

# Madhya Pradesh

## OVERVIEW

Policy Name	MP Incubation and Startup Policy 2016
Website	<a href="#">Department of Micro, Small &amp; Medium Enterprises</a>
Policy Document	<a href="#">Download here</a>
Nodal Agency	Department of MSME
Office Address	Nodal Officer: Shri Manoj Jain Address: Room no-514, 5th Floor, Directorate of Industries, Vindhyachal Bhavan, Bhopal
Contact Details	Phone Number: 0755-2677988 Email: manojjain.mp@mp.gov.in, ic-mp@nic.in

## INCENTIVES

### FOR STARTUPS

#### Eligibility Criteria

Entrepreneurs/startups running in the incubators need to be registered as company or under MSME Act, Govt of India before availing incentives.

**Application Procedure:** Apply to Nodal Agency.

#### 1. Interest Subsidy

Type of Benefit	Fiscal
Benefit Details	Eligible startups shall be provided interest subsidy of 8% per annum for a period of 3 years on the rate of interest paid on loans obtained from scheduled banks/financial institutions subject to a maximum limit of Rs. 4 lakhs per year.

## 2. Lease Rental Subsidy

Type of Benefit	Fiscal
Benefit Details	Reimbursement of 25% of lease rental subsidy to startup units established in the state operating from incubators shall be eligible for a period of 3 years subject to a ceiling of Rs. 3 lakhs per year from the date of rent payment to incubator.

## 3. Patent/Quality Promotion Subsidy

Type of Benefit	Fiscal
Benefit Details	Cost reimbursement for patent/quality certification per unit up to a limit of Rs. 2 lakhs for domestic & Rs. 5 lakhs for international patent/quality certification upon successfully receiving them.

## 4. Marketing Assistance

Type of Benefit	Fiscal
Benefit Details	One-time marketing assistance of maximum Rs. 10 Lakhs to eligible startups for their product/service launch in the market upon securing of minimum funding of 25% from a registered angel/venture fund/registered incubator by the startup.

## FOR INCUBATORS

### Eligibility Criteria

The host institute in quest of grant from state government to set up incubators has to be registered with the nodal agency.

**Application Procedure:** Apply to Nodal Agency.

### 1. Operational Assistance

Type of Benefit	Fiscal
Benefit Details	Eligible incubators shall get the support for recurring expenses as operational assistance upto 50% of actual expenses to the limit of Rs. 5 lakhs per year.

### 2. Capital Assistance

Type of Benefit	Fiscal
Benefit Details	<p>Eligible Host institutes shall be provided capital grant of max 50% of Fixed cost of Investment (Investment made in plant, machinery &amp; equipment but shall exclude land and building) for setting up an incubator, subject to a maximum of Rs. 50 Lakhs.</p> <p>The same limit shall be extended to existing incubators for capacity expansion subject to capacity utilization of the existing incubator for 2 years.</p>

### 3. Reimbursement of Stamp Duty/Registration

Type of Benefit	Fiscal
Benefit Details	Eligible incubators shall be provided 100% stamp duty and registration fee reimbursement on purchase/lease of land/office space/IT building on commencement of operations.

#### 4. Mentoring Assistance

Type of Benefit	Fiscal
Benefit Details	To provide mentorship to incubatee startups from industry leaders (CXOs), academicians and professors of reputed national and international universities or institutes. Eligible incubators shall be provided mentoring assistance support on reimbursement basis upto a limit of Rs. 2 Lakhs per year for a period of 3 years.

#### 5. Startup Competition Assistance

Type of Benefit	Fiscal
Benefit Details	To promote innovation and mobilize students into entrepreneurship as a career option, Host institutions/incubators shall be encouraged to organize annual startup competition challenges. Eligible institutes of national importance, state universities & central universities based in MP shall be supported by state government to organize startup competition fest in which state shall provide assistance upto a limit of Rs. 1 lakh per event.