

Odisha

OVERVIEW

Policy Name	Odisha Startup Policy 2016
Website	Startup Odisha
Policy Document	Download Here
Nodal Agency	Department of Micro, Small & Medium Enterprises
Office Address	Micro, Small and Medium Enterprises Department Odisha Secretariat, Sachivalaya Marg, Bhubaneswar: 751001
Contact Details	Phone Number: 1800-345-7100 Email: startupodisha@gov.in

INCENTIVES

FOR STARTUPS

Application Procedure for number 1 to 3 are listed below:

1. Monthly Allowance

Type of Benefit	Fiscal
Benefit Details	Startups will be given a monthly sustenance allowance of Rs. 20,000 by the State Government for a period of one year.
Eligibility Criteria	<p>Monthly allowance of Rs. 20,000, which may be provided to a 'recognized Startup entity' for a period of one year, if it fulfils any of the following conditions:</p> <ul style="list-style-type: none">• Startup has got total equity financing by SEBI registered AIF Category 1 & 2 fund or Angel Networks in the range of (at least) Rs. 5 Lakh to Rs. 1.00 crore; or• Startup has a patent filed in the entity name and published in the Journal by the India Patent Office in areas affiliated with the nature of business being promoted; or• Sanction letter of funding / grant to the entity by Government of India or any State Government; or• The startup has got a revenue run rate of Rs. 50 thousand to Rs. 10 Lakh per month over the last three months at least.

2. Need Based Assistance

Type of Benefit	Fiscal
Benefit Details	Need-based assistance would be provided to 'recognized Startup entity' towards the cost of raw materials/components and other related equipment that may be required for product development/existing product improvement. However, this assistance will be provided only in case(s) where innovation is dependent on specific raw material / equipment and subject to approval by the Startup Council.
Eligibility Criteria	Entity must be recognized under Startup Odisha Initiative

3. Product Development and Marketing/ Publicity Assistance

Type of Benefit	Fiscal
Benefit Details	Startups will receive a product development and marketing/publicity assistance of upto a maximum of Rs. 15 lakhs from the State Government for the purpose of introducing an innovative product to the market.
Eligibility Criteria	Benefit may be given to a 'recognized' Startup entity for introduction of innovated product in the market, if it fulfils any of the following conditions: <ul style="list-style-type: none">• Startup has got total equity financing by SEBI registered AIF Category 1 & 2 fund or Angel Networks of at least Rs. 25 Lakh; or• Sanction Letter of funding / grant to the entity by Government of India or any State Government of at least Rs. 5 Lakh; or• The startup has got a revenue run rate of Rs. 10 Lakh per month over last six months at least.

4. Patent Reimbursement

Type of Benefit	Fiscal
Benefit Details	Startups will be reimbursed 100% of the patent registration cost up to maximum of Rs.10 Lakhs as per the Odisha Industrial Policy 2015.
Eligibility Criteria	<ul style="list-style-type: none"> • Any entity incorporated/registered not prior to 5 years with an annual turnover that does not exceed Rs. 25 Cr in any preceding financial year. • The entity must either be registered in Odisha or employ at least 50% of its total qualified workforce in Odisha. • Such entity should not be an extension of existing family business; or formed by splitting up or reconstruction of a business already in existence. • Such entity should be working towards innovation development, deployment or commercialization of new products, processes or services driven by technology or intellectual property and makes it scalable for achieving commercial success.

5. Government Procurement

Type of Benefit	Non-Fiscal
Benefit Details	20% of the total procurement by State Ministries/Departments/State PSUs shall be mandatory from Micro & Small Enterprises or Startups.
Eligibility Criteria	There would not be any minimum turnover requirement for MSMEs participating in public procurement process. All State Government Departments and Agencies will additionally relax condition of prior experience with respect to Startups in all public procurements subject to meeting of quality and technical specifications.

FOR INCUBATORS

Application Procedure:

- An approved incubator may apply online for monetary benefit as applicable, with Startup Odisha initiative.
- Startup Secretariat will collate all such applications, undertake due diligence of such applications and requisite documents and will present them with its recommendation to the Task Force / Startup Council for final consideration and approval. Result will be published online and also emailed to the concerned Incubator.
- Once approved by the Task Force / Startup Council, the existing / aspiring incubator will receive the monetary benefit directly in its bank account.

1. ONE-TIME CAPITAL GRANT

Type of Benefit	Fiscal
Benefit Details	One-Time Capital Grant of 50% of the capital cost (excluding the cost of building) up to a maximum of Rs.1 crore, which may be given to an approved incubator to set up or scale up incubation facility.
Eligibility Criteria	<ul style="list-style-type: none"> • Aspiring / Existing incubators established in a University / Educational Institute will be eligible for one-time grant of 50% of capital cost (excluding the cost of building) up to a maximum of Rs. 1.0 crore to set up / scale up an Incubator Facility. • However, Aspiring / Existing incubator should dedicate a minimum of 5,000 sq. feet of carpet area to the incubatees. • In case, a university recognised under the Central/State Act is able to raise funding for development of its incubation infrastructure, the Startup Council may consider providing a matching grant subject to an upper limit of Rs.5 crore on case-to-case basis. • Such grant from the govt. shall only be used for development of incubator infrastructure including purchase of equipment for the incubation facility.
Application Procedures	<ul style="list-style-type: none"> • Incubator shall provide proof of capital investment made as 'own contribution' for availing one-time capital grant.

2. PERFORMANCE CAPITAL GRANT

Type of Benefit	Fiscal

Benefit Details	Performance capital grant of Rs.5 lakhs, which may be given to an approved incubator for its each successful Startup incubated at least for a minimum period of 3 months.
Eligibility Criteria	<ul style="list-style-type: none"> Applying body should be an existing approved Incubator under the Startup Odisha Initiative. Applicable, only if the successful startup is incubated for at least three months at the approved incubator.

3. REIMBURSEMENT OF UTILITY EXPENSES

Type of Benefit	Fiscal
Benefit Details	Reimbursement of Utility Expense of Rs.1 lakh per year for a period of 3 years, which may be provided to an approved incubator for providing free internet, free electricity and free mentoring services to the incubatees. This benefit will not be available to virtual incubators.
Eligibility Criteria	<ul style="list-style-type: none"> Applying body should be an approved Incubator. Applicable only for an incubator having physical infrastructure in place. Applicable only if incubator is providing free internet, free electricity and free mentoring services to the incubatees.

FOR INVESTORS

Eligibility Criteria

1. Start-up Seed Fund

Type of Benefit	Fiscal
Benefit Details	The Government may participate in Private State specific funds for Startups (such as seed/venture capital funds), limited to 1/4th of the total size of the fund but only when there is a firm commitment from the Private State specific fund manager bringing in the remaining 3/4th money to the state.
Application Procedure	Write to startup.odisha@gov.in