited developed a sustainable, unconventional and cost-effective solution to feed the enormous cattle population of the country. The startup was awarded a work order of INR 10 Lakh by the Rajasthan State Pollution Control Board.

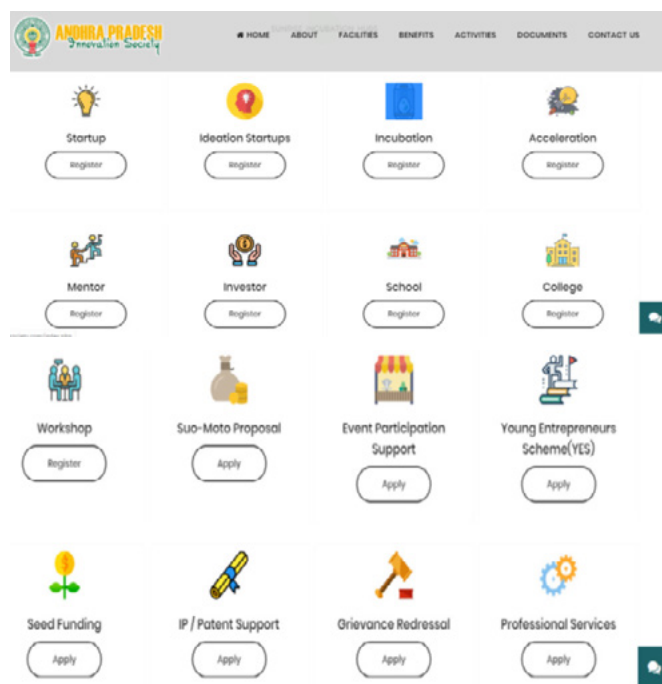


## 04: Statewise details on best practices from previous year

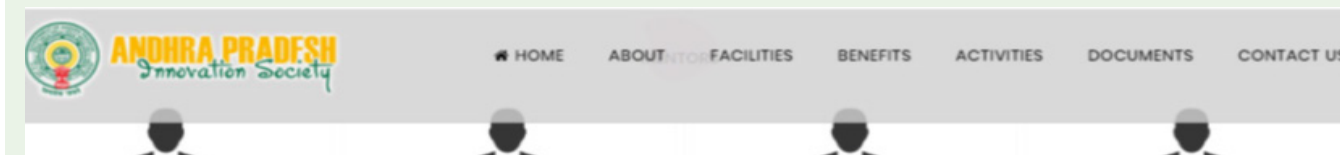


### Online Implementation System

The state has established an interactive portal for startups ([apinnovationsociety.com](http://apinnovationsociety.com)). The portal allows startups to submit their applications for registration. After a startup is registered successfully, it is issued a registration certificate which can be downloaded from the portal

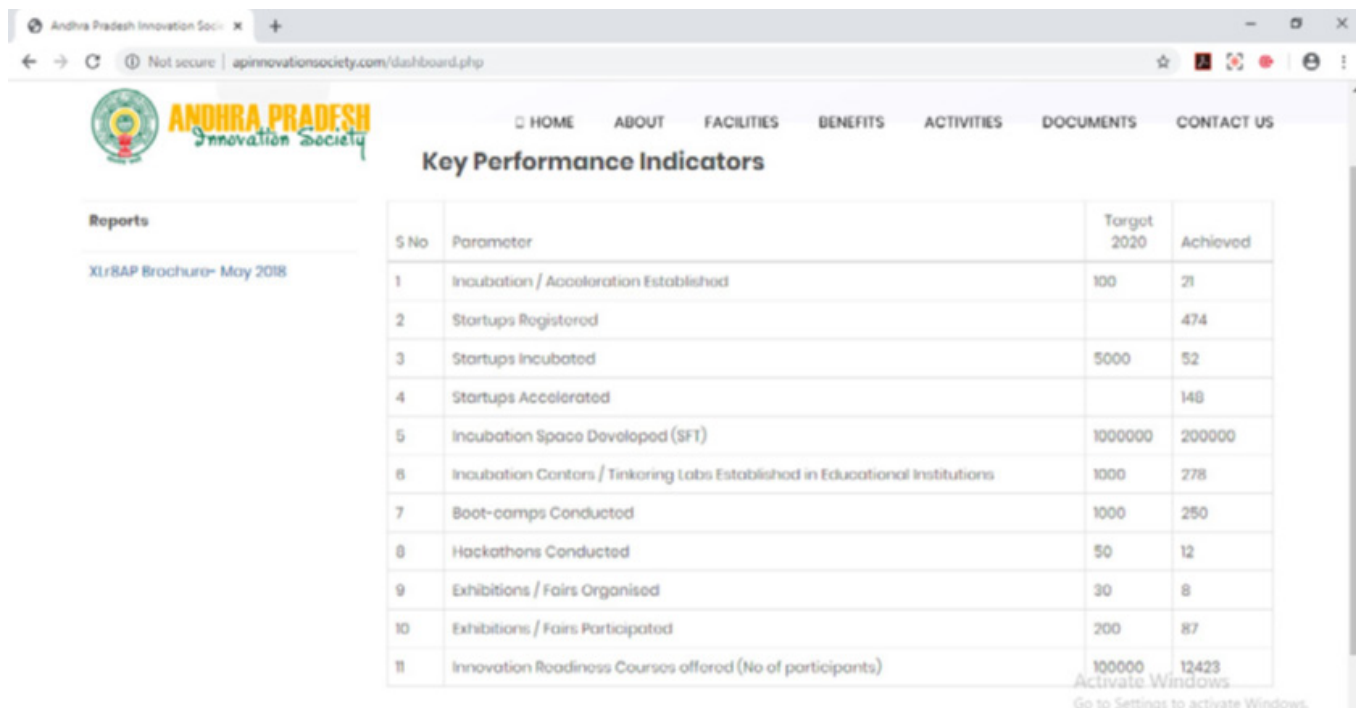
A screenshot of the 'Company Details' section of the registration form. It includes fields for 'Select which program you want to register for', 'Company Name', 'Email', 'Website', 'Phone', 'No of employees', 'City/Town', 'Pincode', 'Choose State', and 'Choose District'. There are also sections for 'Promoter Details' and 'Product (S) Service Details'. A note at the top states 'All fields marked with an asterisk (\*) are required'.

The online implementation system includes a detailed list of **incubators, mentors, angel lists**, details on upcoming events and user manuals. The portal has a provision of a dedicated helpdesk which can be reached via email and phone.





The state has developed an online dashboard on the website showing the number of startups registered, several startups accelerated, bootcamps conducted, incubators supported, several purchase orders awarded, and other key performance indicators. The dashboard monitors the progress of all programmes and results achieved against defined targets







## BIHAR

### Nodal Agency

As per the Bihar Startup Policy 2017, **Bihar Startup Fund Trust (BSFT)** is the nodal agency for the implementation of the Startup Policy in the state. Further, Govt. of Bihar has issued a Government Order, dated 25 April 2018 in which it has notified the Department of Industries as the nodal department and the Principal Secretary of the Department of Industries as the nodal person for the implementation of the policy in the State. The details are available on the Bihar Startup portal.

### Online Implementation System

- The state's startup portal is [startup.bihar.gov.in](http://startup.bihar.gov.in). It is a highly interactive platform created to initiate seamless registration of startups with the Government of Bihar.
- The portal is comprehensive as it allows online filing of the application, tracking of application status, and issuance of the registration certificate. It has a system to allow interaction through a query resolution system and displays a call center number for call based query resolution.
- The list of incubators and mentors are available on the portal. The portal displays a dynamic dashboard with updates on the number of startups registered, **seed-funded/ venture-funded startups, incubators, and incubatees and purchase orders** awarded
- The dashboard is both Month to Date (MTD) and Year to Date (YTD) specific.



## Women Entrepreneurship

Women entrepreneurs are eligible for all benefits under the Bihar Startup Policy, 2017. In the case of fiscal benefits, an additional **5% incentive** is given to the women enterprise. (Please refer section 10.7 of the Policy). Section 10.7.4 of the Bihar Startup Policy also states that based on the requirement, the government shall relax the eligibility criteria as stated for certifying startups belonging to SC/ ST/ women & differently-abled.

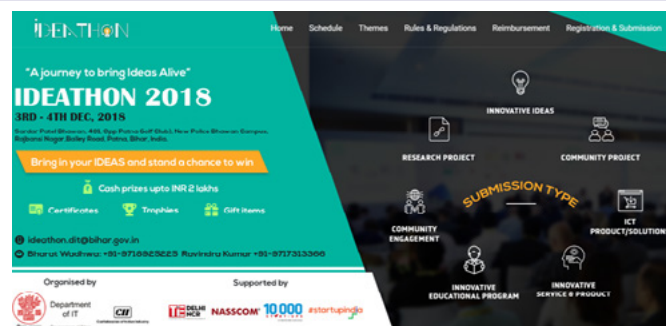
## Support from other state departments

**Bihar Taxi Aggregator Operational Directives, 2019** enables aggregators to seek a grant of license from the government provided certain conditions are met wherein the State's Startup 'Rapido' has initiated operations to provide taxi services through two-wheeler segment of vehicles.

Further, the state's nodal agency, the **Department of Information Technology** has supported startups by providing seats in Incubation Centers, setting up of Angel Fund in the state for enhanced growth of startups

**Department of Information Technology (IT), Government of Bihar** has institutionalized a mechanism to "unlock the innovation potential of Bihar" so that Bihar emerges as a preferred destination of Startups and businesses, generating employment and resulting in economic growth. One such initiative is the Ideathon 2018 event, which acted as a platform for the demonstration of innovative next-generation ideas & product, drawing participation from the various group of stakeholders like Students, Startups, Technical institutions, Working Professionals and most importantly by the Business Developers, Venture Capitalists, Angel Investors and other important players from the entrepreneurial ecosystem.

The event helped in showcasing the technological advancements and innovations of various ICT products and will also bring in entrepreneurs and business leaders on a common platform to showcase the technological breakthroughs and innovations. More than 1000 participants demonstrated their ideas/products/services involving technologies across 14 themes using 7 submissions types. More details available on [ideathonbihar.in](http://ideathonbihar.in)







## PILLAR 02 | SIMPLIFIED REGULATIONS

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# 01: Overview

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## List of featured states

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JHARKHAND

KARNATAKA

KERALA

MADHYA PRADESH

ODISHA

TELANGANA

UTTARAKHAND

## Featured states from previous year

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GUJARAT

MAHARASHTRA

RAJASTHAN

## Ideal Practice

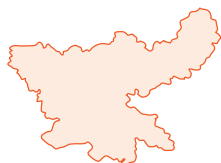
In order to promote startup ventures, state governments are working towards increasing ease of doing business in their respective states. Since the startup ecosystems are sensitive to changes in the state economy, it becomes imperative for the state governments to simplify regulations. The pillar includes best practices adopted by states in order to ease the regulation and compliance related concerns of startups.

A progressive approach towards bringing change in the system includes creating a robust Business Compliance Information System conducting regular consultation sessions with industry stakeholders and creating single window solutions on online portals. Since the startups are often minimally informed about the regulatory nuances and compliance procedures, it is imperative for the government to keep compliances simple.

State governments could emphasise upon having the mode of instructions in a multi-lingual format making it easy for the local startups as well as global investors to connect.



## 02: Snapshot of Best Practices & Impact



### 01

**JHARKHAND**

**SYNOPSIS:** The state government has a strong mechanism in place for identifying regulatory challenges faced by startups across various sectors. The state government has simplified business mechanism for startups with a single window portal for approvals and clearances. An online mechanism has been institutionalised in order to connect with disruptive technology startups and understand their specific regulatory issues.

**IMPACT:** The state government has an interactive business compliance mechanism which offers single-button options to directly apply for approvals, demonstrates the procedures along with timelines for approvals. Startups can access the online single window system for availing these services.



### 02

**KARNATAKA**

**SYNOPSIS:** The state government has a robust Business Compliance and Information System (BCIS) in place to guide entrepreneurs in registering and operating a startup. The state government has laid out a process for drafting of policies for startups which would help in identifying issues through stakeholder consultations. A Tech Regulatory Committee is constituted with the Karnataka Innovation & Technology Society (KITS).

**IMPACT:** The state online portal has a system in place wherein startups can participate in the policy-making process through the online consultation mechanism. The state government has provisions in sector specific policies to promote startups. The key sectors include manufacturing, biotechnology, electric vehicles (EV), energy storage and animation & visual effects.



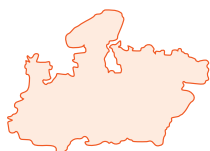
### 03

**KERALA**

**SYNOPSIS:** The state government has established an Ease of Doing Business (EoDB) portal for startups to obtain state level approvals and clearances. The state's online startup portal has an interactive mechanism to invite and identify regulatory issues faced by startups in disruptive technology areas. As per this mechanism, startups can raise a ticket for their regulatory issues and the state responds to the ticket through the same portal.

**IMPACT:** The state government has introduced Kerala High Achievers' Startup (KHAS) fellowship scheme. The Electronics and Information Technology Department of Kerala has taken some major initiatives towards establishing a favourable regulatory environment for startups such as establishing super labs and offering self-certification under selected laws. The state has disbursed a total of INR 58.14 crore against reimbursements.



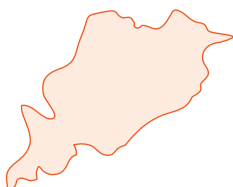


# 04

## MADHYA PRADESH

**SYNOPSIS:** The state government has strong mechanisms in place for identifying regulatory challenges faced by startups across various sectors. The startup online portal has a dedicated section showcasing the online mechanism implemented by state to invite & identify grievances faced by startups.

**IMPACT:** The business compliance mechanism provides exhaustive information, including timelines, mode of application (online/ offline) and validity of approval for the prospective applicable approvals. The state MSME department has included startups along with existing MSMES for various benefits under existing schemes. In addition to this, the labour department has extended exemptions & incentives for startups.

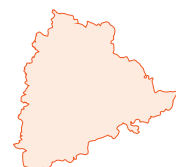


# 05

## ODISHA

**SYNOPSIS:** The state has a mechanism in place to guide startups with matters related to approvals and clearances. The startup portal allows startups to apply for the necessary approvals and track the status of their applications on a real time basis. The state has an online portal which has an interactive mechanism in place called GO SWIFT (Single Window Clearance Portal).

**IMPACT:** The state has carried out some amendments in rules and regulations to promote the growth of startups and to create a favourable regulatory environment. The startups can contribute towards making the rules and regulations flexible by sharing their feedback through the state's startup portal.



# 06

## TELANGANA

**SYNOPSIS:** In order to promote startup ventures with the prime objective of creating employment opportunities, the state government has introduced multiple initiatives to simplify regulatory provisions. The initiatives include framing an interactive online mechanism for startup approvals and clearances. The business compliance mechanism offers a single button option to apply for approvals along with details such as timelines, processes and fees.

**IMPACT:** "Emerging Technologies Wing" initiated by the state in the year 2017 is accountable to look after the new/ disruptive startups/ regulatory issues encountered by these startups. Some of the amendments/ acts in supporting the startup initiative are Innovation Policy 2016, Blockchain Policy 2019 and the TS Drone Policy.



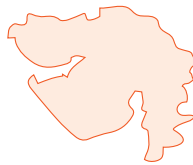


# 07

## UTTARAKHAND

**SYNOPSIS:** The state has simplified the business mechanism for startups with a single window portal for showcasing an online interactive mechanism for all state approvals and clearances. The state startups can submit issues relating to regulations online through the state's startup portal and have access to amendments in Acts and regulations

**IMPACT:** For addressing regulation issues, a separate tab "Regulatory Issues" is created on the state's portal. The state has carried out multiple amendments in rules and regulations to support growth of the startup ecosystem.



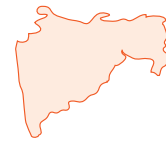
# 08

## GUJARAT

**SYNOPSIS:** The state has introduced numerous amendments, regulations and acts to support startups. These have especially been related relaxations in the areas of solvency and annual returns. Further, incentivising women entrepreneurship by offering sustenance allowances.

**IMPACT:** Some of the key acts that have been added in the Self-Certification cum Consolidated Annual Return Scheme are:

- Building and other Construction Workers Welfare Cess Act, 1996
- Building and other Construction Workers (Regulation of Employment and Conditions of Service) Act 1996
- Payment of Wages Act 1936
- Maternity Benefit Act 1961



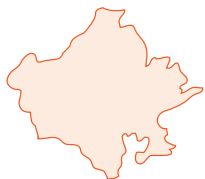
# 09

## MAHARASHTRA

**SYNOPSIS:** Maharashtra State Innovation Society (MSInS) intends to foster an innovation-driven entrepreneurial ecosystem in the state. MSInS is the governing council for implementation of the policy. The society provides a platform to entrepreneurs, researchers, academicians, and fosters a culture of innovation.

**IMPACT:** The society has around 7000+ registered startups. 76 and 9 startups have been provided seed funding and venture funding support respectively.





# 10

## RAJASTHAN

**SYNOPSIS:** The state has introduced numerous amendments to support startups that relate to exemption from regulatory approvals and inspections for a period of 3 years. The rules also encourage government departments to procure services from startups upto the value of INR 1 crore.

**IMPACT:** A lot of opportunities have been created for startups to introduce favourable changes using disruptive technologies especially in sectors such as Aviation, Automobile, Pharma, Renewable Energy, and Healthcare.





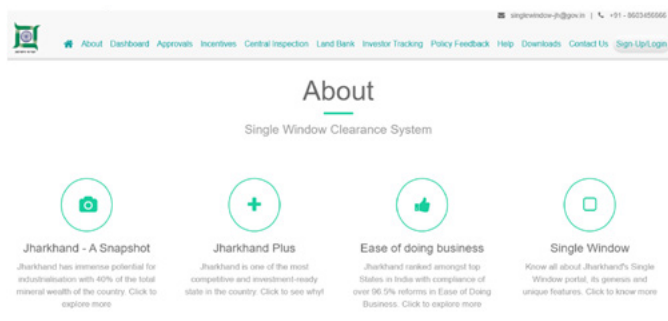
## 03: Statewise details on best practices



### Business Compliance and Information System

The state has simplified the business mechanism for startups with a single window portal for showcasing an online interactive mechanism for all state approvals and clearances. This is an essential requirement for registering and operating startups across various sectors. The URL of Single Window Portal <https://advantage.jharkhand.gov.in/SingleWindow/> is linked to the State Startup Portal

Some of the options offered by single window portal are:



The state has set-up an online mechanism to connect with startups which outlines understanding about regulatory issues faced by them and enables experiential outcomes to startups to effectively adhere with the state regulations. A separate tab titled 'Regulatory issues' is made available on the state's portal for the startups to have thorough understanding of the upcoming regulatory barriers and the process to follow the regulations with ease and cognizance.

### Invite or Identify Regulatory Issues

The state has a strong mechanism in place for identifying regulatory challenges faced by startups in various sectors and has subsequently worked towards simplifying the policies and regulations to promote the growth of startups. The state has proactively worked towards identifying regulatory hurdles faced by startups, especially in disruptive sectors. The state has also institutionalised an online mechanism to connect with disruptive startups and to incorporate sector friendly policy changes.





# KARNATAKA

## Business Compliance and Information System

The state has a robust Business Compliance and Information System (BCIS) in place to guide entrepreneurs in registering and operating a startup. The state online portal has a system in place wherein startups can participate in the policy-making process through the online consultation mechanism. Further, the state has provisions in sector specific policies to promote startups. The key sectors include manufacturing, biotechnology, electric vehicles (EV), energy storage and animation & visual effects.

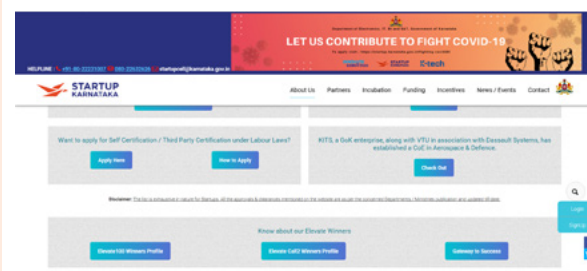
## Invite or Identify Regulatory Issues

In order to address regulatory issues, the state has laid out a process for drafting of policies for startups which would help in identifying issues through stakeholder consultations. The process to draft a policy that has been defined by the state government is as follows:

- **Technology Selection & Prioritisation:** The Karnataka Innovation Authority and Startup Cell Department would identify technologies that it intends to prioritise on a yearly basis for support & promotion.
- **Consultations:** The department intends to hold recurring consultations with industry associations, academia, startups and other relevant stakeholders to identify and draft regulations that should be introduced considering long-term impact of specific technology/ business model.
- **Technology specific frameworks:** Post consultations, review and feedback from various groups on the prioritised technologies and corresponding regulations, the department identifies the action required for every specific technology or sub-technology.

In order to create a comprehensive policy for implementation on startups, the state encourages the startups to provide inputs in drafting the policies with regulatory coherence and provide their support in the structuring of such policies for a well-ordered execution.

Startups may avail the facility of approvals and clearances required for registering and operating a business through the online portal (<https://startup.karnataka.gov.in/resources/>). This is in the form of frequently asked questions (FAQs) on the portal.



The state has constituted a 'Tech Regulatory Committee' with the Karnataka Innovation & Technology Society (KITS) as convener and representatives of other departments as members to look into and report granular aspects of specific emerging technologies and their implications. This is done in order to review and re-orient the regulatory framework and respond to the dynamics of the rapidly evolving tech scenarios.



### **Karnataka Electronics System Design and Manufacturing Policy 2017-22**

The policy is developed to provide the necessary impetus to take advantage of the dormant capabilities across various electronic markets with the aim of making local electronics system design and manufacturing sector globally competitive. It is expected to give thrust to 3D printing, robotics, internet of things (IoT), big data, artificial intelligence (AI), machine learning, stem cell research among others.

### **Karnataka Biotechnology Policy 2017-22**

The policy encourages R&D in emerging technology areas such as synthetic biology, diagnostics and management of rare diseases, anti- microbial resistance, aqua-marine biotechnology, animal biotechnology, bio manufacturing, and development of affordable medical devices, to foster the growth of bio-economy.

### **Karnataka Electric Vehicle & Energy Storage Policy 2017**

First of its kind Electric Vehicle policy was issued by the state that aims to develop Bengaluru as the EV capital of India. The key objective of the policy is to maintain the lead share of Karnataka as a preferred destination for attracting investments in the manufacturing of electric vehicles. Further, the policy aims to attract an investment of INR 310 billion and create about 55,000 jobs in the state. Karnataka has been a pioneer in developing policies around electric vehicles and there exists 'Electric Vehicle and Energy Storage Policy- 2017, for a period of five years. The initiative is in line with the government's vision to make the country an all-electric vehicle market by 2031.

### **Karnataka Open Data Initiative (K-ODI)**

Government of Karnataka collects and generates a wide variety of data and information. There is a wide adoption of e-governance solutions in virtually every department of the government. K-ODI is an initiative to provide proactive and open access to the data generated through public funds by departments/ organisations of government, and to increase transparency, accountability, citizen engagement, collaboration, good governance, decision-making & innovation. In the budget speech of FY 2019-20, INR 5 crore was earmarked for the K-ODI project. The open data platform contains the following modules:

- Data Management System (DMS) to be added on the homepage of the website after approval process of data catalogue of various organisations
- Content Management System (CMS) at the stage of open government data and performance of tasks and upgrades
- Visitor Relationship Management (VRM) to codify the citizens' response to dense aggregation
- Community: Enabling citizens to communicate and provide suggestions

### **Karnataka Animation, Visual Effects, Gaming and Comics Policy 2017-22**

Government of Karnataka aims to foster Animation, Visual effects, Gaming and Comics (AVGC) industry to build sustainability, scale, create a critical mass and support the development of creatives in the state. To facilitate various objectives, a policy with a host of incentives and concessions shall be applicable for the industry throughout the policy period.





### Business Compliance and Information System

The state has a comprehensive and interactive online mechanism which provides information on state approvals and clearances required for registering and operating startups across various sectors in the state. The mechanism is available on the Ease of Doing Business (EoDB) portal and the same has been linked with the state's startup portal for ease of access. The EoDB portal also features a list of department wise approvals and clearances along with application procedure, documentation and timelines for grant of approvals.

### Invite or Identify Regulatory Issues

The Electronics and Information Technology Department of Kerala has taken some major initiatives to establish a favourable regulatory environment for startups:

- Through an order released in July 2019, the department established the Massachusetts Institute of Technology Super Fab Lab with advanced fabrication and machining capabilities at the integrated startup complex in Kalamassery
- The department introduced a self-certification scheme for startups through an order released in July 2018. According to this scheme, startups can self-certify compliance with the following laws implemented by the state government

The Building and Other  
Construction Workers Act

The Inter State  
Migrant Workmen Act

The Payment of  
Gratuity Act

The Contract  
Labour Act

The Employees' Provident  
Funds and Miscellaneous  
Provisions Act

The Employees' State  
Insurance Act

### Amendments in rules, regulation or acts for supporting Startups:

Through an order released in September 2018, the Electronics and Information Technology Department introduced direct purchase of mobile applications, software products and services from startups up to a value of INR 20 lakh.

Through an order released in January 2019, the department introduced the Kerala High Achievers' Startup (KHAS) fellowship scheme with fellowships to be granted to top ten percentile of students from various national institutions and deemed universities.





## MADHYA PRADESH

### Business Compliance and Information System

The state has an online portal with interactive mechanism to find information on all the state approvals and clearances required for registering and operating startups across various sectors. The state's Single Window System portal showcases an online interactive mechanism for all state approvals and clearances required for registering and operating startups across various sectors. This portal ([msme.gov.in](https://msme.gov.in)) also acts as a one-stop shop for startups to comprehend the approvals and clearances required for starting a business, obtaining seed funding or venture funding, guidelines for public procurement, partnerships, self-certifications, relevant rules and regulations by the state government.

The portal has a dedicated section describing the online mechanism implemented by the state to invite & identify grievances raised by startups. Under "Concerned Department" tab, startups have the option to file complaints/ grievances related to various departments such as law & legislative affairs, public grievances redressal etc. A two-way communication between startups and relevant government departments is aimed at direct consultation and grievance redressal.

### Invite or Identify Regulatory Issues

The state has a strong mechanism in place for identifying regulatory challenges faced by startups across various sectors, and have subsequently worked towards simplifying policies and regulations to promote the growth of startups. The state has also institutionalised an online mechanism to connect with disruptive startups and to understand their specific regulatory issues.

### Amendments in rules, regulation or acts for supporting Startups:



The MSME Department of the state has notified all the other state departments to focus on startup services related to disruptive technologies and offer benefits under the MP Incubation and Startup Policy 2016. The department has also notified that preference in procurement and free of cost services be provided to Startups under *Madhya Pradesh Bhandar Kraya Tatha Sewa Uparjan Niyam, 2015*



The Labour Department of the state has notified all field officers to ensure that incentives and exemptions are extended to Startups upto a duration of 5 years

*Mukhyamantri Yuva Udhami Yojana (MMYUY)* - Provisions have been made for financial support for the registered startups. Rules/regulations under the scheme have assisted startups to avail loans. The scheme also provides for additional benefits for women startups in the form of low interest rates.





## Business Compliance and Information System

The state government has a mechanism in place to guide startups with all matters related to approvals and clearances. The startup portal allows startups to apply for necessary approvals and status tracking of their applications on a real time basis. The state has an online portal ([investodisha.gov.in](http://investodisha.gov.in)) which has an interactive mechanism in place called GO SWIFT (Single Window Clearance Portal) for all approvals and clearances required for registering and operating startups across various sectors.

### Invite or Identify Regulatory Issues

The state has a robust mechanism in place to address the regulatory issues faced by startups. Issues relating to regulations can be submitted online through the state's startup portal ([startupodisha.gov.in](http://startupodisha.gov.in))

- Grievances are placed before a committee comprising of Director of Industries, Odisha Small Industries Corporation (OSIC) and Directorate of Export Promotion and Marketing (DEPM). CEO, Institute of Entrepreneurship Development (IED) acts as member convener
- Representative of the concerned department to which the grievance relates is invited as a special invitee
- The state has designated the CEO of IED as the main officer to liaise with the concerned government departments for final resolution of the grievances in a time bound manner
- Alternatively, as part of its offline mechanism, the startups may approach the Additional Chief Secretary, MSME Department or CEO, IED at Startup Secretariat to get their issues resolved

The state has carried out various amendments in rules and regulations to promote the growth of startups and create a favourable regulatory environment

### Amendments in rules, regulation or acts for supporting Startups:

- Odisha Youth Innovation Fund has been proposed in the Odisha State Youth Policy (OSYP) 2013 for promoting innovative entrepreneurship among the young entrepreneurs and startups of the State
- In 2018, the state introduced a self-certification scheme for startups according to which startups can self-certify compliance with the provisions of the following labour laws implemented by the state government
  - The Building and Other Construction Workers Act
  - The Inter State Migrant Workmen Act
  - The Payment of Gratuity Act
  - The Contract Labour Act



### Biotechnology Policy 2018

The Odisha Biotechnology Policy 2018 aims at prioritising the thrust areas for basic as well as applied research and technology development with industry-academia-social interface. The policy provides fiscal & non fiscal incentives, marketing assistance for development of the sector.

### Odisha State Film Policy 2016

The key objectives of this policy are to promote Odia films and position Odisha as a destination for film shooting.

### Renewable Energy (RE) Policy 2016

The Renewable Energy Policy 2016 aims to contribute to long term energy security of the state as well as ecological security by reduction in carbon emission and create skilled & semi-skilled manpower resources through promotion of technical and other related training facilities. The policy facilitates development of manufacturing units and Research & Development in the RE sector.

### Aerospace Defence Manufacturing Policy 2018

The main objective of the policy is to attract investments in Aerospace and Defence Manufacturing sector and create a strong ancillary ecosystem of manufacturers, suppliers and vendors through a focused cluster-based approach.

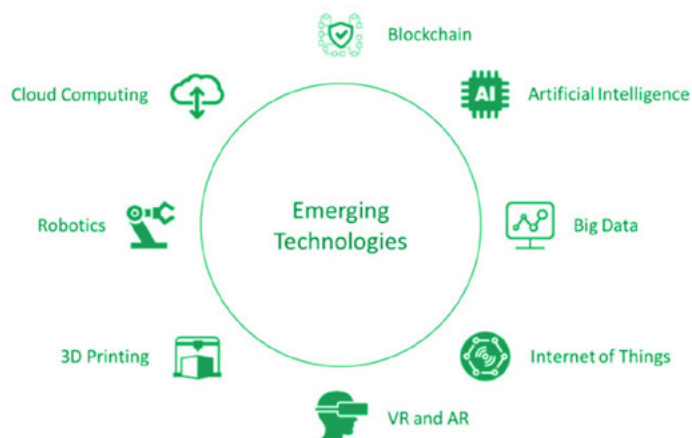
The policy provides incentives and exemptions in conjunction with any other applicable existing policy of the state government and Government of India. Any Aerospace & Defence manufacturing unit may choose to avail an incentive either from this policy or from any other policy of the state, but not both.





## Business Compliance and Information System

The state government has undertaken multiple initiatives to simplify regulatory provisions in order to promote startup ventures with the prime objective to create employment opportunities. The initiatives include an online interactive mechanism for approvals and clearances.



### Invite or Identify Regulatory Issues

The state has an interactive mechanism in place to address the regulatory issues faced by startups.

“Emerging Technologies Wing” initiated by the state in the year 2017 is accountable to look after the new/disruptive startups and regulatory issues encountered by these startups. [www.it.telangana.gov.in/sectors/emerging-technologies](http://www.it.telangana.gov.in/sectors/emerging-technologies)

The LinkedIn URL, as mentioned below, is the online mechanism implemented by the state for redressal of regulatory issues faced by new/disruptive startups. This account is managed by the “Emerging Technologies Wing of ITEC&C Department”. [www.linkedin.com/company/et-itec-gots/about/](http://www.linkedin.com/company/et-itec-gots/about/)

### Amendments in rules, regulation or acts for supporting Startups:

**Innovation Policy 2016** – It was introduced to help the startups by creating an environment that is truly conducive to innovation, to experimentation, to risk-taking, and to entrepreneurship across all levels of society.

**Blockchain Policy 2019** – It was introduced to support startups and position Hyderabad as one of the top ten blockchain cities in the world.

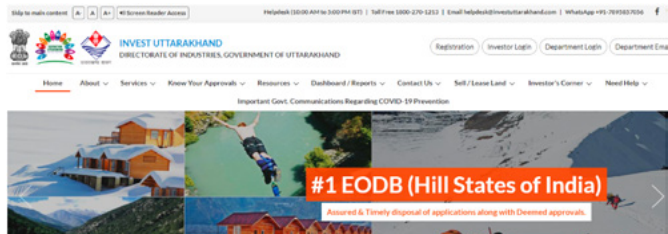
**Telangana Drone Policy** – The state’s vision is to build a vibrant drone ecosystem accelerating the economic growth in the state of Telangana. This policy is based on four main pillars

- Developing Talent Pool
- Supporting Infrastructure
- Promoting Research and Innovation
- Enabling Collaboration and Building Community





# UTTARAKHAND



## Business Compliance and Information System

The state has a robust mechanism in place to guide startups with all matters related to approvals and clearances. The portal allows startups to apply for necessary approvals and track the status of their applications on a real time basis.

## Invite or Identify Regulatory Issues

The state has simplified business mechanism for startups

through a single window portal (<https://investuttarakhand.com>), an online interactive mechanism for all state approvals and clearances. The URL of single window portal is also linked to the state startup portal.

The state has a strong mechanism in place to address the regulatory issues faced by startups. The startups can submit issues relating to regulations through the state's startup portal. A separate tab "Regulatory Issues" is available on the state's portal.

## Amendments in rules, regulation or acts for supporting Startups:

The state has carried out various amendments in rules and regulations to promote the growth of startups and create a favourable regulatory environment.

### THE MAJOR AMENDMENT AND POLICIES ARE:

**Startup Uttarakhand Policy 2018:** Captures provisions to facilitate and nurture the growth of at least 500 new Startups in Uttarakhand

**Purchase Preference Policy:** This policy has been created in order to prioritise the products and services provided by the micro and small scale industries in Government Procurement

**Uttarakhand Procurement (Amendment) Rules:** Captures the existing rules and regulations for the purpose of arranging the material construction works, procurement of services and public private partnership for Government, Infrastructure and Service related requested. A few amendments were made to these rules via a notification dated 12th July 2019 by Government of Uttarakhand

### AMENDMENTS IN ACTS AND REGULATIONS:

- |   |  |   |
|---|--|---|
| <ul style="list-style-type: none"><li>• Self-Certification scheme for startups</li><li>• Reforms undertaken by Department of Stamps and Registration</li><li>• Reforms undertaken by Directorate of Health and Family Welfare</li><li>• Reforms undertaken by Fire and Emergency Services</li></ul> | <ul style="list-style-type: none"><li>• Reforms undertaken by State Industrial Development Authority (SIDA)</li><li>• Reforms undertaken by State Infrastructure and Industrial Development Corporation of Uttarakhand Ltd (SIIDCUL)</li></ul> | <ul style="list-style-type: none"><li>• Reforms undertaken by Uttarakhand Environment Protection &amp; Pollution Control Board (UEPPCB)</li><li>• Reforms undertaken by Uttarakhand Power Corporation Ltd</li><li>• Reforms by Uttarakhand Jal Sansthan</li></ul> |
|---|--|---|



## 04. Statewise details on best practices from previous year



GUJARAT

### Amendments in rules, regulation or acts for supporting startups

There have been multiple rules, regulations, and acts introduced or amended by the state government to support the growth of startups. Some of these amendments are:

Exemption to startups for producing '**Solvency Certificate**' for obtaining Electrical Contractor Licence

**Amendment in Self-Certification cum Consolidated Annual Return Scheme:** The government has added the following Acts in the scheme as well:

- Building and other Construction Workers Welfare Cess Act, 1996
- Building and other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996
- Payment of Wages Act, 1936
- Maternity Benefit Act, 1961

**Incentives to women-led startups:** Special incentives to women-led startups include 75% reimbursement for organising the annual promotional event and additional monthly sustenance allowance

**Regulations for startups in disruptive technologies:** Gujarat Pollution Board has adopted an online application disposal system by the name of eXtended Green Node (XGN) for speedy disposal of consent applications received from industrial units. The time limit for disposal of applications has also been reduced from 30 days to 21 days





## Amendments in rules, regulation or acts for supporting startups

The state has a dedicated nodal agency named '**Maharashtra State Innovation Society**' (**MSInS**) that intends to foster an innovation-driven entrepreneurial ecosystem in the state. MSInS is the governing council for the implementation of the policy. The society provides a platform to entrepreneurs, researchers, academics, and fosters a culture of innovation with the following objectives:

- To prepare the innovation roadmap of the state
- To provide an innovation promotion platform to academics, entrepreneurs, and researchers as well as enabling the government from drawing upon national and international experiences to foster a culture of innovation in the state
- The platform would promote a network of world-class innovation hubs and grand challenges for the state
- The society would act as an umbrella advisory body to boost innovation-driven performance and efficiency in every sector
- To create a smart ecosystem to boost and nurture innovation

Along with the nodal agency, the state has a robust team of officers to assist startups

Contact details of the nodal agency and officers along with the profiles of the dedicated team assigned for any startup are made available on the startup portal ([www.msins.com](http://www.msins.com))





## RAJASTHAN

### Amendments in rules, regulation or acts for supporting startups

The state has carried out various amendments in rules and regulations to promote the growth of startups and create a favourable regulatory environment. The major amendments and bills are:

#### MSME ACT 2019

A bill was passed to exempt entrepreneurs/ MSME enterprises from certain prevailing regulatory approvals and inspections for specified 3 years. The objective of the bill was to support startups in establishing their business and operational in the state for initial years.

#### RAJASTHAN SPECIAL INVESTMENT REGION BILL, 2016

The introduction of this bill has created a lot of opportunities for startups to introduce favourable changes using disruptive technologies especially in sectors such as Aviation, Automobile, Pharma, Renewable Energy, and Healthcare. Rajasthan is one of the biggest parts of the Delhi Mumbai Industrial Corridor (DMIC) – covers almost 600 km of the DMIC area under the bill.

#### BHARTIYA SKILL DEVELOPMENT UNIVERSITY (BSDU) ACT, 2017

BSDU has been incorporated as a State Private University. It is the first university in the country offering only skills programmes. It offers Skill Certificate, Diploma, Advanced Diploma, Bachelor of Vocation (B. Voc), Master of Vocation (M. Voc), and Ph.D. in various skill areas such as Artificial Intelligence (AI) & Machine Learning, Renewable Energy, Automobile, Healthcare, etc. The Bhartiya Skill Development University Act promotes acquiring of skills with the use of disruptive technologies, hence creating a platform for entrepreneurs to create jobs and students to become job-ready.

#### RAJASTHAN TRANSPARENCY PUBLIC PROCUREMENT ACT (RTPP) AMENDMENT, 2018

The amended enabled government departments to procure services from startups up to the value of INR 1 crore. The procurement services may include the use of disruptive technologies for websites, mobile applications, web-enabled applications, setting up delivery kiosks, content management, and social media management. Relaxation has been provided in terms of technical qualifications related to experience and financial turnover.





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# 01: Overview

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## List of featured states

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GUJARAT

HARYANA

KARNATAKA

KERALA

MAHARASHTRA

ODISHA

## Featured states from previous year

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RAJASTHAN

## Ideal Practice

Under the initiative, individual state governments have undertaken a host of measures that encourage government departments to give preference to startups and provide a level playing field to startups during procurement of products & services.

The ideal practices for public procurement aim at introducing startup innovations to government/ PSU buyers, creating jobs and offering early market acceptance for products and services of the startups.

Depending upon the evolving startup ecosystem, the respective state governments have relaxed procurement criteria and made mandatory procurement rules for state government organisations and PSUs.

The state governments can create an advantageous opportunity by easing procurement rules for startups in the disruptive technologies sector. For example, in one of the states, the state departments and government agencies can directly procure services such as mobile application development from startups without the need of a tender.



## 02: Snapshot of Best Practices & Impact



### 01

GUJARAT

**SYNOPSIS:** The state has made requisite relaxations for experience, turnover and submission of Earnest Money Deposit (EMD) in order to encourage startups to participate in public procurement. The state has a strong mechanism in place to address all grievances of startups with respect to public procurement.

**IMPACT:** The state has awarded work orders to 20+ startups in order to encourage their participation in public procurement. Some of the startups which were awarded work orders are Orion, Brook and Blooms, Hubili, i create and Lutalica.



### 02

HARYANA

**SYNOPSIS:** The state government of Haryana has taken proactive initiatives to ease government norms for public procurement. The state has made necessary relaxations in terms of turnover and submission of Earnest Money Deposit (EMD) in order to encourage startups to participate in public procurement. The Department of Industries and Commerce has given purchase preference, tender fee & performance security exemptions to the startups.

**IMPACT:** The state government of Haryana has successfully awarded five different work orders amongst 3 unique startups. This illustrates that the state is keen to encourage the establishment of startups by awarding them work orders.



### 03

KARNATAKA

**SYNOPSIS:** The government provides exemption to startups from criteria of prior-experience, prior-turnover and submission of Earnest Money Deposit (EMD) to provide equal opportunity to entrepreneurs in the state. The government has offered procurement relaxations through government bodies such as Karnataka State Electronics Development Corporation Limited and Karnataka Biotechnology and Information Technology Services

**IMPACT:** Under 'Elevate 2019', the Karnataka Innovation & Technology Society (KITS) awarded work orders to 60+ startups for development & supply of device/ software amounting to INR 49 lakh (exclusive of tax amount, approx. INR 80,000 each) during the period May 2018 to September 2019.



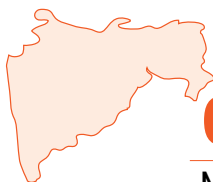


# 04

## KERALA

**SYNOPSIS:** The state government offers procurement incentives through the state departments. The Stores Purchase Department has exempted startups from meeting the criteria of prior experience, prior turnover and submission of Earnest Money Deposit (EMD). The Electronics & Information Technology Department permitted public sector companies, autonomous bodies, boards, corporations and local government institutions to select startups under KSUM.

**IMPACT:** The state has been successful in awarding a total of 25+ work orders to 15+ unique startups. The Legislative Assembly, Kerala Police, Health department, Kerala IT Mission have successfully been able to procure services for mobile application development from the registered startups in the state.

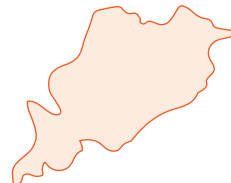


# 05

## MAHARASHTRA

**SYNOPSIS:** The state has made relaxations in terms of turnover and submission of Earnest Money Deposit (EMD) in order to encourage startups to participate in public procurement. The encouragement to the preferential treatment for startups in public procurement is gauged by the initiative of the state government to give orders worth 10% of the total purchase value to startups on an experimental basis.

**IMPACT:** Maharashtra State Innovation Society has awarded more than 30 purchase orders to support the products and services of the registered startups in the state.



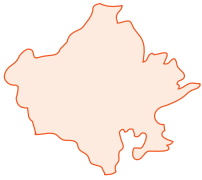
# 06

## ODISHA

**SYNOPSIS:** The state government, through state departments and PSUs has mandatorily made 20% of the total procurement to be placed with startups. The state government has made necessary relaxations in terms of experience, turnover and submission of Earnest Money Deposit (EMD) in order to encourage startups to participate in public procurement.

**IMPACT:** The government is actively making procurement exemptions a part of upcoming initiatives such as creation of state level unified e-commerce platform in partnership with established e-commerce companies. The platform would serve as a marketing platform for registered startups.





# 07

## RAJASTHAN

**SYNOPSIS:** The state has an online mechanism to resolve grievances called Rajasthan Sampark. Further, the state has made appropriate relaxations to boost participation of startups in public procurement such as relaxation in Earnest Money Deposit (EMD) submission.

**IMPACT:** For grievance redressal, the state follows an escalation matrix in which the grievance is timely assigned to the concerned officer. Department of Finance, 2018 released schedules offering relaxations for procurement from startups if the value of the service is not more than INR 1 crore.





## 03: Statewise details on best practices



GUJARAT



HOME INFORMATION WIZARD ECOSYSTEM NOTIFICATION MEDIA FAQs GRIEVANCE HELPDESK

### GRIEVANCE

HOME > GRIEVANCE

Complete the below form to send us your comments and query on the website. Your opinion, suggestions and query will be very much appreciated. If you provide us with your contact information, we will be able to answer your questions.

Fields marked with \* are required.

Who you are? \*

Public

First Name \*

Last Name \*

### Work Orders

The state has awarded work orders to 20+ startups in order to encourage their participation in public procurement. Some of the startups that form part of this list are Orion, Brook and Blooms, Hubili, i create, Lutalica.

### Grievance Redressal Mechanism

The state has developed a robust online mechanism for receiving grievances and provide resolutions on matters related to public procurement. Startups can raise grievances on the state's startup portal and communication of resolution of the grievances is undertaken through the same portal.

For each grievance submitted, a timeline is specified for the resolution. The Commissioner of Industries and Coordinator – Startup Cell Gujarat has been appointed as a dedicated officer for resolving grievances. As per the notification regarding the timelines, Deputy/ Joint/ Additional Commissioner of Industries of Startup Cell shall respond within 10 days from the date of application. If the grievance is not resolved within 10 days, it shall be auto escalated to the Nodal officer for resolution in the next 10 days.

### Relaxation in selection criteria

The state has made requisite relaxations for experience, turnover and submission of EMDs in order to encourage startups to participate in public procurement. The state through a resolution in April 2018 has removed the criteria of "prior experience", "prior turnover" and "submission of EMD". The state also has a strong mechanism in place to address all grievances of startups with respect to public procurement.





# HARYANA

## Relaxation in selection criteria

To allow startups to compete with experienced entrepreneurs and organisations under public procurement, the state has provided a 100% relaxation under 'prior turnover' criteria. This would provide an equal opportunity to all startups to scale up and participate in public procurement along with the experienced entrepreneurs/ companies and would strengthen startup movement in the state.

As a source of encouragement for startups and to ensure financial viability

for early age startups, 100% relaxation under 'submission of Earnest Money Deposit (EMD)' has been provided by the state.

The state has ensured that the startups are given preference in public procurement. This is evident as the Department of Industries and Commerce has given purchase preference, tender fee and performance security exemptions to the startups. Furthermore, the nodal department has also organised a Government e-Marketplace workshop for the startups in association with its incubators, startup India and Government e-Marketplace officials.

## Work Orders

The state government of Haryana has successfully awarded 5 different work orders amongst 3 unique companies. This illustrates that the state is keen to encourage establishment of startups by awarding work orders.

## Grievance Redressal Mechanism

A mechanism for resolving grievances of startups specifically related to public procurement is established by the state government. A dedicated officer is also appointed in the state to assist startups in resolving their grievances related to public procurement. In this context, online mechanism has been developed for receiving grievances and communicating resolution.





## KARNATAKA

### **Relaxation in selection criteria**

#### **Karnataka State Electronics Development Corporation Limited**

The state Government owned Karnataka State Electronics Development Corporation Limited (KEONICS) has the following provisions for startups in the state:

- Complete relaxation has been given to startups for the criteria of 'prior experience' and 'prior turnover'
- Relaxation in submission of EMD for startups is also provided by the state for enhanced participation.

#### **Karnataka Biotechnology and Information Technology Services**

The state Government provides following relaxations/ preferences for all registered startups with the startup cell of KBITS (Karnataka Biotechnology and Information Technology Services) for public procurement of goods & services:

- 50% discount is made available on all non-refundable royalty which has a validity for 2 years.
- A set target of 10% of the procurement by the state Government is availed through startups to foster rapid growth and to present useful pilot opportunities for startups

### **Grievance Redressal Mechanism**

The State Government has a centralised online and offline grievance management system that addresses issues raised by startups related to public procurement. To make the system more effective, the state has taken the following measures:

- Assigned a dedicated officer for evaluation and resolution of all such issues.
- The grievance management system is placed by the state to communicate issues raised by startups. The state discusses the concerns of startups related to government procurement with designated departments or agencies executing them.
- The system is a centralised online/ offline mechanism in KEONICS for startups to submit their concerns pertaining to the Government/ PSU procurement process.

**'ELEVATE, 2019'** is a unique concept initiated by the Government of Karnataka to promote entrepreneurship through innovation by declaring grants for startups. As part of the programme, the Government provides a comprehensive entrepreneurship platform that includes idea validation, funding and space, among others to attain relevant work orders.

- Under 'ELEVATE, 2019', the state Government has awarded a total of INR 49 lakh which is an open call to startups in the state. Startup Cell analysed and nominated startups amongst the Elevate winners for product offering/ value proposition with State Departments / PSU / Local bodies.
- Startups, selected by the Idea2PoC Evaluation Committee for awarding Work Orders and working with Government Departments/ PSUs / Local Bodies, were provided a Work Order of up to INR 1 Lakh from Karnataka Innovation and Technology Society (KITS) for supply of their product offering/ value proposition in addition to the Elevate grant money.





**Kerala Startup Mission**

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- As a hardware startup how startup missio...

## Relaxation in selection criteria

The state, through an order released by the Stores Purchase Department in September 2018, exempted startups from meeting the criteria of prior experience, prior turnover and submission of earnest money deposit. The startups need to register with the Purchase Department to avail these benefits. Further, via an order released in December 2018 by the Electronics & Information Technology Department, the state permitted Public Sector Companies, autonomous bodies, boards, corporations, local government

institutions to select startups registered under the Kerala Startup Mission for design, development and implementation of their information technology projects ranging between INR 20 lakh to INR 100 lakh.

## Grievance Redressal Mechanism

The state government has developed a robust online mechanism for receiving grievances and communicating resolutions on matters related to public procurement. Startups can raise grievances on the state's startup portal.

Communication of resolution of the grievances is undertaken through the same portal. As per government order released in August 2019, the grievance raised by the startups are forwarded to the concerned Implementation Officer. If the query is not satisfactorily resolved within five days, it is forwarded to the Chief Executive Officer (CEO) of KSUM.

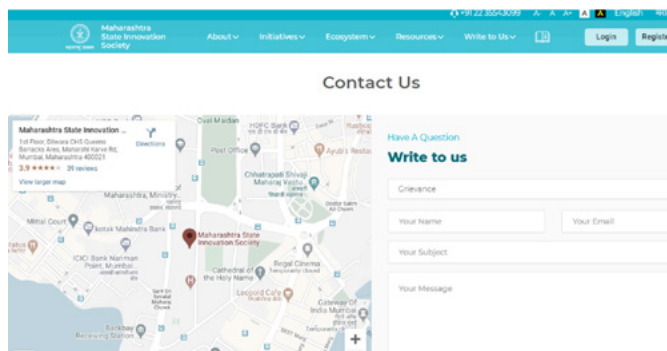
The state has been successful in awarding a total of 25+ work orders to 15+ unique startups.







# MAHARASHTRA



## Relaxation in selection criteria

The state has provided 100% exemption to startups in the manufacturing sector from the need to have a prior turnover. The state government provides relaxation in case a startup participates in the bid for priority in the purchase policy. The participant startup will be given exemption from complying with the criteria of annual turnover for 5 years. This will be from the date of registration with Department for Promotion of Industry and Internal Trade (DPIIT). Startups will be exempted from payment of tender fee.

Submission of EMD is a big hurdle for startups and the government has provided 100% exemption applicable as per the policy to ease the way forward for startups from all public tenders. Thus, the startups in the state can participate in government tenders with no deterrent such as 'submission of EMD' criteria.

## Workorders

The state gives preference in terms of providing orders for procurement to all registered startups in the state. Preference is provided in price or in value of procured goods or services. It also states that, if the startups participate in the tender for startup elements, purchase orders up to 10% of the total purchase value should be given on an experimental basis and the total order should be divided into multitudinous startup elements. If such successful startup components are to participate in the tender in the next year then they would be ordered to purchase 20% of the total purchase price.

## Grievance Redressal Mechanism

The state has developed a robust time bound online mechanism for receiving grievances and provide resolution on matters related to public procurement. The CEO of the MSInS has been appointed as a dedicated officer for resolving grievances.





## ODISHA

### Relaxation in selection criteria

The state has made necessary relaxations in terms of experience, turnover and submission of earnest money deposit to encourage participation of startups in public procurement.

As per a notification released in March 2018, the MSME Department in Odisha started exempting startups registered under 'Startup Odisha' and 'Startup India' from the prior experience and prior turnover criteria.

Additionally, participating startups are not required to submit any earnest money deposit.

Furthermore, the MSME Department mandates that 20% of total procurement for any state department/ public sector company in Odisha must be from a startup. As part of this initiative, the state has awarded 15 work orders to 10 unique startups in Odisha.

### Grievance Redressal Mechanism



Startups can raise grievances related to public procurement on the state's startup portal (<https://startupodisha.gov.in>) and communication of resolution of the grievances is done through the same portal. For each grievance submitted, a timeline is specified for the resolution



Such grievances are placed before a committee comprising of Director, Industries, Odisha as Chairman and Odisha Small Industries Corporation (OSIC) and Directorate of Export Promotion and Marketing (DEPM) as members and CEO, Institute of Entrepreneurship Development (IED) as member convenor



Representative of the concerned department to which the grievance relates is invited as a special invitee to the committee



CEO, IED is declared as the nodal officer to liaise with the concerned government departments for final resolution of the grievances in a time bound manner



Alternatively, as part of its redressal mechanism, the startups approach the Additional Chief Secretary, MSME Department or CEO, IED at Startup Secretariat to get their issues resolved



## 04: Statewise details on best practices from previous year



### Complete Relaxation in Earnest Money Deposit (EMD) Criteria

The state has completely relaxed the EMD criteria for the startups in the state which would boost participation of startups in the overall state business ecosystem



### Preference in Public Procurement

The startups in the state are offered relaxation for technical qualifications such as the number of years of experience and past financial turnover of the startup. The relaxation is offered in case the subject matter of procurement is listed in the schedule of the notification issued by the department of finance in 2018, and in case the estimated value of procurement is not more than INR 1 crore at one

### Robust Grievance Redressal Mechanism

The state has developed an online mechanism, called Rajasthan Sampark, for resolving the grievances pertaining to public procurement in a time-bound manner. It follows an escalation matrix in which the grievance is timely assigned to the concerned officer. The grievance redressal mechanism can be easily accessed through the state's startup portal.





## PILLAR 04 | INCUBATION SUPPORT

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# 01: Overview

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## List of featured states

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GUJARAT

JHARKHAND

KARNATAKA

KERALA

ODISHA

TAMIL NADU

## Featured states from previous year

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ANDHRA PRADESH

CHHATTISGARH

HIMACHAL PRADESH

TELANGANA

UTTAR PRADESH

## Ideal Practice

Under this pillar, states have undertaken unique practices to support incubation. This section describes some of the ideal practices which could be adopted by states.

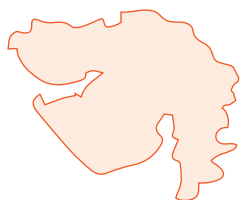
The states should consider creating a pre-defined funding for a 5-year period with ballpark figures to be disbursed every year towards incubation support. The incubators should offer all essential services such as internet, electricity, meeting rooms, seating, etc. Further, they should have common facilities such as labs, libraries, computer systems, subscriptions to databases available on rental basis etc.

States could consider offering startups with subsidy up to 50% on seating and/ or a one-month free incubation which can be reimbursed through online bill filing.

Acceleration programmes could have a lasting impact on startups if they run for 6-12 months offering sufficient opportunity to be mentored and collaborated with. The programmes could be made more effective through the pre-defined modular structure that defines KPIs to be achieved by startups under each module. Further, the programmes could be partnered with institutions and industry for mentorship support



## 02: Snapshot of Best Practices & Impact

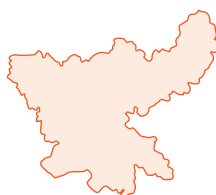


01

GUJARAT

**SYNOPSIS:** The state government has been proactive in providing sufficient opportunity for startups to participate in the entrepreneurship ecosystem. The creation of such an environment has entailed the state taking measures ranging from sustenance allowance, capital support, mentorship support and acceleration programmes. The state government has covered these provisions in four separate policies of the state policies reinstating its importance.

**IMPACT:** The state government has supported 80+ incubators through capital and operational expenditures. Amongst them 30+ incubators have allocated 2000+ seats to startups. Further, the state government conducted over 70 acceleration programmes.



02

JHARKHAND

**SYNOPSIS:** The state follows a unique hub-and-spoke (HAS) model for developing the startup ecosystem by offering benefits to higher learning institutes, private sector and academia. The government has set-up incubators in the key cities set-up incubators of the state nurturing startups in a variety of sectors.

**IMPACT:** The state has set-up a total of 6 incubators allocating more than 170 seats and supporting more than 40 startups. It has conducted one acceleration programme.



03

KARNATAKA

**SYNOPSIS:** The state government has created a promising environment for startups by offering incubation support in PPP mode. This has led to private sector participation to nurture startups and providing them a true essence of how businesses are operated. In addition to providing subsidised incubation, the government provides startups with end to end support in terms of mentorship, market access, funding assistance and industry collaborations.

**IMPACT:** The government has supported over 45 incubators allocating more than 665 seats to more than 255 startups. Further, the state has conducted over 100 acceleration programmes and the centers of excellence offer hand holding support for 12 months.



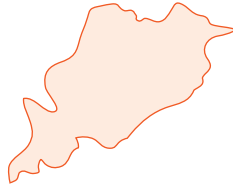


# 04

## KERALA

**SYNOPSIS:** The state has an ambitious vision of incubating at least 10,000 technology-based startups and developing one million square feet of incubation space. Hence, it aims to foster Technology Business Incubators (TBI). It has outlined fiscal incentives for infrastructure development, operating incubators and mentorship support for startups.

**IMPACT:** The state has supported development of 6 incubators through financial assistance. It has allocated 1755 seats through 17 incubators and organised a total of 44 acceleration programmes for startups.



# 05

## ODISHA

**SYNOPSIS:** The state has built an attractive and catalytic system to build the startup ecosystem by promoting participation of institutions in setting up incubators. The nature of claiming the benefit is performance based ensuring participation of competitive incubators. Further, it offers startups the benefit of availing subsidised seating and mentorship support to state approved startups.

**IMPACT:** The government has supported the set-up of 12 incubators offering a reimbursement of INR 1 lakh/year for operational expenditure. For 7 of the incubators, a total of 406 seats were allocated. 52 acceleration programmes were conducted in the state.



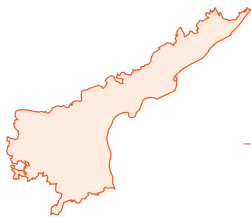
# 06

## TAMILNADU

**SYNOPSIS:** The state aims to use funds allocated under five departments (NITI Aayog, DST, DBT, DEITY, MSME) of the government for incubator development. It lays special emphasis on private sector and academia participation in setting up incubators. It also envisions allowing special provisions to startups such as longer hours of access to incubators for startups.

**IMPACT:** The state has supported setting up of 8 incubators with 7 seats allocated to startups. Among the incubators, seven are educational institutions in the state. The state has set-up an Entrepreneurial and Business Acceleration Centre (EBAC) to provide support to ideate and test innovations.





# 07

## ANDHRA PRADESH

**SYNOPSIS:** Andhra Pradesh, through its Centre of Excellence (CoE) for IoT aims to foster the growth of IoT ecosystem in India. Further, to support incubation, the state had proposed to establish pilot incubators on Public-Private Partnership mode. The pilot incubators would be set-up for five years and the startups would be eligible for a monthly assistance.

**IMPACT:** The state had allocated an amount of INR 23 crore towards the functioning of planned activities of the Andhra Pradesh Innovation Society (APIS). The state has supported 70+ startups by providing them with subsidised incubation. 250+ seats have been allocated to startups under three incubators.



# 08

## CHHATTISGARH

**SYNOPSIS:** The startup incubation ecosystem in the state aims to focus on expanding and developing startups by providing them with services such as co-working space, management, mentorship, fund support, technological assistance or any support involved for a business to grow.

**IMPACT:** The state has partnered with three incubators to nurture the growth of startups. The incubator AIC@36INC has allocated 145 seats to startups in the state. This incubator also acts as the nodal agency of the Government of Chhattisgarh for the overall entrepreneurial development in the state.



# 09

## HIMACHAL PRADESH

**SYNOPSIS:** The state government has taken sufficient steps to support incubators and to provide incubation support to startups. The support offered by the state is in the form of a financial grant that can be leveraged by the incubators on behalf of the state. The state government has encouraged reputed universities/institutes to establish incubators in the state.

**IMPACT:** 100 seats have been allocated under several incubators. An incubation fund has been set-up in the state with an initial corpus of INR 5 crore. The state also provides a grant of INR 30 lakh per year for 3 years for setting up incubators and other activities.





# 10

## TELANGANA

**SYNOPSIS:** The state has taken measures to set-up technology focused and women focused incubators. The support includes mentorship, corporate connects and networking, workshops and seminars and investor connects. It has organised acceleration programmes in partnership with the industry.

**IMPACT:** The state has built a 70,000 sq. ft. building (T-Hub), called 'Catalyst' that brings together partnerships from different verticals to help startups shorten the sprint towards their goal. T-Hub has supported around 550+ startups, conducted 850+ events and raised a funding of \$186+ Mn. It also has a pool of 115+ mentors guiding startups, and 245+ international connects.



# 11

## UTTAR PRADESH

**SYNOPSIS:** The startup schools are established in collaboration by the state for student entrepreneurs to kick-start their startup journey. The state has created awareness around the Internet of Things (IoT) wherein iBuild (iB) hubs startup schools as Student Acceleration Programme are designed for intense learning of the students.

**IMPACT:** The state has provided funding and setting up of 13+ state-wide startup incubators. Moreover, various incubators in the state have provided seats to around 169+beneficiaries.





## 03: Statewise details on best practices



### GUJARAT

#### Setting up of new and upgrading existing incubators

The state is strongly focused on initiating startup incubators as centers for developing entrepreneurial skills amongst the youth. The state has strong mechanisms in place to assist in setting up of new incubators and upgradation of existing incubators. The key policies to support the growth of incubators are:

- Startup and Innovation Policy 2015 by Industries & Mines Department
- IT & ITes & Electronic Startups Policy 2016 by Department of Science & Technology
- Student Startup & Innovation Policy 2017 (SSIP) by Education Department
- Biotech Mission Policy 2016 under Gujarat State Biotechnology Mission (GSBTM)
- Furthermore, an incubator in Gujarat has the option of obtaining incentives either under the startup policy of Industries and Mines Department or under the policy for IT and Electronics
- The support provided to incubators is in the form of financial grants and/ or reimbursements on capital expenditure which can be utilised for development of incubation area and/or operational expenditure

#### Subsidised Incubation

**Under the IT & ITes & Electronic Startups Policy 2016, the state provides the following subsidies to incubators:**

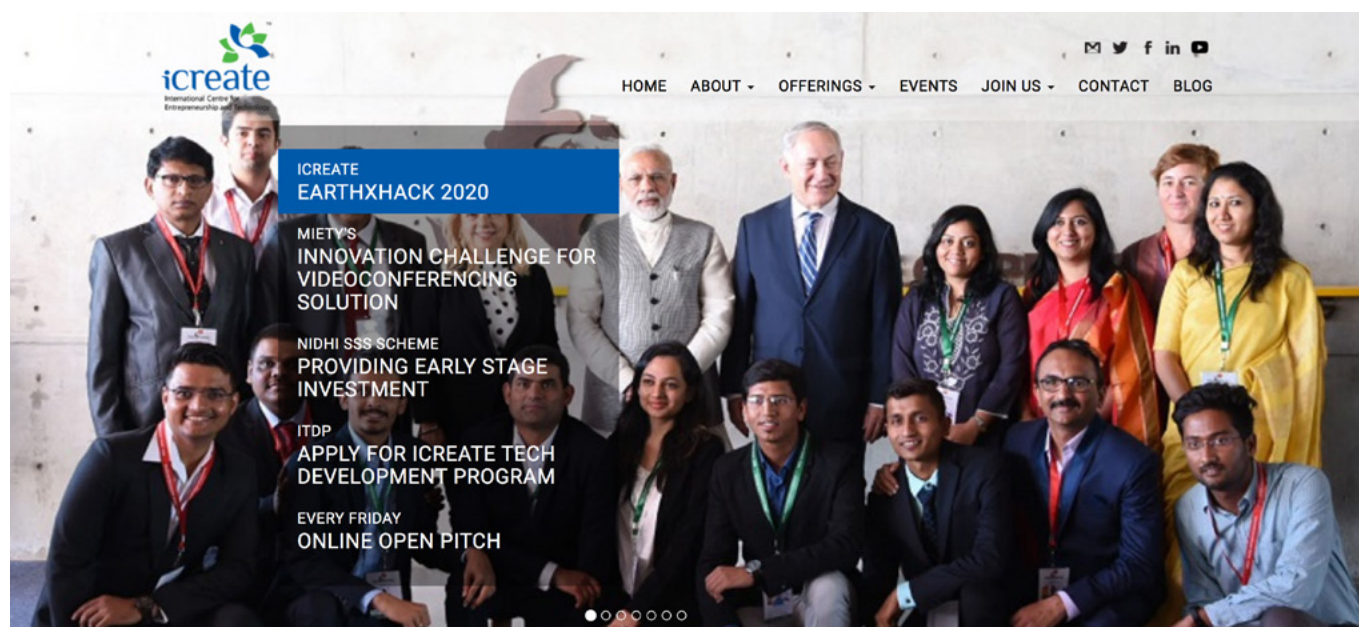
- One-time capital assistance at the rate of 50% of Gross Fixed Capital Investment (subject to a ceiling of INR 50 lakh), excluding cost of land, for setting up an incubator
- Mentoring assistance of INR 5 lakh per annum
- A matching grant of 25% of the funds mobilised by them from non-governmental sources, subject to a ceiling of INR 1 crore per annum for meeting their operational expenses
- The state supports procurement of key softwares required for development and testing purpose at the incubator associated with educational institutions or universities at the rate of 50% of software cost subject to a ceiling of INR 1 crore



- Currently the state supports 80+ incubators through support in capital and operational expenditure. Out of these, 30+ incubators have allocated 2000+ seats specifically for startups.
- Under the Startup & Innovation Policy, subsidy is provided to eligible startups in the form of sustenance allowance (seed funding). The subsidy may be utilised for paying the incubation fees (if any) to the nodal institute to avail subsidised incubation.
- It has also been mandated that all the institutes/ universities receiving grants under the Student Startup and Innovation Policy (SSIP) 2017 must provide “Free Incubation Support” to the startups/ students for at least three months from the date of enrollment of startup/ student with the institute.

## Acceleration Programmes

- The government has conducted various acceleration programmes in association with industry players through organisations such as iCreate (International Centre for Entrepreneurship and Technology). Ahmedabad-based iCreate is an autonomous technology business incubation centre that identifies and nurtures aspiring entrepreneurs. The support provided to Startups under acceleration programmes by iCreate involves access to iCreate labs, office space, mentors, market access as well as seed capital for projects incubated.
  - iCreate aims to “solve different developmental needs of India”. The centre is working with entrepreneurs, technology enthusiasts, and innovators in the Internet of Things (IoT), machine learning (ML), and artificial intelligence (AI) sectors.
  - Currently, iCreate is running iELT Accelerator programme, which is a two-and-a-half-week programme focused on very early stage startups and innovators to quickly understand whether their innovation can become a successful business. Selected participants would be guided through a series of steps that include intense classroom sessions, real customer feedback and one to one mentoring. This will enable them to validate whether their idea is feasible and improve their chance of success.







## JHARKHAND

### Setting up of new and upgrading existing incubators

The state has framed a Hub and Spoke (HAS) model for developing the startup ecosystem and incubation centers. The state shall offer incentives for the institutions of higher learning, private sector and academia. The incubators established with the help of such stakeholders would then act or peripheral incubation centers.

The state startup policy details incentives and provisions for the following:

- Central Incubation Lab (CIL)- for government aided entrepreneurial activities
- Incubation centers in higher educational institutions
- Private Incubators/ Accelerators
- Industry-Academia Incubation center
- Virtual Incubator Platform

The government has six incubators in cities such as Ranchi, Sindri, Deoghar and Dhanbad. The incubators have been successful in supporting and guiding young students and entrepreneurs to pursue their startup ventures.

The incubators in the state have collectively supported more than 40 startups in the state. The startups belong to sectors such as Information Technology, Food Processing, Renewable Energy, Agritech, Art & Craft, E-commerce, Automobile, Environment and Waste Management.

The state conducted a workshop on business communication and training for entrepreneurs.

- To deal with the dynamic entrepreneurial ecosystem in the state, Atal Bihari Vajpayee Innovation Lab (ABVIL) has partnered with the US Consulate General, Kolkata through professional development courses.
- During the training, the participants learnt about topics such as networking, negotiating, business cycle, business presentations, elevator pitches, and formal pitches. The programme focused on preparing the participants to deliver an organised and well-polished business pitch in front of a live audience. Under this project, the specialist, Mr. Dieter Bruhn, worked with groups of 20 entrepreneurs for one week.



### The various incubators in the state are:



Birla Institute of Technology  
Extension Center, Deoghar



झारखण्ड केन्द्रीय विश्वविद्यालय  
Central University of Jharkhand  
(Established by an Act of Parliament of India, 2009)







## KARNATAKA

### Setting up of new and upgrading existing incubators

The state has devised a high-quality incubation support system to nurture the growth of startups. Subsidised seats are offered by incubators under PPP mode. Hence, the quality of infrastructure and environment offered by incubators under PPP mode maybe better than the purely public ones with the efficiency advantages that come from using private sector skills.

#### THE STATE HAS 40+ INCUBATORS LISTED UNDER FOUR DIFFERENT CATEGORIES:

K-Tech  
Innovation Hubs

Incubators/ Common  
Instrumentation  
Facilities

K-Tech Technology  
Incubators

Incubators under  
K-Tech New Age  
Innovation Network

- There are sanction letters authorised for the release of funds to the respective incubators.
- 665+ seats have been allocated for across all incubators in Karnataka for more than 255 startups. There is an incubator-wise list for the seats allocated for each startup in Karnataka
- The startup policy under the section 'Creating Incubation Infrastructure through PPP' provides subsidised seats for startups in PPP incubators and accelerators set-up in the state. It recommends charges of INR 3,000 per seat per month which is limited to five seats per incubatee.

The list of key incubators offering subsidised seats are showcased below:

Incubation Centre	Number of startups provided subsidised incubation	Subsidy offered
K-tech Innovation Hub, Startup Warehouse	100+	Subsidised Incubation rate Of INR 4000 (+GST) and INR 2000 (+GST) for women entrepreneurs
K-tech Innovation Hub by Bangalore Bio-innovation Centre	45+	Subsidised incubation rate of INR 110 per sq.ft. and NIL for women entrepreneurs
K-tech Innovation Hub, Mobile10x	20+	Subsidised incubation rate of INR 5000 per seat





## Acceleration Programmes

The government of Karnataka, in collaboration with partners from the industry and academia has set-up eight sector focused Centres of Excellences (CoEs) that act as accelerators and one bio-accelerator programme under BBC (Bangalore Bioinnovation Centre), to handhold startups for a period of 12 months. The services provided as part of the acceleration programmes are:

- Mentorship
- Partnerships
- Funding Assistance
- Market Access
- Participation in Industry Programmes







## KERALA

### Setting up of new and upgrading existing incubators

The state's startup policy has the following goals and incentives envisioned to promote incubators in the state:



To attract INR 5,000 crore as investments into the incubation and startup ecosystem



To incubate at least 10,000 technology product startups



To develop one million square feet of incubation space

A government order by the state released in May 2018 mentions that the government proposes to give subsidised infrastructure to startups to scale up in terms of built up space in government owned facilities.

The state is establishing 'Kerala Technology Innovation Zone', a global innovation incubator hub for many technology sectors under an umbrella. The zone will create world class infrastructure facilities for multi sector technology incubators to incubate their startups and to support home grown enterprises.

As per its startup policy, the state fosters the growth of Technology Business Incubators (TBIs). The policy also proposes to set-up innovation-based incubators in all institutions of higher education in the state. Further, it proposes to set-up an electronic platform that would function as a virtual incubator connecting all the stakeholders of the startup ecosystem.

The startup policy extends support for setting up sector specific and sector agnostic incubators. Under the policy, the state extends the following support to incubators:

#### CAPITAL ASSISTANCE FOR FURNISHING EXPENSE PROVIDED FURNISHING IS DONE IN A GOVERNMENT SPACE FOR

5  
YEARS

Operational assistance for a maximum period of five years



Promotional support which includes grants and seed funds



Mentoring support

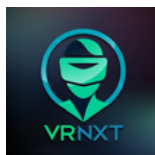
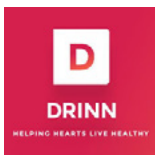
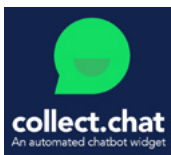
The startup policy also proposes to set-up an Incubation Infrastructure Development Fund which will support the development of physical incubation infrastructure through a Public Private Partnership model.

The state has allocated a total of 1,700+ seats to startups in the state across 17 different operational incubators.

#### THE STATE SUPPORTS A TOTAL OF 6 INCUBATORS THROUGH FINANCIAL ASSISTANCE FOR OPERATIONAL EXPENDITURE

- Maker Village, Ernakulam
- Mobile 10X, Calicut
- Krobs Bionest, Ernakulam
- Nasscom Startup Warehouse, Ernakulam
- International Center for Free and Open Source Software, Ernakulam
- Mizone, Kannur





- The K accelerator programme is a three-month programme designed to help startups obtain market validation for products, meet with relevant customers and industry leaders, and connect with potential investors. The state has collaborated with Zone Startups India to roll out this programme.
- Unity Technologies has established a Center of Excellence (CoE) to provide immersive technology solutions for academics (school and university education), skill development, vocational training, and enterprise applications for industries such as defense, tourism, retail, construction and engineering. The XR Accelerator programme is a joint venture between Unity Technologies Center of Excellence and the Future Technologies lab of the Kerala Startup Mission. The programme has been designed to support development in the field of augmented reality and gaming.
- The Brinc Accelerator programme is a three-month programme focused on computer hardware and internet of things. The programme provides support to mid stage startups that have a working prototype in place and are ready to move to design phase for manufacturing.





### Setting up of new and upgrading existing incubators

As per their startup policy, the state encourages incubators recognised either by the central or state government and approved by state level implementation committee to support and mentor startups. Such incubators are eligible for obtaining mentoring services from the state.

#### The state currently supports 12 incubators through the following initiatives:

- Approved incubators can avail performance capital grant of INR 5 lakh for each successful startup they incubate and reimbursement benefit of INR 1 lakh per year for a period of three years (for free internet, electricity, and mentoring service)
- The state also encourages its universities/educational institutions which are in existence for at least five years and approved by state level implementation committee to support and mentor innovators
- Such approved institutions are eligible for a one-time capital grant of 50% of the capital cost (excluding the cost of building) up to a maximum of INR 1 crore to set-up or scale up an incubation facility

Recognised startups may avail subsidy benefit to the extent of 50% of monthly rental of the incubation space (subject to a maximum of INR 5000) for a period of maximum one year.

Performance capital grant of INR 5 lakh may be given to an approved incubator for its each successful startup incubated at least for a minimum period of three months.

In case a university recognised under the Central/ State Act is able to raise funding for development of its incubation infrastructure, the Startup Council of Odisha may consider providing a matching grant subject to an upper limit of INR 5 Crore on a case-to-case basis. Such grant from the government shall only be used for development of incubation infrastructure including purchase of equipment for the incubation facility.

As a resultant of the above-mentioned initiatives, three operational incubators in Odisha have allocated 170+ seats to startups.



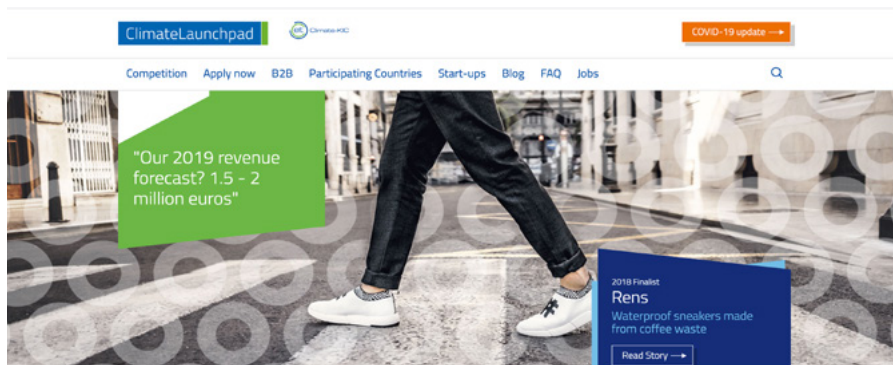
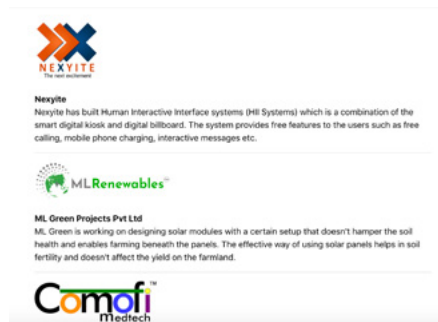


## Acceleration Programmes

In order to promote the growth of startups, the state conducts acceleration programmes which have a major impact on the development of the startup ecosystem. Some of these programmes are:

**Udaan Accelerator programme for Fundraise:** The objective of the programme is to make founders ready by exposing them to the investor ecosystem in India. It further helps them in identifying the right product market fit for their startups. The programme received participation from 5+ startups which included Tatvagyan Think Zone Private Limited, Iserveu Technology Private Limited, Haripriya Agro Industries, Mere Edu Services Private Limited etc

**IM2:** Ignite the Momentum of Innovation to Market (IM2) Accelerator is a zealous 90 days programme that gives startups access to mentorship, investors, market linkages and other support that helps them to scale up their businesses. The programme received participation from 5+ startups which included Prakrika Technology Private Limited, Azeedo, Nexyite, ML Green Projects Pvt Ltd, etc.



The IM2 programme is supported by the Department of Science and Technology, GoI and Startup Odisha

- The objective of the programme is to provide the startups with momentum to establish a strong position in the market through idea validation, identification of business opportunities, identification of potential customers and by building a scalable business model and Go-To-Market strategy
- The programme focuses on startups working in Medtech, Agritech, Internet of Things, Cleantech, Digital Health, and Future Tech (AI/ ML & AR/ VR) space
- Climate Launchpad: Climate Launchpad (CLP) is a 3-month accelerator programme which includes an intensive training programme by a European Union certified trainer, with an aim to introduce all modules to make the green idea into a business pitch. The programme received participation from 10+ startups such as Mavericks, EnLiGreen Innovations, EcoQuant, SunEmission, Envitek, etc.
- Acc-Start: This acceleration is conducted in association with INQ, Bangalore and CSL, Bangalore. The event is focused on Odisha based startups that are at an early stage of development. The programme is a 4-week intensive training on internet of things, augmented reality and preparing startups to raise funds. The programme received participation from five startups





### Setting up of new and upgrading existing incubators

The state, through its startup policy, assists in setting up of new incubators and aims to provide adequate resources for acceleration of startups. Key action plans envisioned in the startup policy are mentioned below:

The state proposes to target Corporate Social Responsibility (CSR) funds to promote corporate and private incubators. State departments and public sector companies would be encouraged to support incubators by using their corporate social responsibility funds. These incubators shall also serve as an innovation sandbox to solve problems faced by public sector companies.

- The state proposes to allocate land to entrepreneurs at nominal lease for a duration of 99 years to establish 'Startup Parks'.
- The policy envisions the establishment of sector specific niche incubators.
- The policy also envisions that government funded incubators would be open for public access at least 16 hours a day and seven days a week, except on national and state holidays.
- The state also proposes to set-up a fund called Tamil Nadu Startup Seed Grant Fund (TNSSGF) which would provide up to a maximum of INR 50 lakh to academic incubators and private technology business incubators.
- The state proposes to establish a learning & development team at the TANSIM.
- The state proposes to encourage entrepreneurs by giving them access to relevant data/information to create applications and technologies for the welfare of the public.
- The state proposes to develop technology business incubators under the brand 'incubaTN.'

The state encourages industrial organisations and private commercial organisations to set-up incubators/accelerators using funds allocated under schemes of Niti Aayog, Department of Science and Technology (DST), Department of Biotechnology (DBT), Department of Electronics and Information Technology (DEITY) and the Ministry of Micro, Small and Medium Enterprises (MSME), Government of India.





The state has extended support to seven educational institutions for the establishment of incubators. Details of the same are as follows:



Veterinary incubation foundation at Tamil Nadu Veterinary and Animal Sciences University in Chennai



Agri-Business incubator at Anbil Dharmalingam Agriculture College and Research Institute in Tiruchirappalli



Horti-Business Incubator at the Horticultural College and Research Institute in Periyakulam



Agroforestry Business Incubation Center at the Forest College and Research Institute in Mettupalayam



Killikulam Agri-Business Incubator at Agriculture College and Research Institute



IOT incubation center at the Sri Krishna College of Technology in Coimbatore



Innovation and incubation research foundation at Annamalai University in Chidambaram

The state has allocated seven seats across two state supported incubators.





## 04: Statewise details on best practices from previous year



### ANDHRA PRADESH

#### Subsidised Incubation

The state, in association with NASSCOM and the central government, has started the 'Center of Excellence for the Internet of Things' (CoE for IoT) at the Visakhapatnam Sunrise Incubation Hub. The main objective of this programme is to foster the growth of the IoT ecosystem in India. The state has supported **70+ startups** by providing them with subsidised incubation in the form of free co-working space and other incubation services. Various operational incubators have also allotted seats to startups. As on date, **250+ seats** have been allocated to startups under three incubators.

The state government through an order released in February 2019 created the Andhra Pradesh Innovation Society (APIS) with a vision to promote entrepreneurship in the state. Further, the state had allocated an amount of **INR 23 crore** towards the functioning of planned activities of the society.

#### The funds were allocated to the following activities:

International events like international innovation fair, startup product launches, keynotes, startup awards

Domestic national level events like investor pitches, demo days conducted in association with industry bodies like NASSCOM, FICCI, Confederation of Indian Industry (CII), The Indus Entrepreneurs (TiE)

Infrastructure creation at Tirupati for startups at the Information Technology Business Center (ITBC)

Maintenance of innovation centers in Tirupati, Visakhapatnam, Kakinada, Vijayawada



### Key measures envisioned by the state under the startup policy to support incubation are:

- The state has proposed to develop a fund to provide grants for constructing incubation infrastructure such as Research and Development laboratories, office spaces, conference rooms, residential facilities. The state proposes to partner with Indian and globally successful incubators to replicate successful funding and mentoring models
- The state intends to partner with accelerators by providing support and space to bring expertise in operating and managing incubation centers
- The state proposes to establish pilot incubators on Public-Private Partnership mode. The pilot incubators would be set-up for five years and would be eligible for monthly assistance of **INR 12,500** for a maximum period of three years
- The state has also set-up a centralised helpline to address grievances of startups. All the helpline numbers for the same are published on the single desk portal

### Strong support for acceleration programmes

- The state has actively supported acceleration programmes in association with industries and educational institutions
- The Fortissimo Acceleration Programme, which is a joint venture between the state and Gastrotape Private Limited, aims to develop the technology ecosystem of Agriculture and Food Processing sectors
- Startup Accelerator India was established at the Sunrise incubation facility in Visakhapatnam by the state in association with Govin Capital Private Limited. The main objective of the programme is to offer training and development support to entrepreneurs



Also, the state has established a business accelerator in Tirupati in association with FICCI & the IC2 Institute at The University of Texas, Austin.

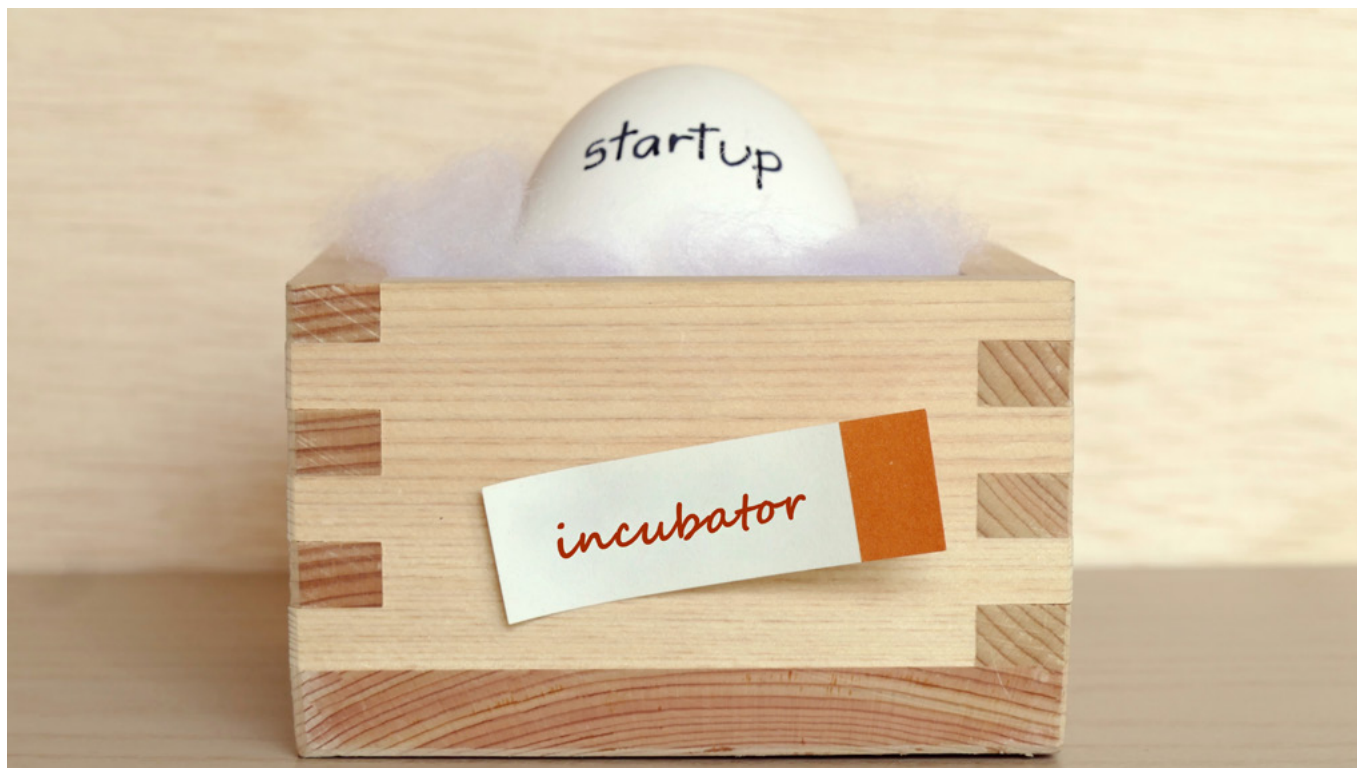
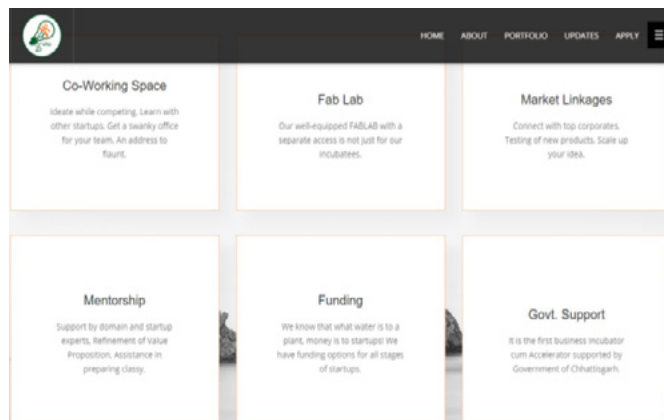




## CHHATTISGARH

### Set-up or support incubators in the State

The state has partnered with three incubators to nurture the growth of startups. To assist state startups, the incubators allocate seats to startups in Chhattisgarh. As part of this initiative, an operational business incubator, and accelerator, AIC@36INC supports startups to expand and develop by providing them with services like co-working space, management, mentorship, fund support, technological assistance or any support involved for a business to grow. The incubator has allocated 145 seats to startups in the state. This incubator also acts as the nodal agency of the Government of Chhattisgarh for the overall entrepreneurial development in the state.







## HIMACHAL PRADESH

### Set-up or support incubators in the State

The state government has taken sufficient steps to support incubators and to provide incubation support to startups. The support offered by the state is in the form of a financial grant that can be leveraged by the incubators on behalf of the state.

The state government has encouraged reputed universities/ institutes such as the Indian Institute of Technology (IIT) and the Indian Institute of Management (IIM) to establish incubators in the state. The state government is also keen on setting up incubators in existing institutes such as Himachal Pradesh University, (HPU) Shimla, Chaudhary Sarwan Kumar (CSK) Himachal Pradesh Agricultural University Palampur, Dr. YS Parmar University of Forestry and Horticulture Nauni and Institute of Himalayan Bioresource Technology (IHBT) Palampur.

The state has provided a list of 100 seats allocated under several incubators.

An incubation fund has been set-up in the state with an initial corpus of INR 5 crore. Under the startup scheme/ policy, the state provides the following subsidies to incubators:

A grant of INR 30 lakh per year for three years will be given to selective institutions for setting up incubators and other activities.

Additionally, a grant of up to INR 10 lakh will be given for meeting recurring expenditures.

Name of Institution	Subsidy amount availed (INR)
CSK Himachal Pradesh krishi Vishvavidyalaya	39,73,742
Dr. YS Parmar University of Horticulture and Forestry Nauni	31,06,149
CSIR institute of Himalayan Bioresource Technology	39,67,611
Indian Institute of Technology	36,02,300
Jaypee University of Information and Technology	37,53,136
Himachal Pradesh University	37,72,797





The state has the technology incubation center (T-hub) at the International Institute of Information Technology (IIIT) Hyderabad. It supports and promotes technological innovations occurring in the Hyderabad startup ecosystem. A state-of-the-art building with 70,000 sq. ft. height, called 'Catalyst' brings together partnerships from different verticals to help startups shorten the sprint towards their goal. One of the most popular programmes run by the catalyst is Lab32.

- Taking a cue from the success of T-Hub, the state aims to develop world-class physical infrastructure that would provide a conducive environment for ideas to originate, scale-up, and see business fruition.
- T-Hub's state-of-the-art startup programmes are designed to foster a culture of innovation and entrepreneurship through access to cutting-edge technology and a network of corporates, mentors, investors, and service providers.

```

graph LR
    A[Mentorship] --> B[Corporate connects and networking]
    B --> C[Opportunities]
    C --> D[Workshops and seminars]
    D --> E[Investor connects]
  
```





## We-Hub

The state is committed to empowering women entrepreneurs, through the women-focused Incubation Center called “WE-Hub”, from various sectors to launch startups and has provided support through funding, mentoring strategy, and growth. The objectives of WEHub are to:

- Provide access to government incentives
- Incubation support to women entrepreneurs
- Talent/ skill development to catalyse the growth of the skilled workforce

**The benefits of We-Hub include the following:**

### Peer community:

Community of women founders for promoting peer-to-peer learning and collaboration.

### Global market access:

Platform for growth-stage startups with opportunities to access product fitment and readiness to new markets across the globe.

### Mentorship:

Over 50 experts from various domains and expertise.

### Industry connect:

Access and curated connections between global companies and high potential WE-Hub selected startups.

### Access to workshops:

Access to a specifically designed workshop focusing on different aspects of the business.

### Customised incubation programme:

Selected startups to undergo eight months curated and customised incubation programme with targeted interventions.

### Investor connect:

WE-Hub brings together top Indian Private Equity (PE)/ Venture Capital (VC)/ Seed/ Angel Funds and promising entrepreneurs in any industry.

### Government liaising:

Information about various initiatives and opportunities and helps women founders to make use of various opportunities.

### Access to events:

Selected startups get access to all WE-Hub related events and explore networking opportunities.

## Acceleration Programmes

T-Hub and Facebook intend to partner and have a deep collaboration in the area of Augmented Reality (AR)/ Virtual Reality (VR) Technology. The top five to six startups selected through this acceleration programme would work with Facebook, T-Hub teams, and mentors, to collaborate and prioritise the solution. All interventions would happen at T-Hub Hyderabad. The T-Hub website provides details about the programme.





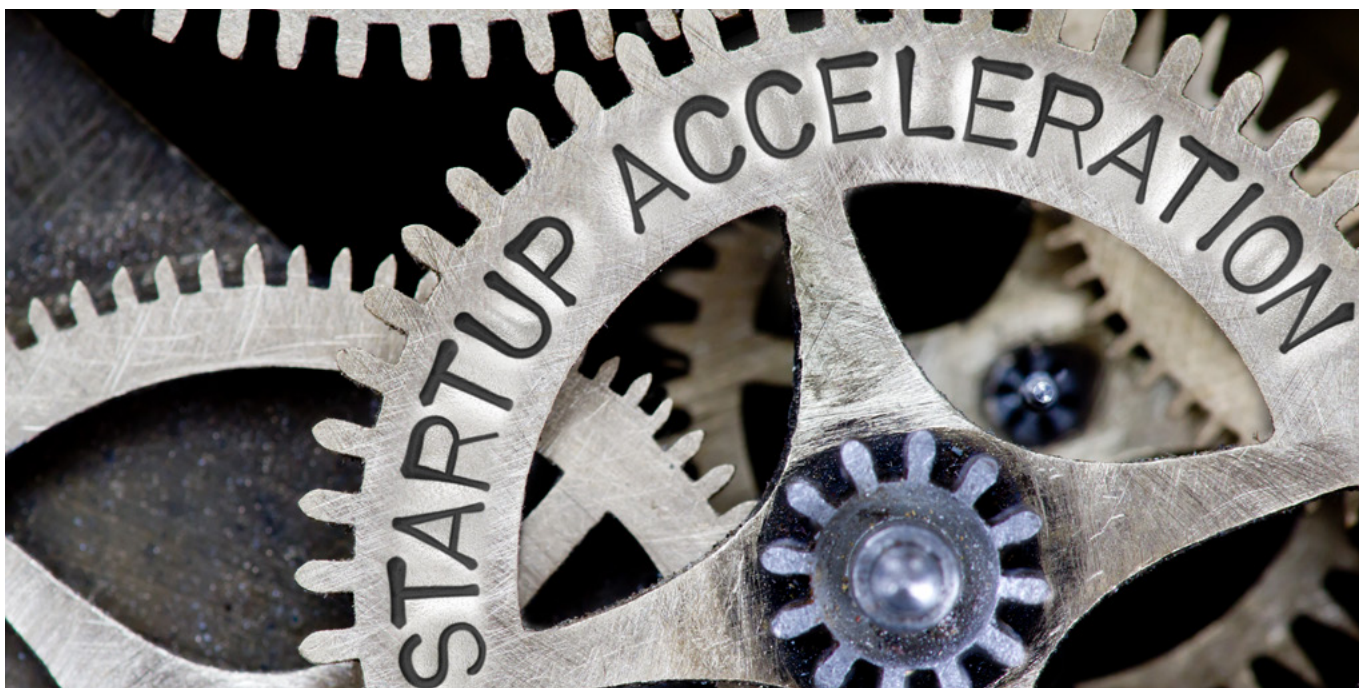
## UTTAR PRADESH

### **Set-up or support incubators in the state**

The state has emphasised on providing funding and setting up of 13+ state-wide startup incubators. Such programmes in association with industry shall promote innovation and ensure sustainability. Moreover, the state has submitted details of 169+ beneficiaries to whom the seats are allocated by two incubators.

### **Acceleration Programmes**

The state has created awareness about the Internet of Things (IoT) wherein iBuild (iB) hubs startup schools as Student Acceleration Programmes are designed for intense learning of the students. The startup schools are established in collaboration by the state for student entrepreneurs to kick-start their startup journey. The state has conducted a large number of bootcamps in association with iB hubs startup school and has made efforts to make right partnerships towards an elevated entrepreneurial journey aimed to avail long term benefits for the state's startups.







## PILLAR 05 | SEED FUNDING SUPPORT

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# 01: Overview

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## List of featured states

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BIHAR

CHHATTISGARH

KERALA

MAHARASHTRA

ODISHA

RAJASTHAN

## Featured states from previous year

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KARNATAKA

## Ideal Practice

Provision of seed funding to startups is given to enable them to grow and generate their own revenue stream. Relevant ideal practices are described in this section.

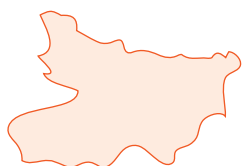
State should have a defined corpus for seed funding. The funding should be provided in the form of a grant for product development, market testing and Intellectual Property Right (IPR) filing. The equity percentage to be invested should be presented to the startup before the investment is made. A monthly sustenance allowance may be provided in form of stipend or reimbursements for pre-defined expenditures.

Startups, on the other hand, must submit and follow a utilisation plan in line with the pre-agreed covenants. Investors should monitor progress through periodic meetings with the startups.

Finally, there should be an online tracking mechanism for applications which displays the time limit for each step of the application process.



## 02: Snapshot of Best Practices & Impact

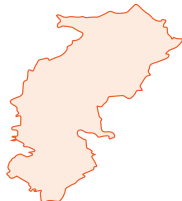


01

BIHAR

**SYNOPSIS:** The state government provides seed funding support to startups in the form of a ten-year interest free loan for validation of the idea and/ or prototype development. The financial assistance covers activities of travel, market research, skill training and marketing. The assessment of qualified startups is made jointly by the incubation center and an expert committee.

**IMPACT:** The state has provided seed funding to 70 startups among which 5 are women-led startups. The seed funding disbursed so far has been over INR 4.5 crore towards startups.



02

CHHATTISGARH

**SYNOPSIS:** The state has set-up two funds viz., 'Leap of Faith Revolving Fund (LoFR)' and '36 Angel Fund (36AF)' with an initial corpus of INR 10 crore each to support seed funding of startups. The funds allow each qualified enterprise to avail upto INR 50 lakh in seed funding and is sector agnostic. The startup policy of the state clearly highlights the eligibility criteria and extent of seed funding.

**IMPACT:** The government has supported 13 startups through seed funding in a mix of sectors of IT, Healthcare and Electronics.



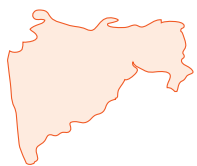
03

KERALA

**SYNOPSIS:** The government provides seed funding support in the form of monthly assistance for a year. In addition, it offers financial assistance for product development and marketing. Further, it encourages banks in the state to enhance their lending facilities and set-up a separate desk for startups for easy financing.

**IMPACT:** The state government has supported more than 240 startups through seed funding with an average investment of INR 7.5 lakh per startup.



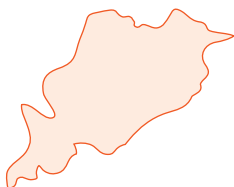


# 04

## MAHARASHTRA

**SYNOPSIS:** The state government has provided a platform to startups in order to leverage financial assistance from institutions by securing seed funding support. Funds earmarked for seed funding can be availed through a well-defined online application process. The seed funding provided to startups is in the form of grants and reimbursements.

**IMPACT:** The state government implemented the Fintech Corpus Fund in 20+ districts in the state with a total budget of INR 25.19 crore per annum benefitting more than 5,000 Self-Help Groups (SHGs) and entrepreneurs. Further, it has supported 60+ startups through grants and reimbursements.

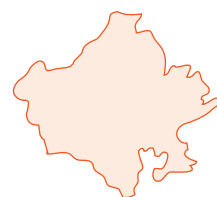


# 05

## ODISHA

**SYNOPSIS:** The government provides monthly assistance to startups for a year. In addition, it offers financial assistance for product development and marketing. Further, it encourages banks in the state to enhance their lending facilities and set-up a separate desk for startups for easy financing.

**IMPACT:** The state government has provided seed funding to 91 startups.



# 06

## RAJASTHAN

**SYNOPSIS:** The state government provides funding assistance to startups registered under the state's iStart programme which provides startups with sustenance allowance, seed funding assistance and marketing assistance. The application procedure to avail seed funding is clearly highlighted on iStart Rajasthan (<https://istart.rajasthan.gov.in/>)

**IMPACT:** The state provided 43 startups with sustenance allowance and seed funding, 37 startups with marketing allowance and funding to 14 startups under Techno Fund. The funding for startups under marketing allowance was maximum amongst all categories with most startups receiving between INR 5 lakh to INR 10 lakh





# 07

## KARNATAKA

**SYNOPSIS:** The state has defined the mechanism and guidelines for seed funding and the process is transparently available on the portal under the operational guidelines of seed funding for state startups. Typically, the funding is released in tranches as per the project milestones agreed upon in the memorandum of agreement.

**IMPACT:** Idea2PoC through 'ELEVATE 2019' is given in the form of grant-in-aid up to INR 50 lakh. A total of 245+ startups have benefitted from seed funding support in the state.





## 03: Statewise details on best practices



BIHAR

### Seed Funding Guidelines

The process to access seed funding has been clearly defined in the policy. Further, it also defines the support offered across various stages after seed funding stage i.e. commercialisation stage and scale-up funding stage.



#### VALIDATION STAGE

Seed Funding Support upto INR 10 lakh/ startup  
(detailed in the point below)



#### COMMERCIALISATION STAGE

This is provided in two categories as mentioned below:



#### EARLY STAGE

Success fee of 2% of the investment provided to startups to mobilise investments from state registered angel investors



#### SCALE- UP FUNDING SUPPORT

Funding from trust supported venture funds along with assistance provided for listing and public issue of startups

**The seed funding guidelines (validation stage) are clearly mentioned in the startup policy of Bihar. These are as follows:**

- Extent of seed funding is INR 10 lakh per startup as interest free loan for ten years.
- An amount equal to 5% of the grant amount shall be contributed by the incubatee into the startup.
- The financial assistance shall be provided to startups for validation of idea, prototype development, assistance towards traveling costs and carrying out field/ market research/ skill training/ marketing and initial activities to set-up a startup.
- The application process is through certification of the startup and submission of proposal by the incubator.
- The assessment is then made jointly by the incubation center and the Expert Committee.





## CHHATTISGARH

### Seed Funding Guidelines

The state lays down clear guidelines for seed funding and has reliable infrastructure in place to provide early stage funding support to startups. The state's startup policy clearly outlines the eligibility criteria, extent of seed funding and the application procedure for startups to avail seed funding from the state.

To promote seed funding opportunity to startups in the state, the State has set-up a 'Leap of Faith Revolving Fund (LoFR)' and '36 Angel Fund (36AF)' for supporting the startups through seed funding.

#### The key constituents of the Leap of Faith Revolving Fund:

- An initial corpus of INR 10 crore has been set aside and handed over to the disbursal agency
- A maximum of INR 50 lakh limit has been kept for individual enterprise
- State has also made provision that Invest committee members can become non-voting board members and can invest into startups, upto 25% of the equity but not acquire the startup for the duration of the loan.
- The focus of this fund is to invest in high risk startups wherein returns are not envisaged as an impetus to the entrepreneurial ecosystem in the state

#### The key constituents of the 36 Angel Fund are:

- An initial corpus of INR 10 crore has been set-up wherein the investment from the fund would be sector agnostic and would ensure support to a broad mix of sectors in Chhattisgarh
- The fund's co-investment in the startup would be restricted to 50% of the investment made by angel fund/ angel groups in that round of investing, subject to a ceiling of INR 50 lakh per individual enterprise
- The angel network considered for investing should have disbursed a minimum of INR 10 crore over its lifetime and INR 3 crore (and at least 5 deals) in the last 12 months
- The state has a robust online system in the form of its startup portal where startups apply for seed funding.
- The portal [http://36inc.in/accelerator/application\\_form.php](http://36inc.in/accelerator/application_form.php) allows startups to register and submit their application for seed funding through the online portal of 36INC with relevant documents. Startups can access the forms, guidelines and documents from the 36INC Web Portal.
- The startup application can be tracked online at portal ([http://36inc.in/funding\\_report/login\\_easy\\_nirman.php](http://36inc.in/funding_report/login_easy_nirman.php)) and also by reaching out to the designated Manager or to the Chief Executive Officer (CEO).
- Status of the approvals is communicated online at portal ([http://36inc.in/funding\\_report/dashboard\\_easy\\_nirman.php](http://36inc.in/funding_report/dashboard_easy_nirman.php))





## KERALA

### Seed Funding Guidelines

The state has performed exceedingly well in establishing seed funding guidelines. Applications are invited through the state's startup portal. Shortlisting is undertaken by a panel of experts and the shortlisted startups are asked to submit a two-minute video introduction of the product along with a fund utilisation plan. The shortlisted startups then pitch to a screening panel who recommend whether the idea is worth pursuing. More than 90 startups have availed seed funding in the state.

The state's startup policy has clear guidelines for seed funding support. The innovation grant scheme and the seed support scheme detail out the eligibility, extent of support and procedure to avail the same.



### INNOVATION GRANT SCHEME

This scheme was envisioned to provide financial assistance to startups and entrepreneurs to help them convert their innovative ideas to full-fledged ventures

#### THE FOLLOWING ARE ELIGIBLE TO APPLY UNDER THIS SCHEME:

- A student studying in Kerala
- An innovator based out of Kerala
- A startup registered in Kerala

#### VARIOUS TYPES OF GRANTS AVAILABLE UNDER THIS SCHEME ARE:

- Idea Grant – Limited to INR 2 lakh/idea, primarily for conversion of idea to prototype
- Grant – Limited to INR 5 lakh/idea, to convert prototype to a Minimum Viable Product (MVP)
- Scale-up Grant – Limited to INR 5 lakh/idea, to help innovators with an MVP to develop the initial market
- Research and Development (R&D) Grant – Limited to INR 30 lakh/startup, given to highly promising hardware startups with working prototype or IP which needs to be developed into a final product through extensive research and development



## SEED SUPPORT SCHEME

- This scheme was introduced to provide financial assistance to startups to foster the formation and development of innovative, technology-based business enterprises. The scheme is implemented through KSUM
- Seed support would generally cater to prototype/ MVP stage financing for commercialisation of the indigenous ideas, innovations and technologies
- Preference is given to startups with the Department for Promotion of Industry and Internal Trade startup certification

## EXTENT OF FUNDING UNDER THIS SCHEME IS:

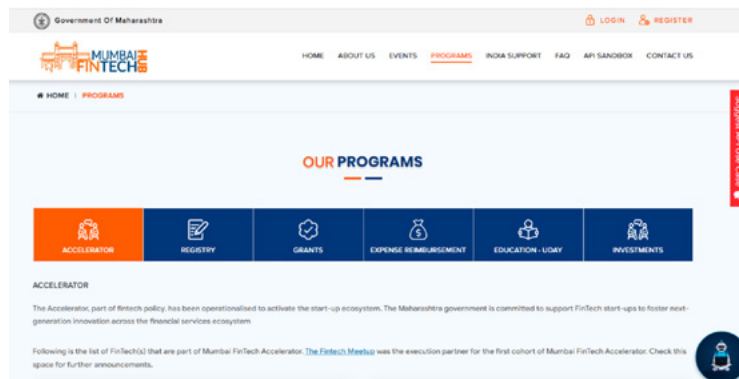
- The support is limited to INR 15 lakh. The startup will be examined before placing the matter up to the seed support expert committee for selection
- Startups requiring seed support for only capital equipment may not be encouraged
- The state's startup portal has a well-defined online system for startups to apply for seed funding. Entrepreneurs can create a login on the portal and can apply and track the status of their seed funding applications on a real time basis and obtain necessary approvals towards the same

The image shows a screenshot of a web form titled "Investor Cafe- Startup Profile" with the subtitle "Build your profile". The form is part of a three-step process, with the first step, "Details of Founder", currently active and highlighted with a green circle and the number 1. The form contains four input fields: "Name of the Founder" (text input), "No of Founders/co-founders" (dropdown menu with "-Select-" selected), "Mobile number" (text input), and "Email id of co-founder" (text input). A "Next" button is located at the bottom right of the form. The background of the slide features large, stylized text "In" and "enté" in a dark red font.





## MAHARASHTRA



### Seed Funding Guidelines

The government of Maharashtra has encouraged innovators to stimulate commercialisation of their inventions through seed funding support to startups in the state. The seed funding assistance has strongly positioned the state to bridge the gap between development and commercialisation of startups.

The state government has constituted the 'Hirkani Maharashtrachi' scheme and the 'Fintech Corpus Fund' which have defined the eligibility, application process and extent of funding support available for startups in the state.

20+  
DISTRICTS

₹25.19  
CRORE BUDGET

5,000  
SELF-HELP GROUPS

The **Hirkani Maharashtrachi scheme** has been implemented in **20+ districts** across the state with a total budget of **INR 25.19 crore per annum** and more than **5,000 self-help groups (SHGs)** and entrepreneurs have benefited from this initiative.

The state considers seed funding to be essential for a startup which further encourages aspiring entrepreneurs to graduate to a certain level whereby investments are raised through angel or venture capitalists.

Seed funding support has enabled startups to receive essential support from commercial banks and other financial institutions.

### Online System for Seed Funding

The state has a robust online application system for startups to avail seed funding wherein the state has an online tracking system, coupled with email communication for approvals for seed funding; thereby, simplifying the disbursement process.

### Seed Funding Beneficiaries

The state has provided seed funding support to **60+ UNIQUE STARTUPS** through grants and reimbursements. The startups were supported by Mumbai Fintech Hub between 1st May 2018 – 30th September 2019.





### Seed Funding Guidelines

The state's startup policy clearly outlines the eligibility criteria, extent of seed funding and the application procedure for startups to avail seed funding from the state. The state also has reliable infrastructure in place to provide early stage funding support to startups.

### Online System for Seed Funding

The state has a robust online system in the form of its startup portal where startups can apply for seed funding. The portal allows startups to submit their application online for seed funding along with relevant documents. Startups can track the application on the portal and obtain subsequent approvals online.

### Seed Funding Beneficiaries

- As per its startup policy, the state has an objective to create a startup capital infrastructure fund of upto INR 25 crore to support development of hard and soft infrastructure for the startup ecosystem in the state. The state has provided seed funding under the startup policy to 80+ startups.
- The policy also touches upon the state government contributing in private sector funds for the state's startups such as venture capital funds. The involvement of the state would be limited to one fourth of the total size of the fund and would be based on the condition that the fund manager commits to bringing in three fourths of the total fund size.
- The state has established a strong support system for seed funding. Startups can avail seed funding in the form of monthly assistance of INR 20,000 for a year and INR 22,000 if the founder is a woman/ transgender or from social category SC/ST/OBC.
- Product development and marketing/ publicity assistance up to a maximum of INR 15 lakh is available for startups and INR 16 lakh if the founder is a woman/ transgender or from social category SC/ST/OBC.
- Furthermore, the state encourages banks and other financial institutions to extend and enhance their lending facilities to startups and set-up dedicated desks for startups in select branches for easy funding.
- In addition to the above, VAT/CST paid in Odisha by the startup companies shall be reimbursed as per the Industrial Policy 2015.
- The state also encourages various seed capital funding agencies to forge strategic partnerships with industry/ startup associations in the state.
- An "Odisha Youth Innovation Fund" has been proposed in the "Odisha State Youth Policy (OSYP) 2013" for promoting innovative entrepreneurship among the youth/ startups of the state. Further a "Youth Entrepreneurship Development Agency" (YEDA) will be established to also promote innovation among young entrepreneurs and providing mentoring support, market linkages and facilitate soft loans through schemes and financial institutions. The size of the fund shall be INR 200 lakh funded by the state. The fund shall provide INR 50,000 for any new idea, INR 1,00,000 for a prototype and INR 3,00,000 for development of a startup based on eligible innovative idea.





## RAJASTHAN

### Seed Funding Guidelines

The state has formed clear and specific guidelines on seed funding and established reliable infrastructure to promote startups.

Funds have been provided by the Department of Information Technology & Communication, Government of Rajasthan which entails seed funding benefits for the startups through:

**Sustenance Allowance:** The extent of funding provided under this funding support is a grant of INR 10,000/- per month for one year to eligible startups

**Seed Funding assistance:** The assistance provided under this funding support is up to INR 2 lakhs in the form of loan to eligible startups

**Marketing assistance:** The assistance provided under this funding support is up to INR 10 lakhs in the form of loan/ convertible equity.

The state has published a detailed list of startups availing seed funding in the state. Disclosure of such information improves transparency and instills confidence in the state's startup ecosystem.

Benefits have been disbursed to **55+ beneficiary startups** with direct funding under the provisions of Rajasthan Startup policy 2015.

**iSTART**  
change by shifting working youth from service industry and help them to build their own ventures.

Startups | Benefits | Incubators | Partners | Events | Login | Approved Startups For Equity Funding

### Sustenance Allowance

[Apply Now](#) [Click here to view video manual](#)

Under the provisions of Rajasthan Startup Policy 2015, the Government of Rajasthan extends a grant of INR 10,000/- per month for one year as Sustenance Allowance to the eligible startups at Idea/Prototype stage (post approval by the Committee and Nodal Institution). Sustenance allowance is extended to eligible startups at Idea/Prototype stage only.

### Seed Funding

In order to support startups at Idea/Prototype stage, the Govt under the policy provisions provides seed funding support to the startups of iStart Rajasthan. Seed funding is expected to be used by startups to mature their product/ services to Idea/Prototype stage and develop the startups for subsequent round of support and funding.

**Application Procedure:** The eligible startup can apply for sustenance allowance / seed funding and subject to completion and correction of the application, the startup would be invited to present its idea/ project before the evaluation committee. Subject to evaluation committee's approval, the nodal institute will approve / reject and disburse the funds in stipulated time.

### Online System for Seed Funding

The state has prioritised provision of seed funding to startups. The startup online portal provides a mechanism to avail seed funding benefits, additional funding guidelines and resources for application procedure on the portal. The portal also includes tracking of applications and communication of approvals for startups to get real-time updates.



# 04: Statewise details on best practices from previous year



## Seed Funding Guidelines

- The Government of Karnataka provides seed funding under the ‘Idea2PoC’ scheme of the Startup Policy of Karnataka 2015-20. Idea2PoC through ‘ELEVATE 2019’ is given in the form of grant-in-aid but limited to a one time grant of up to INR 50 lakh. Funding is released in tranches as per the project milestones agreed upon in the memorandum of agreement between the startup and Karnataka Biotechnology and Information Technology Services (KBITS).
- The mechanism and guidelines for seed funding are elaborated and the process is transparently available on the portal under the operational guidelines of seed funding for state startups.
- A total of **245+ startups** have benefitted from seed funding support in the state.
- Under the provision of seed funding initiative, the State Government has provided financial support to beneficiaries having received seed funding in the form of a grant. Government of Karnataka has provided benefits to the following number of startups through designated calls:

Calls	Number of beneficiary startups
Elevate 2018	77
Assisted Accelerator Idea2PoC	10
Elevate 2019	95
Unnati Scheme	18
Startup Yatra	12
ESDM Startup Incentives	21
Startup Incentives	15
Total	248





## PILLAR 06

## VENTURE FUNDING SUPPORT

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# 01: Overview

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## List of featured states

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GUJARAT

KERALA

MAHARASHTRA

RAJASTHAN

## Featured states from previous year

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KARNATAKA

UTTAR PRADESH

## Ideal Practice

The state government should ideally have a pre-defined corpus of venture funds along with the tenure in which the funding is aimed to be disbursed. Further, the target to be achieved under venture funding should be defined on a year-on-year basis.

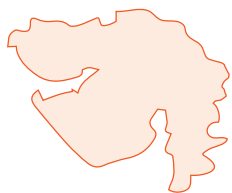
Clear operating guidelines and process to set-up venture funds should be outlined by the state government which would enable easy and transparent set-up of such funds.

Venture Funds in turn, should also have a guideline for startup applications which should be clearly available on the state's startup portal. They must define their focus sectors or specify their preference for specific sectors to invite the relevant startup applications. Additionally, they must specify whether the venture funding is in the form of equity or loan.

Finally, the general expectation of venture funds from startups in terms of expected growth year-on-year, minimum quantum of investment, prototyping stage of the startup should be clearly set out.



## 02: Snapshot of Best Practices & Impact



### 01

GUJARAT

**SYNOPSIS:** The state has an active investor community which consists of various investing organisations such as the Gujarat Venture Finance Limited (GVFL), the Gujarat Angel Investors Network (GAIN) and angel investors. The funds make an equity or a quasi-equity investment through a sector agnostic approach. The funds focus on highly scalable innovative business models.

**IMPACT:** The state government has supported more than 100 companies through its funds. In the period of consideration, a disbursement of INR 20 crore has been funded towards 4 startups.

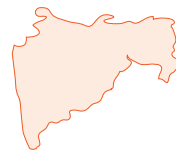


### 02

KERALA

**SYNOPSIS:** The state government has established guidelines for supporting Alternate Investment Funds (AIFs) highlighting evaluation criteria, eligibility and the application procedure. The evaluation criteria for SEBI accredited AIFs is divided into financial and technical evaluation thereby making the evaluation comprehensive. The state government has committed a total of INR 59 crore for venture funding support.

**IMPACT:** The state government has 4 venture funds out of which 2 are SEBI registered funds. There are a total of 10 startups that have benefitted from venture funding support with a disbursement of INR 20 crore.



### 03

MAHARASHTRA

**SYNOPSIS:** The state government has a corpus of INR 116 crore to promote state entrepreneurial talent through the 'social welfare fund' called the Maharashtra State Social Welfare Fund. The investment manager for the fund is SIDBI.

**IMPACT:** The state has funded a total of 9 startups through venture funding support.



**04****RAJASTHAN**

**SYNOPSIS:** The state government has established a number of indigenous venture funds and is well connected with renowned angel networks in the state. Among the four venture funds, one fund (Techno Fund) is completely state operated and has a corpus of INR 500 crore for investment towards infrastructure/ substructure.

**IMPACT:** The state has funded 32 startups through venture funding support with over INR 6 crore disbursed and an average investment of approx. INR 20 lakh.

**05****KARNATAKA**

**SYNOPSIS:** The state has established funds to assist startups in the field of semiconductor, biotech, and allied sectors and animation, video, gaming, and comics. An investment committee has been set-up to assist funding of such startups.

**IMPACT:** The state had launched venture capital funds as follows:

- Karnataka Semiconductor Venture Capital Fund (KARSEMVEN Fund) with INR 100 crore
- KITVEN 3 (Biotech) with INR 50 crore
- KITVEN 4 (Animation Visual Effects Gaming and Comics) with INR 20 crore
- KITVEN 2

**06****UTTAR  
PRADESH**

**SYNOPSIS:** Uttar Pradesh has set-up fund of funds, wherein the fund does not directly invest in startups, rather, it shall participate in SEBI approved investors. The fund makes an investment in "Daughter Funds," which would invest in startups promoting innovative ideas across all sectors in Uttar Pradesh.

**IMPACT:** Uttar Pradesh's Startup Fund has a corpus of corpus size of INR 1,000 crore. Two Venture Funds, Venture Catalysts, and Orios Venture Advisors have signed an MoU with IT & Electronics Department, Government of Uttar Pradesh for investing in Uttar Pradesh based-startups



## 03: Statewise details on best practices



### GUJARAT

#### Support to Venture Funds

The state has an active investor community which consists of various investing organisations such as the Gujarat Venture Finance Limited (GVFL), the Gujarat Angel Investors Network (GAIN) and angel investors.

The state has been highly proactive in its initiatives and actions to help startups grow and scale-up. Some of the startup funds supported by the Gujarat government are given below:



**GVFL Startup Fund:** Founded in 1990, GVFL was the first venture capital to be set-up in India. Set-up in Ahmedabad, GVFL has raised eight venture capital funds which have supported over 91 companies. The fund focuses on highly scalable innovative business models across sectors which use technology as an enabler or differentiator and are backed by credible teams.

#### Fund Corpus

The GVFL Startup fund has been extremely beneficial in driving investments in startups in Gujarat. The fund has a target corpus of INR 250 crore (including INR 50 crore green-shoe option). Government of Gujarat has intended to invest a total of INR 75 crore in the Fund. The investments are made in early growth stage startups with a potential for major growth within an investment horizon of 4-5 years

#### Investment Range

The investment from the fund is in the range of INR 2 crore to INR 20 crore in single or multiple rounds as per business needs. The median investment is in the range of INR 10 crore to INR 15 crore

#### Startups funded by GVFL (Venture Fund)

**iNurture** provides graduate and post-graduate degree courses in new and emerging areas with focus on employability in partnership with leading Universities and Colleges across India and abroad. The revenue is shared with the college/ university for providing infrastructure and certification while delivery and content is managed by iNurture.

**E-infochips** is one of the leading product engineering and software R&D services company with global presence. It has to its credit 500+ product developments and over 400+ deployments across 140 countries. GVFL exited from e-Infochips, with a massive return of 7.4 times of its investment

**Axio Bio-solutions** is engaged in business of Haemostatic Medical device dressing with brand name of AXIOSTAT and Sure Klot. It belongs to an advanced class of wound dressings that would stop traumatic external bleeding within few minutes of application by providing an active mechanical barrier to the wound site, thereby stopping hemorrhage. GVFL exited from Axio Bio Solutions with a return of 7 times of its investment.



### Gujarat Biotechnology Venture Fund

- The fund was launched in 2005 under the initiative of Gujarat State Biotechnology Mission. The fund identifies startups, early stage and existing companies in areas of Biopharma, Agri-Biotech, Contract Research, Industrial Biotechnology and other potential areas in biotechnology. The fund has invested in four companies and exited from one

#### Startups funded by GBVF

- **Celestial Biologicals Limited** offers a wide range of Pharmaceutical formulation like tablet, capsule, syrup.
- **Century pharmaceuticals Limited** is the manufacturer, exporter and supplier of highly reliable range of API and animal health product
- **Amrita Therapeutics Private Limited** is in the vanguard of biopharmaceutical companies translating microbiome technology into practical tools to improve human health.
- **Aura herbal wear Limited** is the manufacturer of herbal natural dyes

### Gujarat IT Fund

- The fund was formed in 2000 to promote IT companies present in the state. Profile of the investee companies ranges from Pure play Mobile VAS to radio frequency identification products to solar based lighting. The fund has invested into 10 companies and exited from four out of the same

#### Startups funded by Gujarat IT Fund

**Deccanet Designs Limited:** The Company provides services and solutions in the telecommunications domain to a host of clients across the globe. The Company specializes in Outsourcing Research, Software Design Services, System Integration, Carrier-class product design, Testing and test automation tools. The company was acquired by Flextronics

**Scicom Technologies Pvt Limited:** The company offers services, such as, Software services for Oil & Gas exploration, Surface geophysical modelling, medical diagnostic imaging, GIS, Computer Aided engineering, defense sector simulation etc.

### Gujarat Venture Capital Fund (GVCF 1997)

- This fund was launched for the small sector with emphasis on IT industry. The duration of the fund was 12 years. The fund supported innovative software product-based companies across India. Investments were made in companies ranging from chip designing to telecom-based products. It has been liquidated with profits in 2008

#### Startups funded by Gujarat Venture Capital Fund

**Ratnakar Estate Developer Private Limited (REDPL):** Golden Gujarat Growth Fund -I has invested in an industrial park, REDPL which is into developing eco friendly industrial parks in Gujarat covering an area of over 100 acres. It is along the Delhi Mumbai industrial corridor. Strategically located, in high growth region connecting Ahmedabad and Mumbai, along NH-8 which means good connectivity along with significant future demand from diverse industrial segments. The project would provide for customised plug and play infrastructure facilities to suit end users. The project has evinced keen interest from MNCs and large domestic industrial houses

**Saraf Foods Limited:** Saraf Foods is the first company in India to process Vacuum Freeze Dried fruits and Vegetables using indigenous technology





### Support to Venture Funds

The state has taken key steps to support venture funds by establishing clear guidelines for Alternate Investment Funds (AIF). The guidelines highlight the evaluation criteria, eligibility and the application procedure for applying to such funds. Currently, the state has extended support to four venture funds:

- Unicorn India Ventures
- Sea Funds
- Indian Angels Network fund
- Special Invest fund

The state has established clear operating guidelines for selection of Securities and Exchange Board of India (SEBI) accredited AIFs. As part of the guidelines, the state invites proposals from SEBI registered AIFs, with the evaluation being undertaken in two stages i.e. technical and financial evaluation. The technical evaluation involves the following parameters

- History, background and experience of the AIF and its manager
- Ties to the Kerala startup ecosystem
- Investment culture and thesis as mentioned in the Private Placement Memorandum
- Tenure of the AIF and its current stage
- Legal and Regulatory compliances of the AIF

The financial evaluation involves the following parameters

- Size of the investment committee
- Return on Investment
- Fee and Expenses
- Distribution Waterfall

Further, the recommended funds are required to give a presentation, post which they are given a final approval. Currently, the state has tie ups with four SEBI registered AIF's.

Fund	KSUM's commitment (INR Crore)
Unicorn India Ventures	20
Indian Angels Network	15
Special Invest Fund	4
Exseed Electron Funding	20

The guideline also outlines a detailed application procedure for startups to apply for funding under these funds.





## MAHARASHTRA

### Support to Venture Funds

- The government of Maharashtra has presupposed definite investments for disbursement to startups under the ambitious “Maharashtra State Innovation and Startup Policy”. The state encompasses to set-up incubators in order to foster an overall conducive environment for the startup ecosystem.
- The state government has sanctioned state Social Welfare fund with a huge corpus of INR 116 crore to promote state entrepreneurial talent and to provide them with sufficient funds to build a thriving startup ecosystem. Nine unique startups ventures have received funding.
- Maharashtra State Social Venture Fund was established an Alternative Investment Fund (“AIF”) in 2015 with the objective to identify and invest in profitable and scalable business ventures, including innovative business model or new products & technologies which would have the potential to provide social benefits
- Maharashtra State Social Venture Fund (MSSVF) is an Alternative Investment Fund (AIF), where Small Industries Development Bank of India (SIDBI) Venture Capital Limited is the designated investment manager. Through MSSVF, nine unique startups have been provided funding in the state.
- The state has maintained and shared a list of the state’s startups availing and in-receipt of venture funding or funds from the government. The list also cites details on the amount of funding received by the startups and the date of disbursement.



Corpus of  
**INR 116  
Crore**  
to promote  
state  
entrepreneurial  
talent







## RAJASTHAN

### Support to Venture Funds

The state encourages angel investor network agencies to forge strategic partnerships with industry/ startup associations in the region. The state has established a number of indigenous venture funds and is well connected with renowned angel networks in the state.

#### Key Venture Funds in the state are:

**Techno Fund-** The state has introduced a INR 500 crore fund to ensure robust growth in investment infrastructure/ substructure. The fund is completely state operated.

**Rajasthan Venture Capital Fund (RVCF)** – The fund was established as the state's first venture capital fund under Rajasthan State Industrial Development and Investment Corporation (RIICO), a Government of Rajasthan undertaking. RIICO is both a fund subscriber and an investor in the fund.

**INVENT** is a flagship multi-faceted funding programme of Startup Oasis. INVENT is managed by a group of experts for the purpose of fund management. The group comprises of the Internal Investment Committee

**Rajasthan Angel Investor Network-** Government of Rajasthan is well connected to many startup enabler networks including renowned angel networks such as Rajasthan Angel Investor Network

The state has strongly backed venture funds in order to encourage startups to avail various benefits from the funds. The state has deployed startup friendly measures across its funds, such as, offering the first level of evaluation of proposal in online mode and providing easy funding options in the form of either loans or equity.

### Startups funded from Venture Funds

The state has been successful in attracting, engaging and funding 32 startups as a part of the state initiative. Some of them include Gram Power, Ecowrap, Hippocabs, Tax2Win etc.





# 04: Statewise details on best practices from previous year



## Support to Venture Funds

To provide sustained support to the Startups, the Government of Karnataka has operationalized fund of funds for investing in venture funds that invest in Startups in various sectors. Following Venture capital funds have been launched in the State with a key focus on selected sectors:

Karnataka Semiconductor Venture Capital Fund (KARSEMVEN Fund) with INR 100 crore	KITVEN 3 (Biotech) with INR 50 crore
KITVEN 4 (Animation Visual Effects Gaming and Comics) with INR 20 crore and	KITVEN 2

The funds have been established to assist Startups in the field of semiconductor, biotech, and allies sectors and animation, video, gaming, and comics. To guide the above process, an investment committee with Officers from the Government, industry, and academic experts with sector-specific domain knowledge, financial and legal background, etc. with no conflict of interest has been constituted.

KITVEN funds have also released guidelines for entrepreneurs applying to these funds for their funding needs. Companies seeking Venture Capital assistance may please forward their Executive Summary (not exceeding 4-5 pages) online keeping in mind investment criteria, objectives, and the area of operation of the respective fund under management. The executive summary must contain the following information in brief:

Company Background	Short overview of the company, geographical location, founders background, funding so far, if any
Market Opportunities	Needs, Value Proposition, Size & growth of market
Products/Technology	Differentiation, Barrier-to-entry, price & cost
Target Market	Competition, Entry Strategy, Positioning , Distribution
Operating Plan	Historical Results, Extract of Profit/Lass account & Balance Sheet
Funding	How much & for what purpose? Financial projections that will take the company until next round of funding





## UTTAR PRADESH

### Support to Venture Funds

The Government of Uttar Pradesh has established a UP Startup Fund with a corpus size of **INR 1,000 Crores**. The fund will not be invested directly into startups, rather, it shall participate in SEBI approved investors and make an investment in 'Daughter Funds' which would invest in startups promoting innovative ideas across all sectors in Uttar Pradesh.

The Government of Uttar Pradesh would take minority participation in the Daughter Fund, by being a limited partner of up to 25%. The fund would be professionally managed and a Fund Manager shall be nominated/appointed to manage the UP Startup Fund. A formal Memorandum of Understanding (MoU) would be signed with the Small Industries Development Bank of India (SIDBI) to manage the fund operations.

IT & Electronics Department, Government of Uttar Pradesh has also signed MoUs with two Venture Funds, Venture Catalysts, and Orios Venture Advisors for investing in UP based Startups.

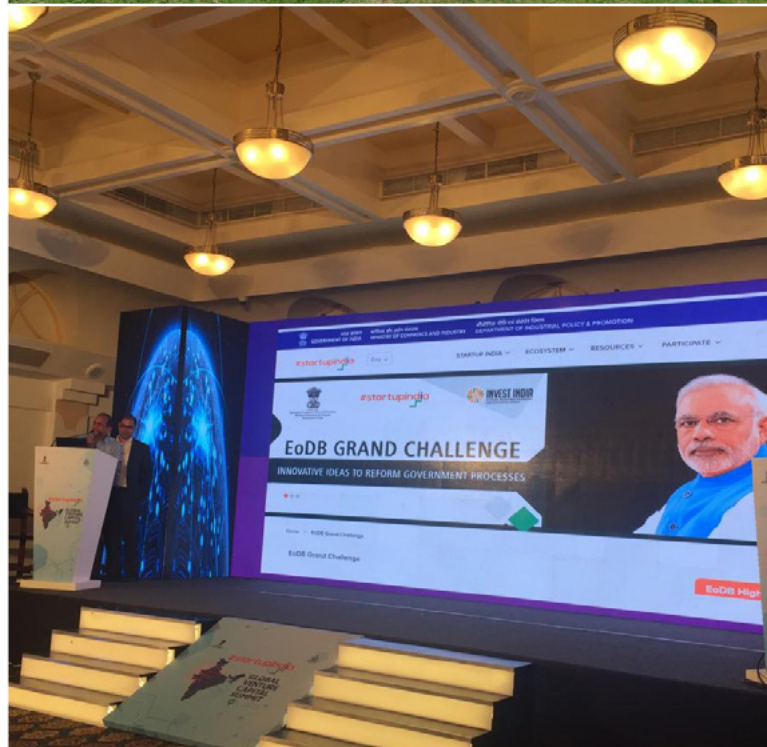






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# 01: Overview

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## List of featured states

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GUJARAT

MAHARASHTRA

RAJASTHAN

ODISHA

KERALA

KARNATAKA

## Ideal Practice

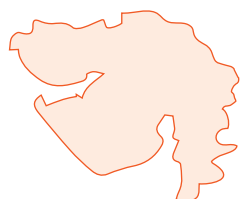
Under this initiative, individual states have undertaken a host of measures that not only connect stakeholders within the startup ecosystem but also popularise the concept of 'startups' beyond metro cities.

The ideal way to achieve this objective is to hold focused and regular hackathons & bootcamps ensuring attendance from across the state as well as frequent summit meets that not only connect potential investors with budding entrepreneurs, but also mentor & field experts.

Each of these individual events, be it hackathons, bootcamps or summits, should not only have a core theme retained but also build upon preceding events, adding newer features and topics. In these events, it is essential that ideas are not limited to a certain domain and should attract maximum participation from startups.



## 02: Snapshot of Best Practices & Impact



01

GUJARAT

**SYNOPSIS:** The state has been proactive in aiding startups grow & scale-up. Over the last year, the state has taken a host of measures ranging from fostering entrepreneurship through bootcamps, inspiring creativity through hackathons, and helping get funding support through angel investment workshops. In addition, the state has been offering startups opportunities to participate in national & international events.

**IMPACT:** The state organised 66 bootcamps across 33 districts, 12 hackathons/grand challenges in educational institutes and incubators, and 14 angel investment workshops benefiting more than 350 startups. It facilitated participation of startups in 23 national & international events.



02

KARNATAKA

**SYNOPSIS:** The state is host to 44% of the unicorns in India making it the country's startup hub.<sup>1</sup> The state has created an enabling environment for startups by organising bootcamps focusing on entrepreneurship training, hackathons concentrating on technology solutions as well as angel investment workshops. The government has invited participation from various districts of the state giving an equal opportunity to all startups.

**IMPACT:** A total of 30 bootcamps were organised across 30 districts. Most events witnessed participation of more than 100 students. One hackathon/grand challenge was organised, wherein 304 startups had participated. The event covered sectors such as healthcare, water, agriculture, transportation and waste management. Additionally, the state organised five angel investment workshops and eight international events.



03

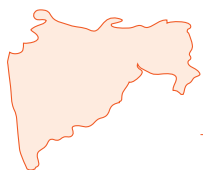
KERALA

**SYNOPSIS:** The state has performed well in reaching out to startups and helping them grow through frequent bootcamps with a focus on building on areas of foundational skills for entrepreneurship, design thinking, product development and programming. It has offered opportunities for startups to participate in national as well as international events.

**IMPACT:** The state organised 150+ bootcamps across 22 districts in the state. A total of 10 hackathons and grand challenges were held that had participation of upto 25 startups in each. Thirteen angel investment workshops were also conducted. The state facilitated participation of startups in five national and nine international events. Events abroad were hosted in nine countries.

<sup>1</sup>Source: Bengaluru Innovation Report



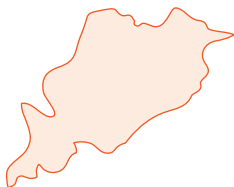


# 04

## MAHARASHTRA

**SYNOPSIS:** The government has been consistent in its efforts to encourage, engage and enable the entrepreneurial ecosystem in the state. The state has also aimed to tap the considerable potential of its people through the Maharashtra Startup India Yatra, Mumbai Fintech Festival as well as state-sponsored national & international events.

**IMPACT:** The state organised 18 bootcamps across 36 districts in the state, one hackathon/grand challenge for sectors such as Fintech, Govtech, & Regtech as well as one angel investment workshop benefiting more than 50 startups. It also facilitated participation of startups in four national & international events.



# 05

## ODISHA

**SYNOPSIS:** The state has conducted various awareness and outreach events to consistently engage and encourage the entrepreneurial community in the state. The state has performed well in fostering talent through bootcamps. It has provided financial support to startups for participating in national/international events as well as for hackathons/grand challenges.

**IMPACT:** The state organised 33 bootcamps across 30 districts, five hackathons/grand challenges with participation from at least 100 startups/students and six angel investment workshops with participation from 25 startups. It facilitated participation of startups in five national/international events.



# 06

## RAJASTHAN

**SYNOPSIS:** The online platform 'Startup Rajasthan' helped in the government's awareness & outreach initiatives. The state fostered entrepreneurship through bootcamps, organised hackathons mentored by subject matter experts, helped connect investors' community through angel investment events and also sponsored startups for events.

**IMPACT:** The state organised 12 bootcamps across various cities, two hackathons/grand challenges with participation of 3,000 people, and 17 angel investment workshops. It facilitated participation of startups in 21 national & international events.



## 03: Statewise details on best practices



### GUJARAT

#### Bootcamps



The government of Gujarat has been proactive in its initiatives and measures to help startups grow and scale-up. The government has organised events in cities such as Ahmedabad, Vadodara and Surat in collaboration with many universities providing student innovators with an opportunity to develop a sense of 'starting up' and boost the entrepreneurial ecosystem.



The state implemented the first-ever Student Startup and Innovation Policy in 2017 to assist young innovators from the state. Through funds received under this policy, the education department of Gujarat conducted 60+ bootcamps spread across 33 districts. The bootcamps primarily focused on ideation sessions, mentor workshops, pitching sessions and benefits under startup India. Special women-focused bootcamps were also conducted to inculcate entrepreneurial skills with an aim of strengthening women entrepreneurs both in rural and urban India.



The state has focussed on its technology talent and conducted hackathons to put data to better use in a way to crowdsource business ideas and solutions to specific problems. 10+ Hackathons were organised by the Higher & Technical Education Department in Gujarat benefitting more than 2500 participants, across various institutions and incubators.



**Some of these are mentioned below :**

Gujarat Industrial Hackathon, Auro University, Surat	Gujarat Industrial Hackathon, PDP, Gandhinagar	Smart India Hackathon 2019
Gujarat Industrial Hackathon, BVM, Anand	Student Open Innovation Challenge, iHub, Ahmedabad	Dewang Mehta IT Hackathon
Gujarat Industrial Hackathon, IITRAM, Ahmedabad	EarthXHack, iCreate, Ahmedabad	Biothon 2018
Gujarat Industrial Hackathon, Marwadi University, Rajkot	CRIDAH Youth Connect 2019	Let's Hack 2019

**Angel Investment Workshops**

The state has conducted various angel investment workshops to promote funding of startups.



A TOTAL OF  
**350+ STARTUPS**

GOT A CHANCE TO PARTICIPATE IN THE FOLLOWING ANGEL INVESTMENT WORKSHOPS CONDUCTED BY THE GOVERNMENT IN ASSOCIATION WITH INDUSTRY PARTNERS

- Angel Investor Meet 2019
- Empresario 2019 - Angel Investment Workshop
- Finding the Funding
- Highway to A 100 Unicorns: Microsoft for Startups
- Investment101
- Investor Connect 2018
- PitchDeck101
- Venture Leap 2019
- VGTS 2018 - Angel Investment Workshop





In order to foster support through angel investment, the government allowed free access to the seminar hall with a facility of projector and internet connectivity for startups at six locations in the state. The purpose was to create physical proximity between startups and angel investors allowing startups to shape their businesses effectively.

## National and International Events



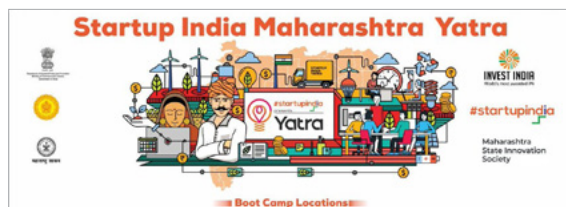
The state has conducted more than **20 national/international events**. Some of these events are listed below:







## MAHARASHTRA



### Bootcamps

Bootcamp workshops are conducted in schools and colleges to foster innovation amongst students. The state supported 18 bootcamp events

- A few highlights were the Akola district business plan competition in March 2019 with **70+ startups and incubators**, the **Nagpur Innovation Fest in August 2019** which saw participation of over **1000 students**, sessions for Startup Yatra winners at e-Summit, IIT Mumbai and the Mumbai Fintech Hub Bootcamp series
- 14 of these bootcamps were a part of the Startup Yatra campaign. 36 districts in the state were a part of the bootcamp initiative highlighting the widespread reach of the initiative by the Maharashtra government



### Hackathon/ Grand Challenge



- The state has organised one hackathon/ grand challenge to identify innovative technological solutions and for supporting entrepreneurs in building these solutions as viable products or service offerings. **The hackathon saw a participation of 28 beneficiaries.**
- The Mumbai fintech 'HackM' was organised as a part of the Mumbai Fintech Festival in 2018 to bring together students, developers and designers to develop innovative solutions for emerging technology adoptions in Fintech, Govtech, and Regtech



## Angel Investment Workshops



The state organised an 'Angel Investment Workshop' during Maharashtra Startup week in 2019 which was attended by **20 venture capitalists/ angel firms**



Additionally, with support from the Maharashtra government, innovative fintech startups were selected from a list of **60+ startups** registered with the Mumbai Fintech Hub to participate in the Singapore Fintech festival which drew close to **45,000 participants from over 130 countries**

## National and International Events

- The state supported its startups for participating in four national/international events. The support to startups has been in the form of grants, reimbursement for travel, accommodation or registration.
- In addition, the national/ international events include knowledge exchange, seminar or workshops, pitching sessions helping in fostering innovation and developing skills amongst entrepreneurs.







## RAJASTHAN

The state has been proactive in its initiatives and measures to help startups grow and scale up. Cities such as Jhalawar, Kota, Udaipur, Jaipur, Jodhpur and Bharatpur have many universities providing student innovators an opportunity to ideate and be mentored in order to effectively startup.



### Hackathon or Grand Challenges

The state conducted two hackathons which saw a participation of more than 2300+ people. The details are:

- **Online Hackathon** – The first-ever “Code-From-Home” online hackathon was organised as part of Challenge for Change – a flagship contest by Rajasthan’s Department of Information Technology and Communications. The winners were awarded an all expense paid entry to Rajasthan Hackathon 5.0
- **Hackathon 5.0** – The event was for a 36-hour duration hackathon with 24-hour of non-stop coding marathon. The event was mentored by subject matter experts offering brilliant coders, developers & designers an excellent platform. The winners were awarded prizes worth INR 32.5 lakh along with an exclusive opportunity to work with the Government of Rajasthan. A total of 3,000 people participated in the hackathon.

### Angel Investment Workshops

The state conducted events to stimulate angel investments in the state which included:

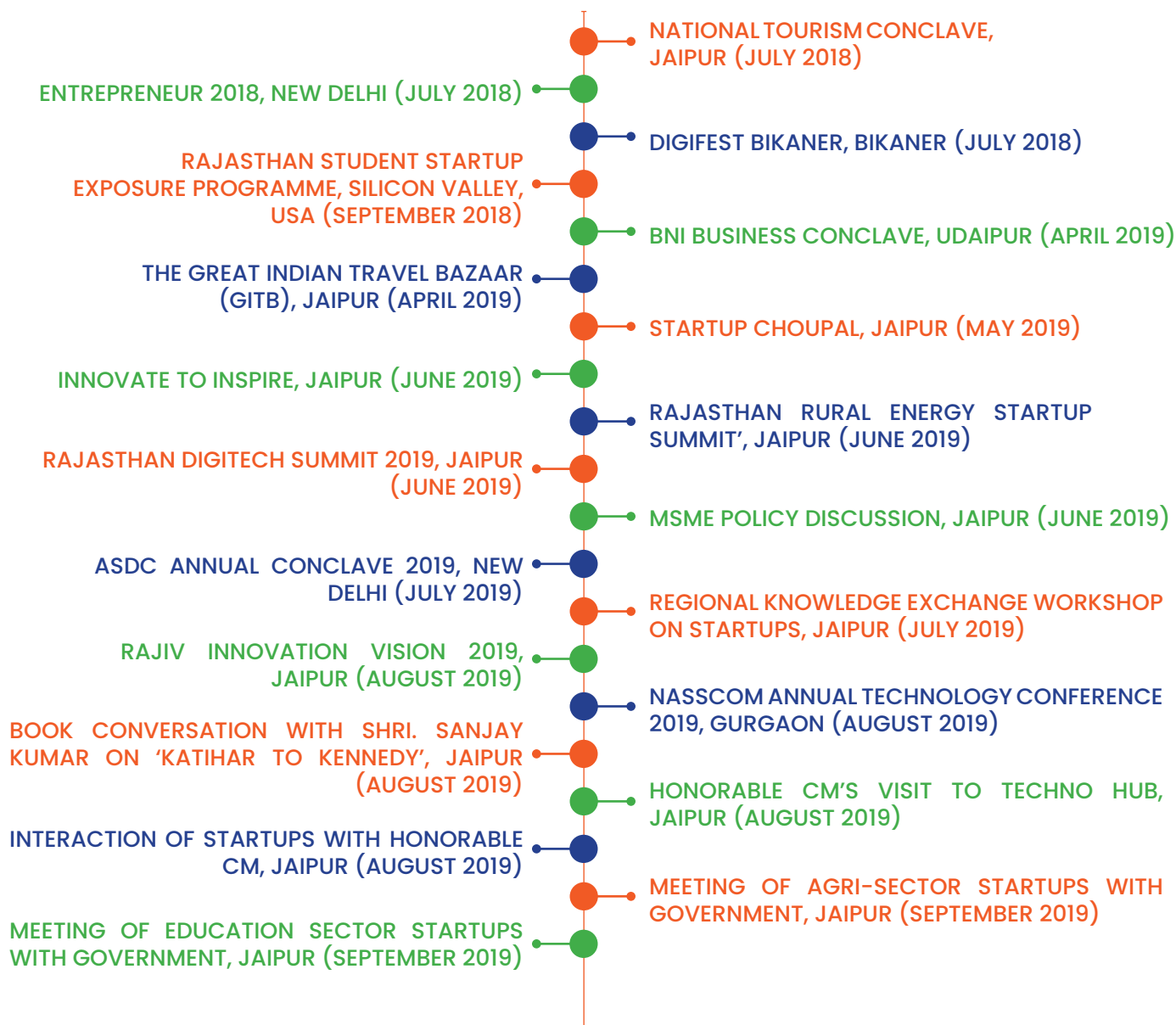




## National and International Events



The state has supported startups for participation in **21 national/ international knowledge exchange seminars/ workshops**. The events are listed below:





## Bootcamps

The state has conducted various awareness and outreach events, such as, bootcamps, hackathons and angel investment workshops to support startups.

- The state has performed well in fostering entrepreneurship through bootcamps. **Around 30+ bootcamps were organised covering 30 districts of the state.** Most of these events had an ideation workshop and a mentoring workshop conducted by a successful entrepreneur. Further, it had a 'Startup India' session to apprise startups on the state and central government benefits and incentives.

## Hackathons or Grand Challenges



The state has also carried out 5+ hackathon/ grand challenge events where at least one problem statement was posed to startups and the events had participation from at least 100 startups/students.

## Angel Investment Workshops

As part of its initiative to promote angel investment funding, the state has carried out 5+ angel investment workshops to connect angel investors/HNIs/angel networks with startups. In a majority of these events, at least two angel investors and at least 25 startups participated. Key events that took place were:



INVESTOR MEET IN  
ASSOCIATION WITH TIE  
BHUBANESHWAR



INVESTOR MEET AT KIIT  
BHUBANESHWAR



INVESTOR CONNECT  
EVENT ORGANISED IN  
ASSOCIATION WITH KIIT-TBI  
AND KIIT BHUBANESHWAR




STARTUP  
LUMINESCENCE 2019



National and International Events

State Event	Date
Startup Odisha Hackathon	TBD
Startup Conclave	TBD
	Bhubaneswar



The state provides financial support to state recognised startups for participating in reputed national and international events. The support includes travel allowance and free space in the exhibition stalls set-up by the state government.





## Bootcamps

The state has been proactive in organising awareness and outreach events to help startups grow and prosper. The state conducted **150+ bootcamps** that concentrated on the following aspects.



FOUNDATIONAL  
SKILLS IN  
ENTREPRENEURSHIP



DESIGN  
THINKING



PRODUCT  
DESIGN AND  
DEVELOPMENT



TECHNICAL  
TRAINING  
PROGRAMMES

## Hackathons

### IBM CALL FOR CODE KERALA

A two-day hackathon saw innovative technology solutions for solving crises that arise at the time of floods. It was hosted by Kerala State Disaster Management Authority along with IBM and was attended by 25 startups



### SINGULARLY GLOBAL IMPACT CHALLENGE

The seven-day programme saw participation from 25 startups focused on solutions to address skill shortage in emerging technologies, waste management in urban and rural areas, and access to cost-effective prevention and early diagnosis in health sector



**SingularityU India**  
Global Impact Challenge



### KASARACODE HACKATHON

The event lasted for over 50 hours and saw participation from 10 successful startup founders



## Angel Investment Workshops



**STARTUP EDUCATION PROGRAMME** called **ELEVATE FOR STARTUP** in the field of computer hardware, robotics, healthcare and rural sectors. The main objective of the programme was to educate professionals from these sectors about startups and the relevant investment opportunities



**INVESTOR CAFE** where startups looking for funds met with angel investors and venture capitalists to raise investments. More than 200 unique meetings were conducted between startups and investors over a period of six months



**KERALA INVESTOR SUMMIT** in association with Kerala State Industrial Development Corporation (KSIDC) co-hosted by Lets Venture in Kochi aimed to bring together the high net worth network of Kerala and provide them opportunities to invest in some of the best startups from Kerala and other parts of India. The following funds were present.

- Kae – Capital
- Arali Ventures
- SEA Fund
- Astarc Ventures
- Equanimity Investments
- Startup Xseed Ventures LLP
- WEH Ventures
- Sprout Venture Partners
- Special Invest

**'COMMUNE'** to facilitate interaction between entrepreneurs and the promoters of funded startups. It was attended by professionals from the following funds:



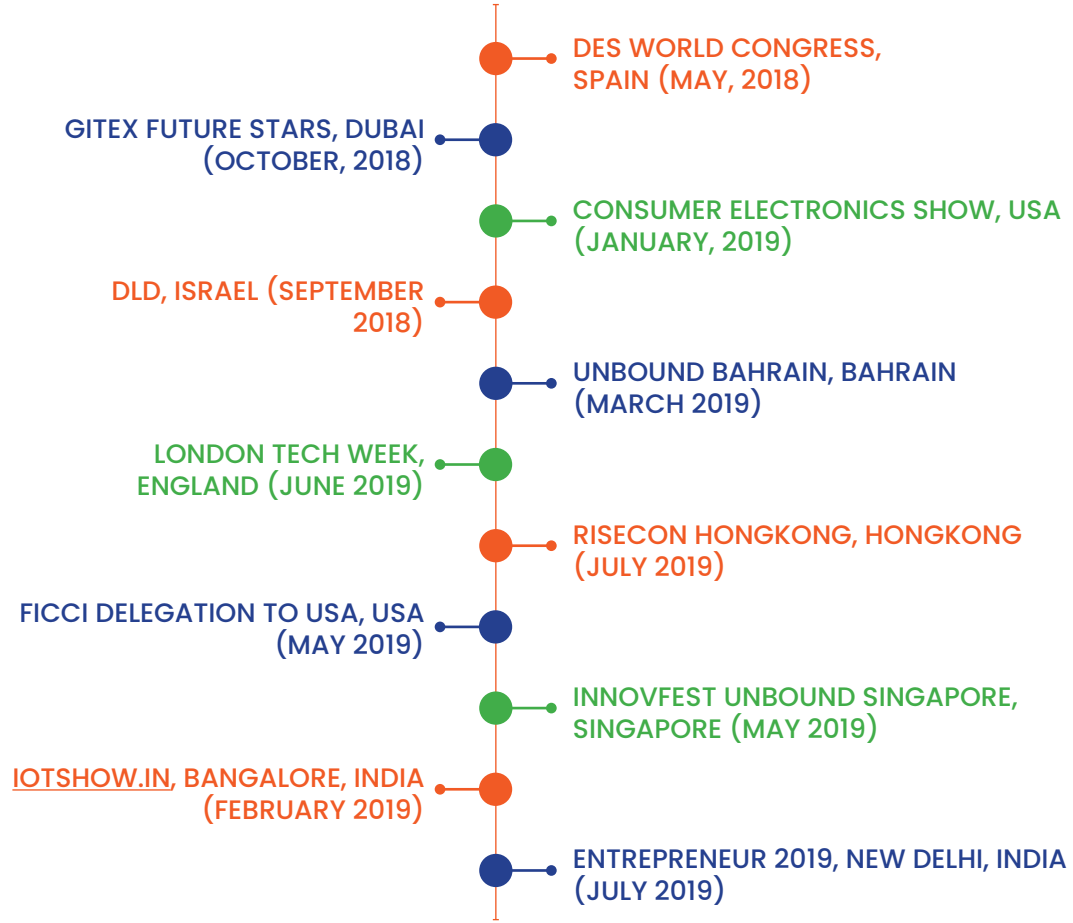
**'IGNITE'** to create awareness about angel investing in startups among the potential investor community





National and International Events

THE STATE ALSO CONDUCTED MANY NATIONAL AND INTERNATIONAL EVENTS, A LIST OF WHICH IS GIVEN IN THE TABLE BELOW:





# KARNATAKA

The state is active in organising bootcamps, hackathons, angel investor meets and international events. The state government has successfully organised events and witnessed participation from across 30 districts of the state in themes that included healthcare, agriculture and transport.



## Bootcamps

E-Step is an initiative from Karnataka startup cell to empower students within the state. It also caters to the needs of the growing startup community of the state. E-Step is operational under the registered society KITS (Karnataka Innovation and Technology Society) and acts as the single point of contact and a facilitating body to promote the Karnataka Startup Ecosystem.

Under the E-Step initiative, various bootcamps and mentorship workshops are conducted by various industry partners, startup founders, policy makers, and technical experts to explain the basics of entrepreneurship to the students.

Government of Karnataka conducted bootcamps for students of the New Age Incubation Network (NAIN) colleges under the startup policy of Karnataka. This was done to foster a sense of entrepreneurship amongst students.

## Startupbootcamp

A total of **30 BOOTCAMPS** were conducted, out of which, **27 HAD PARTICIPATION** of **MORE THAN 100 STUDENTS** and were conducted for more than eight hours.

Under the first phase of E-Step, day long bootcamps were organised in 30 New Age Incubation Network Institutions across **19 OUT OF 30 DISTRICTS OF THE STATE**. The bootcamps focused on the following aspects of entrepreneurship.



TRAININGS FOR TECHNOLOGIES -- MAKING THE STUDENTS MORE RELEVANT TO TODAY'S ECOSYSTEM



EXPLAINING THE CHALLENGES AN ENTREPRENEUR UNDERTAKES



STEPS TO TAKE WHILE PITCHING IDEAS TO INVESTORS



## Angel Investment Workshops



Karnataka provided the following benefits to both registered angel investors and Startups from the Startup Karnataka portal –

- Connection between investors and startups in the state
- Free entry to all startup related events of the state

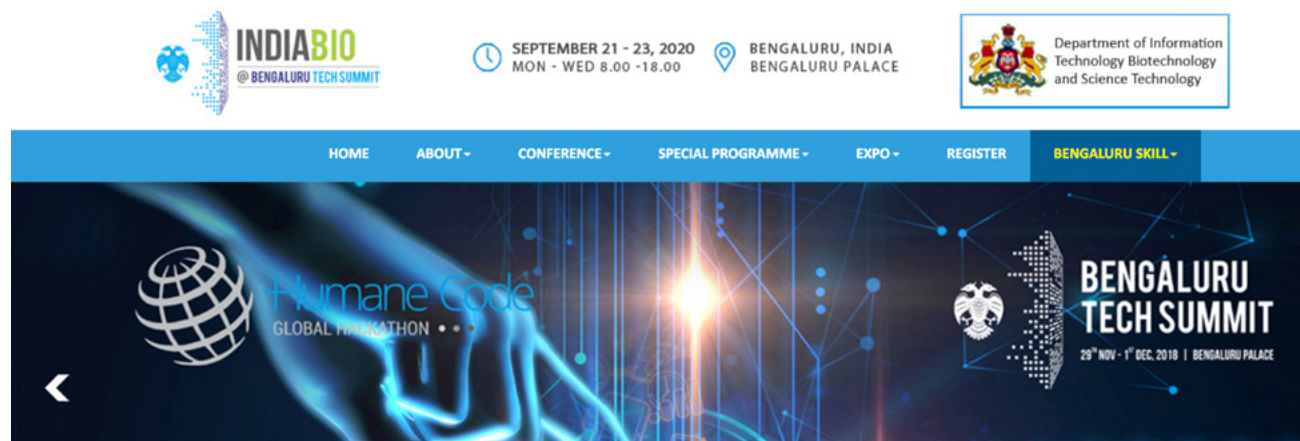
The state, in association with the Internet and Mobile Association of India, conducted Mobile 10x event. The event consisted of interactive sessions such as fund raising, investment and pitching sessions, among others. The following partners organized 5 pitch days and various interactive sessions at Mobile 10x –

- Rebright Partners
- Hyderabad Angels
- Indian Angel Network
- Let's Venture

30+ startups participated in the Mobile 10x event.



## National and International Events



- The Department of IT & BT, Government of Karnataka conducted a Virtual Global Hackathon in collaboration with Global Innovation Alliance Partners and Startup Innovation Hubs from across the globe.
- The 2018-19 theme of the hackathon was 'Innovation & Impact'. The mission of Bengaluru Tech Summit (BTS) Global Hackathon was to create technology solutions and initiatives that contribute to the social cause and address the needs and challenges faced by humanity in the areas of healthcare, water, agriculture, transport and waste.
- The state, in association with the Internet and Mobile Association of India, conducted Mobile 10x event. The event consisted of interactive sessions such as fund raising, investment and pitching sessions, amongst others. A total of 30+ startups participated in the event














# #startupindia



## CONTACT US

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