

Kerala

OVERVIEW

Policy Name	Kerala Startup Policy 2014
Policy Document	Download here
Nodal Agency	Kerala Startup Mission
Office Address	Kerala Startup Mission (KSUM), G3B, Thejaswini, Technopark, Trivandrum
Contact Details	Phone Number: 0471-2700270 Email: response@startupmission.in

INCENTIVES

FOR STARTUPS

Eligibility Criteria

Startups should be registered with KSUM.

Application Procedure: Online Application

1. Grant for Innovative Ideas

Type of Benefit	Fiscal
Benefit Details	The government shall give Rs. 2 Lakhs per innovative idea /startup and this shall be to startups within the state. The funds shall be disbursed through KSUM to startups registered in the ecosystem.

2. Seed Funding (Pre-Commercialization)

Type of Benefit	Fiscal
Benefit Details	The government shall continue to provide pre-commercialization funding through KSUM and this service shall be extended to startups registered in the state startup ecosystem.

3. Early Stage Funding (KSIDC & KFC)

Type of Benefit	Fiscal
Benefit Details	KSIDC is offering seed funding to any new ventures promoted by young entrepreneurs subject to a maximum of Rs. 25 Lakhs per venture or 90% of the initial cost of the project, whichever is lower. Seed funding could be in the form of soft loan either to promoters - directors or to the company itself. Funding can also be considered by way of direct equity subscription by KSIDC in the company wherever the project development / implementation has been advanced.

4. Standard Investment Subsidy

Type of Benefit	Fiscal
Benefit Details	A standard investment subsidy is available for startups at 30% of Fixed capital investment subject to a limit of Rs. 15 lakhs for companies located in Thiruvananthapuram and Ernakulam districts. For companies located outside these districts, the rate will be 40% of fixed capital investment subject to a limit of Rs. 25 Lakhs.
Eligibility Criteria	Industries that qualify for SIS are IT Software development, IT Services, IT Enables services (excluding IT training institutes that provide training to public at large), Hardware manufacture.

5. Assistance to Early Markets (Government and Pilot Projects)

Type of Benefit	Fiscal
Benefit Details	Government shall attempt to facilitate early adoption markets for startups through pilot projects in government and also facilitation through means of DEMO days for products applicable to government. Government shall make suitable modifications to rules to enable direct engagement of startups by government agencies.

6. Capacity building and International Exposure

Type of Benefit	Non-Fiscal
Benefit Details	A delegation of 25 startups from schools/colleges will be identified through a contest and exposed to Silicon Valley through Silicon Valley Visit Program.

7. Infrastructure Support for Scaling-up Startups

Type of Benefit	Fiscal
Benefit Details	The government proposes to give subsidized infrastructure for the scaleups in terms of built up space in government owned/assisted parks. The subsidizing could be in terms of reimbursing part of the rent (a maximum of 50% or Rs. 20 /sqft) whichever is lower. This shall be subject to the growth shown by the startup in terms of team, top line, valuation, etc.

FOR INVESTORS

1. ALTERNATE INVESTMENT FUND (KERALA FOCUSED)

Type of Benefit	Fiscal
Benefit Details	Government shall encourage Kerala focussed funds to start operations in the state and shall take participation in the same upto 25% as limited partner. The fund shall be managed as per the rules and regulations of the fund.
Eligibility Criteria	Fund should be Kerala focused.
Application Procedure	Online application