



सत्यमेव जयते

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

STATES' STARTUP RANKING 2019

BIHAR

LEADER





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01

OVERVIEW OF STATE STARTUP ECOSYSTEM

The state of Bihar has strengthened its infrastructure and promoted industrial growth with unrelenting efforts. The state has taken significant strides and the Government of Bihar is committed to improve competitiveness of the state's economy and achieve inclusive growth for startups. The state realises that promoting innovation and creating an ecosystem that nurtures startups from concept to commissioning is essential.

The state is committed to its 'Startup India' Initiative wherein the policy enables Bihar as the most preferred destination for startups and entrepreneurs by leveraging the potential of local youth through a conducive startup ecosystem. The government aims to strengthen infrastructure and promote industrial growth in the state.

In order to unlock the innovation potential of the state, the Government of Bihar formulated and notified 'Bihar Startup Policy 2016' (hereinafter called as the 'policy') dated 07th September 2016.

THE BIHAR STARTUP POLICY HAS BEEN DESIGNED ON FOUR PILLARS IDENTIFIED I.E YUVA:



Yes to Startups
(Networking
and Mentoring
Campaigns)



Unleash
regulatory
enablers for
supporting
startups



Vibrancy in
education system
to encourage
and facilitate
startups



Access to
financing and
incubation
support

THE OBJECTIVES OF THE POLICY ARE TO:

- Introduce, promote and encourage entrepreneurship amongst the youth through various programmes like "Udyami Bihar, Samridh Bihar Campaign", Entrepreneurship awards, Innovation challenges and business plan competitions etc.
- Facilitate development of entrepreneurship development centers in divisional towns and "nagar nigam(s)" and entrepreneurship facilitation centers.
- Create a sector-agnostic policy, enabling innovation in all possible sectors of development focusing upon: initiatives that leverage natural resources and human capital of the state, innovative and disruptive ideas with huge growth potential and initiatives in the areas which create multiplier impact.
- Encourage entrepreneurship through education by introducing learning modules in universities, schools, Massive Open Online Courses (MOOC), and internships amongst others.
- Facilitate development of new and existing incubators/ common infrastructure spaces.
- Provide a comprehensive portal for startups to access financial support (SEBI registered – alternate investment funds, empaneled angel investor, etc), regulatory support, network of mentors and empaneled project management consultants.
- Enable hassle free and time bound statutory clearances for startups.
- Create an inclusive policy for groups like SC/ST, women enterprise and differently-abled.
- Provide appropriate institutional support to enable the nurturing of startups

KEY HIGHLIGHTS OF THE STARTUP ECOSYSTEM IN BIHAR ARE AS FOLLOWS:



The policy encourages women entrepreneurship by offering an additional 5 percent grant/ exemption/ subsidy as compared to other non-women led startups. A total of six unique women led startups received support from the state government.



Three incubators currently have been funded by the state government IIT Patna, Chandragupt Institute of Management Patna (CIMP) Birla Institute of Technology (BIT). A total of 106 seats have been allocated across eighteen incubators.



Extent of seed funding is INR 10 lakhs per startup as interest free loan for ten years. The total number of startups that have benefitted from seed funding were 60 out of which 21 were supported financially.



The state has conducted three angel investment workshops organised by Department of Industries, Government of Bihar (9th March 2019); Department of Information Technology, Government of Bihar (3rd and 4th December 2018) to promote the startup ecosystem in the state of Bihar; Bihar startup conclave 2019 (16th March 2019) which had participation of more than 50 startups.



According to Bihar Financial Rules 2005, small scale units would be given a 7 percent price preference for the goods produced by them. MSMEs quoting prices within fifteen percent of the lowest eligible price bid of other bidder(s) shall be eligible for purchase preference in the state. In such a case the MSME unit shall be given an order of fifteen percent of the total order value on the lowest eligible price bid.



The cumulative amount that has been disbursed as subsidy for incubation is about INR 3.4 crore.



The Government of Bihar has incorporated Bihar Startup Fund Trust with an initial corpus amount of INR 500 crore to provide venture capital fund for startups.



- The other key incentives offered by the state government for startups are:
 - Exemption from licensing/ registration for operations for a period of five years
 - Exemption from inspections by government regulatory agencies for the period of five years
 - Preference to startups in public procurement
 - Allocation of 10% of space in forthcoming industrial parks, SME clusters and hub for startups/ incubators/ common shared infrastructure on preference.

Bihar Startup

CONCLAVE 2019

Biggest entrepreneurial event in Bihar organized by VenturePark



SNAPSHOT OF STATE PERFORMANCE

The following representation details the status of Bihar's implementation on each of the 7 pillars of assessment. Data presented below is the percentile score.



Bihar has been evaluated on 7 distinct pillars which largely contribute to the growth of the startup ecosystem in Bihar. The representation as expressed above depicts the relative performance of Bihar in each of the seven pillars in comparison to the performance of the best state in that pillar.

As shown above, Bihar has shown impeccable performance in 'Seed Funding Support' by being in the 98th percentile. The range of impact generated through 'Institutional Support', 'Easing Public Procurement' as well as 'Simplifying Regulations' require enhancement. Although significant efforts have been made to enhance the startup ecosystem, the initiatives undertaken towards 'Awareness and Outreach', 'Venture Funding Support' and 'Incubation Support' in Bihar call for improvements since results have been negligible in these pillars.

Detailed analyses of this snapshot can be viewed in the subsequent section, with extensive insight into the initiatives taken by Bihar to uplift its startup ecosystem.

03

PILLAR-WISE ASSESSMENT



1. INSTITUTIONAL SUPPORT

Institutional support envisages provisions and execution of the state's startup policy including information on the nodal team within the state, online implementation system, registration of mentors and their listing on the state startup portal. The states are evaluated based on the laid provisions along with parameters of availing benefits through state intellectual property rights portal, establishing partnerships with institutions, providing special incentives for women led startups and entrepreneurship.



KEY FACTS

The state enunciates a well-defined startup policy to tap the entrepreneurial potential of the state with specific focus areas on building the state's startup ecosystem. It encapsulates all essential incentives and features in detail. The Startup Bihar Portal is comprehensive as it allows online filing of application, tracking of application status and issuance of registration certificate. The portal has a system to allow interaction through query resolution system and displays a call center number for call-based query resolution.

A total of 70 beneficiaries have benefitted from the online mentor network on the startup portal of the state.



KEY STRENGTHS

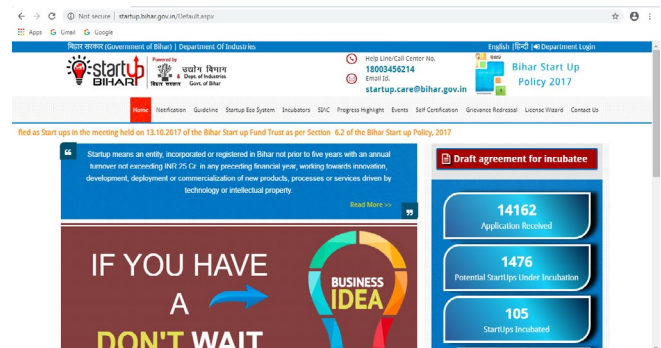
COMPREHENSIVE STARTUP POLICY

- 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, registration process and incentives available for startups
- The policy is sector agnostic wherein benefits offered to startups are not restricted to specific sectors
- Startup has been defined as follows:
 - An entity, incorporated or registered in Bihar not prior to five years with an annual turnover not exceeding INR 25 crores in any preceding financial year, working towards innovation, development or commercialisation of new products, processes or services driven by technology or intellectual property.
 - The entity could not have been formed by splitting up or reconstruction of a business already in existence and could not have been formed by the demerger or reconstitution of a business already in existence
 - The entity could not be a holding company or a subsidiary of any other firm already in existence or except the subsidiary of any startup
 - Provided further applicable taxes from the operations of the company are payable in Bihar

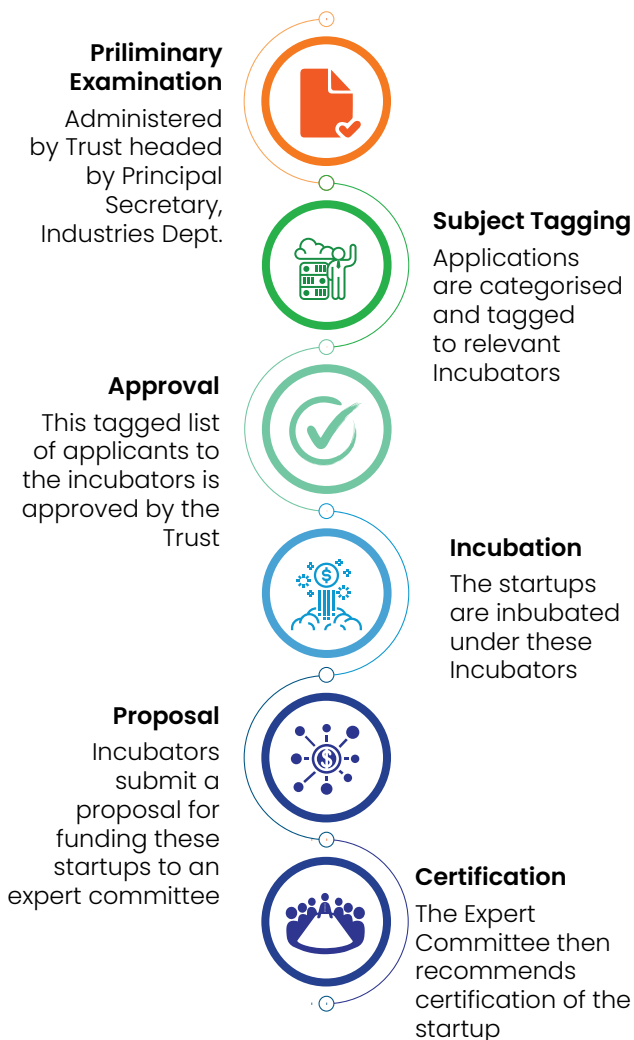


KEY STRENGTHS

- The startup policy is available for public viewing on the web portal for Bihar startups: <http://www.startup.bihar.gov.in/>



- Certification of startups - Startups undergo a process for registration wherein an expert committee reviews the application submitted by the startup and approves it for certification. This process is highlighted in the flowchart below. With certification, the startups become eligible for availing incentives under the Bihar Startup Policy.



DEDICATED TEAM FOR GUIDING STARTUPS

- The nodal department is the Department of Industries and the nodal officer is the Principal Secretary, Department of Industries.
- The dedicated team for supporting startups is the Startup Investment Advisory Committee and Preliminary Scrutiny Committee

INTERACTIVE ONLINE IMPLEMENTATION SYSTEM

- The state's startup portal is startup.bihar.gov.in. It is a highly interactive platform created to initiate seamless registration of startups with the Government of Bihar.



KEY STRENGTHS

- The portal is comprehensive as it allows online filing of application, tracking of application status and issuance of 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 portal displays a dynamic dashboard with updates on 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.

CONNECTING MENTORS WITH STARTUPS

- The portal has a pool of mentors that can be seen on the web page: <http://www.startup.bihar.gov.in/Mentors.aspx> along with their brief work experience and contact details.

STRONG INTELLECTUAL PROPERTY (IP) SUPPORT

- The policy has a provision to facilitate filing of Intellectual Property Right for startups through the following measures:
 - Bear all costs associated with filing of domestic patents
 - Provide additional financial assistance in the form of reimbursement for awarded foreign patents towards filing fees
- According to an order passed by the Department of Industries, the state government has published contact details of patent agents on the startup portal enabling easy filing for startups.

SPECIAL INCENTIVES FOR WOMEN ENTREPRENEURSHIP

- The policy offers an additional 5 percent grant/ exemption/ subsidy as compared to other non-women led startups
- Many unique women-led startups received support from the state government

SUPPORT FROM VARIOUS DEPARTMENTS

- **Bihar Taxi Aggregator Operational Directives, 2019** enables aggregators to seek grant of license from the government provided certain conditions are met wherein the State's Startup 'Rapido' has initiated operations in order 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 and setting up of angel fund in the state for enhanced growth of startups



WAY FORWARD

The state needs to give importance to this pillar in order to further strengthen the startup ecosystem. The state could prioritise actions required in three categories: short, medium and long term. Action required in each of these categories are summarised below: -

MEDIUM TERM ACTIVITIES (4-6 MONTHS)

The activities suggested in this category are important and will take relatively more time for implementation. Through dedicated efforts, results can be achieved within four to six months. Activities suggested under this category are as follows:

Process of availing incentives to be highlighted

The government could clearly highlight the exact process of availing incentives post-certification of the startup. Currently, only the eligibility criteria to avail incentives has been defined.

LONG TERM ACTIVITIES (7 – 12 MONTHS)

The activities suggested in this category are equally important but will take more time for implementation. Activities suggested under this category are:

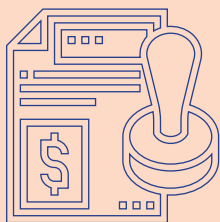
Partnerships with corporates/educational institutions

- The state is encouraged to focus on increasing partnerships with business houses, corporates, and/ or educational institutions both in and outside the region for extending their assistance to state-based startups. The state could provide orders detailing schemes of each department and ensure such a set up for increased aid to the development and growth of startups in the state.
- The partners could provide assistance to startups such as professional services/ mentorship/ corporate social responsibility/ co-working spaces, software, hardware tools and other lab equipment, knowledge exchange, technology transfer and assist in market linkages.

Support from various departments

- The state may provide institutional support to startups by establishing departments and relating them to the relevant domain of the startups.
- The establishment of departments would enable the state to effectively execute sectoral activities amongst startups and allow them to perform with increased development and operational management.
- The state may detail out schemes of each department for increased recurring activities, such as, grand challenges, hackathons, incubation, seed funding, angel and venture funding, open data Application Programming Interface (API's), public procurement etc.





2. SIMPLIFYING REGULATIONS

Simplification of regulations considers mandatory requisites for state level approvals and clearances for registering and operating a business or startup online. In order to make compliance for startups friendly and flexible, simplifications are required in the regulatory regime. It encapsulates regulatory issues faced by registered startups which have been identified through an interactive online mechanism subject to approving action by regulatory agencies. The states are evaluated based on the support provided to startups by introducing a list of rules, regulations or Acts in the state, including amendments in the Acts and regulations with requisite details to create a conducive environment for the state's startups.



KEY FACTS

The Government of Bihar has established a unique mechanism to invite or identify regulatory issues which consults startups by inviting their comments on drafting Acts, rules and regulations. This allows startups to be a part of the regulation making process. The government has also added enabling features on the startup portal wherein startups can apply and receive statutory clearances online.



KEY STRENGTHS

ROBUST BUSINESS COMPLIANCE INFORMATION SYSTEM (BCIS)

The state has an interactive online startup portal which allows startups to apply and receive necessary clearances to operate. This will help in real time problem-solving for the startups and they will receive customised responses instead of access to standardised Frequently Asked Questions (FAQs).



KEY STRENGTHS

PROACTIVE MECHANISM TO INVITE OR IDENTIFY REGULATORY ISSUES FROM DISRUPTIVE STARTUPS

The state startup portal has a pre-legislative consultation process on draft business-related Acts, rules and regulations. The portal publishes comments and feedback received on draft business-related Acts, rules and regulations. This allows startups to be a part of the regulation making process.

The state has a policy for disruptive technology areas in place to deal with regulatory issues faced by disruptive startups. The policy along with its mechanism helps in inviting and identifying feedback, suggestions, queries and grievances for any regulatory issues faced by startups.



WAY FORWARD

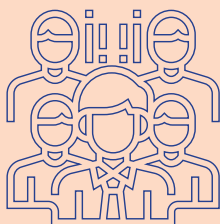
The state needs to give importance to this pillar in order to further strengthen the startup ecosystem. The state could prioritise actions required in three categories: short, medium and long term. Action required in each of these categories are summarised below: -

MEDIUM TERM ACTIVITIES (4-6 MONTHS)

The activities suggested in this category are important and will take relatively more time for implementation. Through dedicated efforts, results can be achieved within four to six months. Activities suggested under this category are as follows:

Need to establish rules, regulations and acts for supporting startups

Although, the state government has worked on a policy which supports disruptive technology areas, the state could further provide essential amendments and comprehensive details on the state startup portal. It could comprise of a list of rules, regulations or Acts amended or introduced by the state.



3. EASING PUBLIC PROCUREMENT

Ease in public procurement simplifies criteria to ensure participation of startups in government tenders. The states are evaluated based on the support provided to startups in resolving issues related to state public procurement as norms of Earnest Money Deposit (EMD), prior experience, and prior turnover which prove to be barriers for participating startups. Easing of such norms enable startups and entrepreneurs to avail exemptions and share an equal platform with established organisations.



KEY FACTS

The startup policy advises Government and Public Sector Undertakings (PSUs) to give preference to startups in public procurement. This has been implemented by exempting startups from paying EMD while responding to Request for Proposals (RFPs) and allowing price preference for startups. The startup portal also has a grievance redressal platform which allows a step-by-step response to queries.



KEY STRENGTHS

RELAXATION IN 'SUBMISSION OF EMD'

- The government has exempted startups from submitting EMD while responding to an RFP issued by the government. This would enhance participation of startups in public procurement.

PROACTIVE MECHANISM TO ENCOURAGE STARTUPS TO PARTICIPATE IN PUBLIC PROCUREMENT

- Bihar Startup Policy encourages state government and PSUs to give preference to startups in procurement processes.
- According to the Bihar Financial Rules 2005, small scale units would be given a 7% price preference for the goods produced by them.
- MSMEs quoting prices within 15% of the lowest eligible price bid of other bidder(s) shall be eligible for purchase preference in the state. In such cases, the MSME unit shall be given an order of 15% of the total order value on the lowest eligible price bid.

ROBUST GRIEVANCE REDRESSAL MECHANISM

- The startup portal has an online mechanism for receiving and responding to grievances. The step-by-step process for redressal is as follows:



KEY STRENGTHS

Step	Process
Step-1	Applicant will visit Bihar startup portal startup.bihar.gov.in Select: Grievance Redressal
Step-2	Applicant shall fill necessary details, query type and grievance description
Step-3	Ticket number is provided after submission of grievance through an online system. An email and sms is sent to the applicant stating that the grievance is registered in the startup portal
Step-4	Startup Cell will scrutinise the registered grievances and forward details to the concerned department to provide its response within 10 working days to startups
Step-5	Applicant can track status of grievance through online tracking system



WAY FORWARD

The state needs to give importance to this pillar in order to further strengthen the startup ecosystem. The state could prioritise actions required in three categories: short, medium and long term. Action required in each of these categories are summarised below:

SHORT TERM ACTIVITIES (1-3 MONTHS)

The activities suggested in this category are important and will take relatively less time for implementation. Through dedicated efforts, results can be achieved within one to three months. Activities suggested under this category are:

Increase work orders for startups

- The state could consider increasing the number of work orders awarded to startups in the coming years in order to encourage entrepreneurship.
- The state could consider organising annual events where startups can demonstrate their abilities directly to the government and subsequently take part in public procurement activities.

MEDIUM TERM ACTIVITIES (4-6 MONTHS)

The activities suggested in this category are important and will take relatively more time for implementation. Through dedicated efforts, results can be achieved within four to six months. Activities suggested under this category are as follows:

Provide necessary relaxations in “Prior Experience and Prior Turnover”

- The state could notify relaxation of ‘prior experience’ for startups in public procurement. Thus, the state could prioritise providing a sample RFP for exemptions applicable to startups and list all startups along with their registration number to make purchase and work orders for public procurement easy. The state could remove the ‘prior experience’ criteria completely for startups and provide a level playing field for startups in public procurement.
- Currently, Bihar Government allows some relaxation for startups in terms of prior turnover criteria in public procurement, however, they are not completely exempted. This could act as an entry barrier for some startups. However, the state could further notify the relaxation of ‘prior turnover’ in public procurement with 100% exemption to startups. They may draft a separate procurement policy for easing procurement norms.

Need to assign dedicated officer for grievance redressal mechanism

- A dedicated officer may be assigned for grievance redressal of queries posted on the portal. The queries of the startups could be resolved in a timely manner by making a robust grievance redressal mechanism in the state.





4. INCUBATION SUPPORT

Incubation support is an integral element of the startup ecosystem that supports entrepreneurs to grow their businesses and assists new startups to succeed. In order to promote startups, the state governments collaborate with organisations, corporates or industry associates to establish incubators, to support startups in the form of capital expenditure or operational expenditure. The evaluation is based on setting up of incubators supported by the state governments to release funds to the startups, thereby creating a unique mechanism to provide subsidised incubation and operate acceleration programmes in partnership with the industry.



KEY FACTS

The startup policy endorses complete incubation of startups by giving them support such as financial, mentoring and infrastructural. Further, the policy endorses support for setting up incubators (primarily financial).



KEY STRENGTHS

STRONG SUPPORT FOR SETTING UP OF NEW INCUBATORS AND UPGRADING OF EXISTING INCUBATORS

- The total number of incubators currently that have been funded by the state government are three namely: IIT Patna, Chandragupt Institute of Management Patna (CIMP) and Birla Institute of Technology (BIT)

FOSTERING GROWTH OF INCUBATORS THROUGH SUBSIDIES

- Currently, the Bihar government only allows for complete incubation of startups wherein startups are not charged on a per seat basis and are offered allied services to make the startup a success.
- A complete list of startups that has been provided direct subsidised incubation has been shared by the state government. The cumulative amount that has been disbursed as subsidy for incubation is INR 3.4 crore



WAY FORWARD

The state needs to give importance to this pillar in order to further strengthen the startup ecosystem. The state could prioritise actions required in three categories: short, medium and long term. Action required in each of these categories are summarised below: -

MEDIUM TERM ACTIVITIES (4-6 MONTHS)

The activities suggested in this category are important and will take relatively more time for implementation. Through dedicated efforts, results can be achieved within four to six months. Activities suggested under this category are as follows:

Prompt action to set up supporting incubators

- The state could take prompt action for setting up of new incubators with industry association. The existing incubators may also be provided financial grant for capital expenditure for covering the initial cost.
- Additionally, state may explore alternative models of incubation support such as provision of rent-free space (on lease) for setting up of incubators.

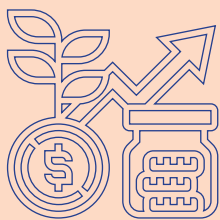
Allocation of seats to operational incubators

- The total number of seats allocated across 18 incubators were 106, the list of which has been submitted. The seats could be allocated to startups as operational incubators by the state. However, going forward, the state may explore opportunities and back it up by an acknowledgement letter or certificate from incubators specifying the number of seats allocated to such startups.

Need to organise acceleration programmes

- The state could develop institutions to organise acceleration programmes in association with the industry and formulate measures through its startup cell to encourage industry participation.
- The state could also encourage enrollment of startups in acceleration programmes to provide startups with the opportunity to connect with investors, leverage years of cumulated experience, skill development and provide direction and knowledge support.





5. SEED FUNDING SUPPORT

Seed funding can be in the form of a direct grant, subsidised loan, product development and marketing financial assistance, monthly sustenance allowance or even equity seed funding. With seed funding, the evaluation is based on the states' endeavor to help a business grow and generate its own capital by establishing a guiding document. The states need to ensure that startups scale with the right velocity in order to achieve leading positions, through state investment and startup's entrepreneurial knowledge.



KEY FACTS

The process to access seed funding has been defined in the policy clearly. Furthermore, the policy clearly defines the support offered to startups at various points in their growth trajectory - including the commercialisation and scale up stages.



KEY STRENGTHS

SPECIALISED SCHEMES OFFERING SEED FUNDING SUPPORT TO STARTUPS

- The seed funding guidelines are clearly mentioned in the startup policy of Bihar.
- Extent of seed funding is INR 10 lakhs per startup as interest free loan for ten years



- The application process is through certification of the startup and submission of proposal by the incubator



WAY FORWARD

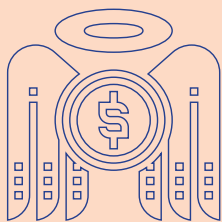
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MEDIUM TERM ACTIVITIES (4-6 MONTHS)

The activities suggested in this category are important and will take relatively more time for implementation. Through dedicated efforts, results can be achieved within four to six months. Activities suggested under this category are as follows:

Provision of online facility to avail seed funding

- After the submission of application by the startup, the application can be tracked by the startups. Therefore, the state could have a provision to avail seed funding through an online facility.
- In addition, the state could have a mechanism for online tracking of application status and approvals, which are communicated online, leading to simplification of the disbursement process.



6. VENTURE FUNDING SUPPORT

Venture capital funding support is provided to the startups from state supported funds. The states are evaluated based on the establishment of the Funds of Fund (FoF) with approved operating guidelines and signing a memorandum of understanding (MoU) with the fund manager along with a concrete budget allocation. Venture funding provides strong growth potential to startups wherein the fund is used for the all-round development of startups and to levitate the startup ecosystem of the states.



KEY FACTS

The Government of Bihar has created a 'Bihar Startup Fund Trust' with an initial corpus of INR 500 crore for providing venture capital fund to startups. The trust shall create the following funds:

- **Corpus Fund (CF):** The fund will be set up to provide various assistance and support to the Startup enterprises and create Startup ecosystem.
- **Venture Capital Fund (VCF):** The fund shall be set up through Alternate Investment Funds registered by Securities and Exchange Board of India (SIDBI) to invest in startups primarily located in Bihar



KEY STRENGTHS

PROACTIVE SUPPORT TO VENTURE FUNDS

- The state has been proactive in its initiatives and actions to help startups grow and scale-up. The Government of Bihar is supporting venture funding in the state.



WAY FORWARD

The state needs to give importance to this pillar in order to further strengthen the startup ecosystem. The state could prioritise actions required in three categories: short, medium and long term. Action required in each of these categories are summarised below: -

MEDIUM TERM ACTIVITIES (4-6 MONTHS)

The activities suggested in this category are important and will take relatively more time for implementation. Through dedicated efforts, results can be achieved within four to six months. Activities suggested under this category are as follows:

Support to venture funds

- The state needs to establish more venture funds to support startups through the following measures:
 - Establishing clear operating guidelines for venture funds
 - Appoint fund managers for such funds and sign a memorandum of understanding
 - Approach independent venture funds for participation

Deploy measures to support startups with venture funds

- In order to encourage startups to avail benefits from state supported venture funds, the state could consider deploying certain measures, such as, offering a success fee at a fixed rate to startups for availing investments through state supported seed funds.
- In addition, the Department of Industries could expedite the process of getting SIDBI to invest in Fund of Funds for startups in Bihar and angel network in assisting to invest in venture funds.



7. AWARENESS AND OUTREACH

It is the endeavor of state governments to raise awareness about the Indian startup ecosystem and increase its outreach throughout the state. The states are evaluated based on awareness of startups created through workshops, national and international events including bootcamps and hackathons/ grand challenges. In order to promote startups, the state encourages participatory and inclusive processes for linking startups with angel investors and high net worth individuals. Maximum participation is encouraged for exchange of valuable knowledge amongst startups, and pitching sessions for angel investments with widespread propagation.



KEY FACTS

The state has conducted three angel investment workshops organised to promote the startup ecosystem in the state of Bihar. The state has also participated in one national event organised by Department for Promotion of Industry and Internal Trade (DPIIT) and an international event i.e International Startup Ecosystem Exposure, Israel.



KEY STRENGTHS

ORGANIZING ANGEL INVESTMENT WORKSHOPS

The state has conducted three angel investment workshops. The details are mentioned below:

Startup Fair, 9th March 2019:

The event was organized by Department of Industries, Government of Bihar. The event was organized on 9th March 2019 at Adhivesan Bhawan, Patna. Apart from the senior officers of the department and Bihar Industries Association, startups/budding entrepreneurs, Funded Startup Companies, Angel Investors, Investment groups, Academia etc. participated in the event. The event had discussions on Startup Journeys, a session on state funding from the state Government.



KEY STRENGTHS



Ideathon (3rd- 4th of December 2018):

The event was organised by Department of Information Technology, Government of Bihar. The event included 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 also helped in showcasing the technological advancements and innovations of various Information and Communication Technology (ICT) products and brought entrepreneurs and business leaders on a common platform to showcase the technological breakthroughs and innovations.



Bihar Startup Conclave 2019 (16th March 2019):

The event brought together under one roof, the government, startups, investors, industry experts from across India to share their experiences, mentoring, networking. The event saw eminent speakers sharing their thoughts on the startup ecosystem, investment atmosphere, innovative concepts, importance of incubation. The key highlights of the event were networking with the investors, mentors, domain experts, incubator and other fellow startups. - pitch clinic with investors/mentors.

PARTICIPATION IN NATIONAL/INTERNATIONAL EVENTS

Knowledge exchange workshops, DPIIT (20th-21st August 2019):

The workshops were organized to assist the dissemination of good practices and mutual learning among states. The workshops gave a platform to various states to interact with each other, exchange best practices, interact with startups, investors and incubators.

International Startup Ecosystem Exposure, Israel (2nd - 6th September 2020):

This included the exposure visit to the startup ecosystem in Israel to understand the key initiatives being undertaken to promote the startup ecosystem in the country.

KEY STRENGTHS





WAY FORWARD

The state needs to give importance to this pillar in order to further strengthen the startup ecosystem. The state could prioritise actions required in three categories: short, medium and long term. Action required in each of these categories are summarised below:

SHORT TERM ACTIVITIES (1-3 MONTHS)

The activities suggested in this category are important and will take relatively less time for implementation. Through dedicated efforts, results can be achieved within one to three months. Activities suggested under this category are:

Improvement in organisation of bootcamps

- The state could organise bootcamps in schools and colleges at regular intervals wherein industry experts could be invited from the startup ecosystem to disseminate information on startups and their ecosystem.
- The state is encouraged to submit detailed reports for the events conducted.
- The state also needs to ensure that such events are backed by supporting documents specifying the date, event name, venue, startup participants and brief description of the event. Adherence to such compliances and formalities will lead to the official recognition of these events.

Improvement in organization of hackathon and grand challenges

- The state is encouraged to organise hackathons/ grand challenges to identify innovative technological solutions and for supporting entrepreneurs in building these solutions as viable product or service offerings.
- Each hackathon or grand challenge could have at least one problem statement posed to startups, have at least 100 startups/student participants and may be conducted for at least 24-hour duration for a hackathon or seven days for grand challenge.
- The list of hackathons could be supported with event reports consisting of event name, dates, venue and duration of the event, problem statement posed, startup participants and brief description of the event and event-wise list of participating startups/students.

Improvement in organisation of Angel Investment Workshops

- The state is encouraged to conduct more angel investment workshops or networking events for connecting startups with angel investors/ high net worth individuals (HNIs)/ angel network.
- At least 50 startups and two angel investors could participate in each event. This could be backed by event reports, list of attendees (angels, HNI's, angel network, startups, government representatives) and event-wise list of startups.
- The state could consider offering additional incentives to startups to avail funding from angel investors. Incentives such as offering a success fee at a fixed rate to startups could be considered for mobilising investments from angel investors.
- The state may also consider providing grants to startups that are supported by angel investors.

Increasing exposure for startups through national and international events

- The state could conduct additional national and international events to invite startups from other states and countries.
- Students or aspiring entrepreneurs require basic understanding of ideation, business planning, finance, legal and pitching before they venture out to run a startup. Going forward, Bihar may conduct such trainings and events in more educational institutes of the state to ensure coverage of all districts.
- Each event could have a knowledge exchange seminar or workshop, exhibition and/ or pitching sessions and participation of startups from more than five states or countries.
- These events would help in fostering innovation and developing skills amongst entrepreneurs. This could be supported with event reports consisting of details such as event name, date and venue of the event, startups supported, sessions organised sanction order and brief description of the event and event wise list of startups which participated in the event.



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