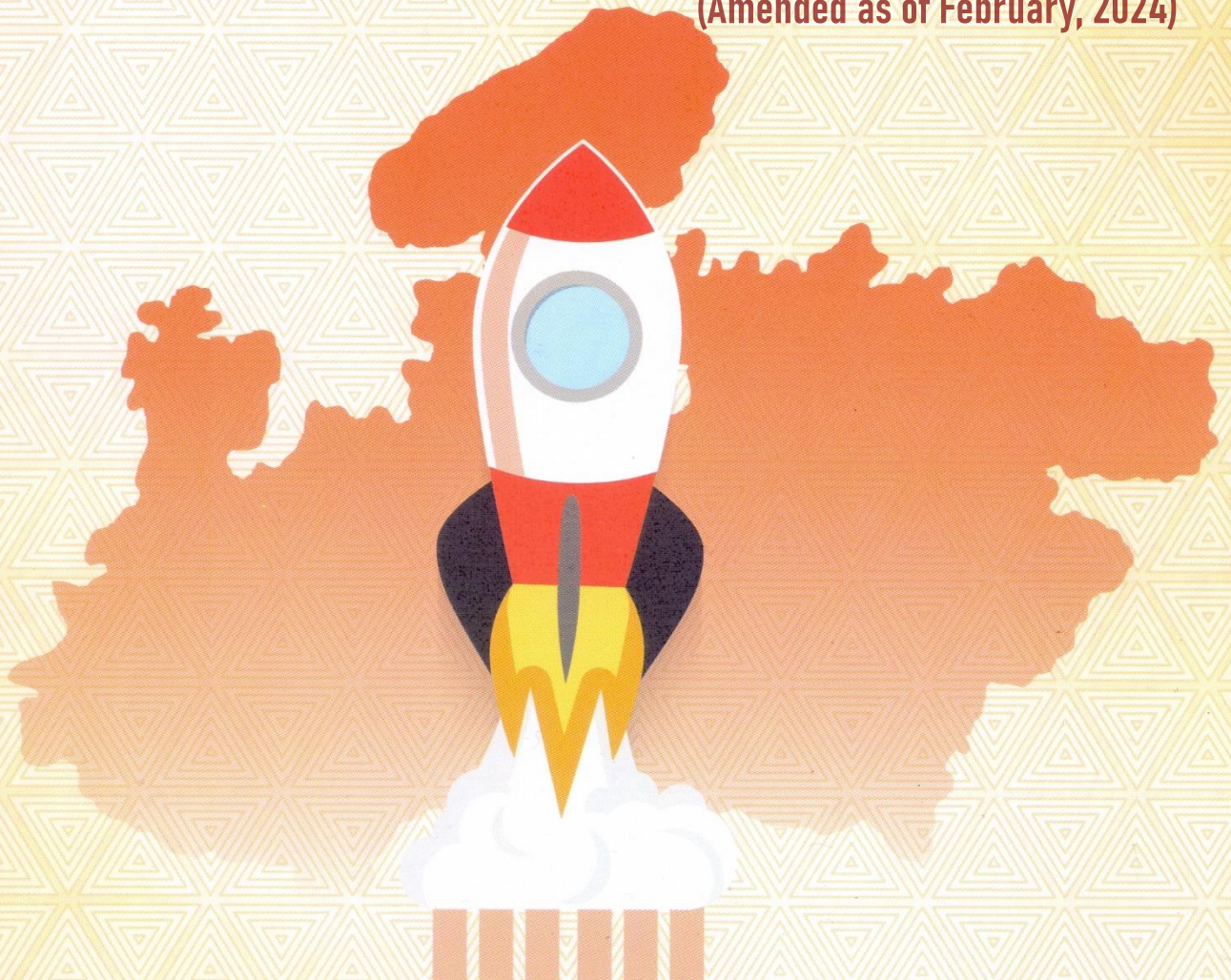




Government of
Madhya Pradesh

Madhya Pradesh ▶▶ ▶▶ **Startup Policy & Implementation Scheme, 2022**

(Amended as of February, 2024)



Department of Micro, Small and Medium Enterprises





**Government of
Madhya Pradesh**

Madhya Pradesh Startup Policy and Implementation Scheme 2022

(Amended as of February, 2024)



**Department of Micro, Small
& Medium Enterprises**



Index

S. No.	Description	Page Number
1.	Introduction	1
2.	Objectives	2
3.	Policy Focus Area	3
4.	Operative Period and applicability of the Policy	3
5.	Definitions	4
6.	Facilitation and Assistance to Start-ups and Incubators	6
7.	Procedure & Guidelines	17
8.	The Powers to Amend / Relax / Repeal	18
9.	Jurisdiction	18

Procedure & Guidelines

19





1 Introduction

Madhya Pradesh is the second largest state in the country in terms of area and is in the category of leading states in economic development. Investment friendly policies of the State Government, simplification of the processes related to industry and business sector, significant efforts in developing economic and social infrastructure have resulted in growth of investment climate in the State in the last years. It has been the endeavor of the State Government to generate maximum number of employments for the local youth of the State through innovation and entrepreneurship. The first Start-up policy in this series was implemented by the state in the year 2016. Keeping in mind the dynamics of the Start-up sector, the new start-up policy was again implemented in the year 2019. In the dynamics of Innovation and Start-ups, changes in the global economic environment, regulatory amendments, New Education Policy of the Government of India and Start-up ranking of states and above all a policy to fulfill the objectives of Aatmanirbhar Bharat Abhiyan and Atmanirbhar Madhya Pradesh Roadmap 2023, another review has become necessary. Therefore, with the objective of making the Start-up Policy more holistic, inclusive, integrated and effective, it has been decided to implement "MP Start-up Policy and Implementation Plan-2022" by the State government.

The State Government has made special efforts to inculcate the spirit of innovation and start-up among the students from the school/college level under the new policy. Integrated arrangements have been made for effective adoption of the provisions of the policy by various departments of the government for comprehensive implementation of the policy. The objective is to provide Institutional support, Ease of doing business, basic infrastructure, supporting procurement policy, marketing, and other promotional support to the Start-ups, not limited to just financial assistance. A notable aspect of the policy is inclusion of special fiscal and non-fiscal incentives to encourage product-based start-ups.

2 Objectives

The main objectives of the Start-up Policy and Implementation Scheme, 2022, in the state: -

- i. Development of Start-up ecosystem through positive interventions and other catalytic programs.
- ii. To achieve 100% growth rate in start-ups registered and recognized in Startup India, Government of India.
- iii. To achieve 200% growth rate in start-ups in Agriculture and Food Sector registered and recognized with Startup India, Government of India
- iv. Increase in the number of product-based start-ups.
- v. Establishment of new incubation centres and capacity expansion of existing incubation centres.
- vi. Special programs to inculcate the spirit of innovation and start-up among students from school/college level.
- vii. Developing a culture to solve economic and social problems through innovation and start-ups.
- viii. To get the higher ranking in the State Start-up Ranking Framework of the Government of India.



3 Policy Focus Area

To achieve the objectives, the policy focuses on following five pillars -

- i. Institutional Support including Ease of Doing Business.
- ii. Promotion of product-based start-ups.
- iii. Promoting innovation and entrepreneurship.
- iv. Marketing support.
- v. Financial and non-financial assistance.

4 Operative Period and applicability of the Policy

This policy shall remain in force in Madhya Pradesh for a period of 5 years from the date of its notification, or until it is replaced by another policy, whichever is earlier.

5 Definitions

5.1 “Startup” means an entity which is recognized by Startup India under the Government of India, Ministry of Commerce and Industry Department for Promotion of Industry and Internal Trade, and is established and registered in the State of Madhya Pradesh.

The shareholding in **Start-up promoted by the woman** should not be less than 51%.

¹[The shareholding in **Start-up promoted by the SC/ST category entrepreneur** should not be less than 51%.]

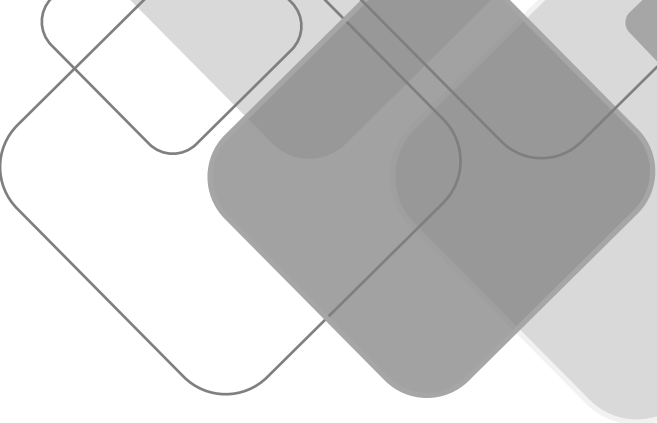
5.2 Product Start-up means a start-up which manufactures a product which has a physical shape.

5.3 ²[Incubator] means an organization designed to support start-up units during their early stage that helps them to develop a scalable business model through commercial support, resource and service. And

- i. The incubator is a legal entity, which includes;
 - a. A society registered under the Societies Registration Act 1860, or
 - b. A trust registered under the Indian Trusts Act 1882, or
 - c. A private limited company registered under the Companies Act 1956 or the Companies Act 2013, or
 - d. a statutory body formed through a legislative act .
- ii. There should be a seating arrangement for at least 20 persons in the incubator.
- iii. The Incubator shall appoint a full time executive head with an experience in Business Development & Entrepreneurship, who will be assisted by a competent team, which will guide the startups in testing & validation of ideas and also support the

1. Embedded as per order No. 1058/1260091/2023/1/65, dated 01.06.2023 of Department of Micro, Small & Medium Enterprises and with effect from notification date 09 June, 2023

2. Substituted as per order no. 1564/495/2021/A-73, dated 25.07.2022 of Department of Micro, Small & Medium Enterprises.



startups with Finance, Management and Human Resource related activities.

- iv. Only Start-ups will be able to incubate/work in the incubation Centre.
- v. It is mandatory for the incubators to be established / operating in Madhya Pradesh.]

5.4 Technology Business Incubator (TBI) means an undertaking of universities, public research institutions, local government and private institutions, working to promote and support a new technology enterprise.

5.5 Host Institution means any Engineering College, Higher Education Institution, Industrial Establishment/Smart City Companies and other Society/Special Purpose Vehicle(s) located in Madhya Pradesh.

5.6 Trade Receivables Discounting System (TReDS) Platform means the Trade Receivables Discounting System as defined by Reserve Bank of India and approved institution for the purpose.

5.7 State Level Start-up Empowered Committee means the committee constituted under the chairmanship of the Chief Secretary for screening and selection of start-ups under the State Innovation Challenge and for smooth implementation and supervision of the policy.

5.8 State Level Assessment/Evaluation Committee means the committee constituted under the chairmanship of the Principal Secretary of the concerned department for the evaluation of the selected start-ups under the State Innovation Challenge.

5.9 State Level Assistance Committee means the committee constituted under the chairmanship of the Principal Secretary/Secretary Department of Micro, Small and Medium Enterprises to approve the benefits of the facilities provided under the policy.

6 Support and Assistance to Start-ups and Incubators

Institutional, marketing, financial and business facilitation are the pillars to develop the Start-ups and Incubators ecosystem and provide them with the necessary support. The state government is determined to make the state an investment destination for Start-ups, especially Product-based start-ups, through these pillars.

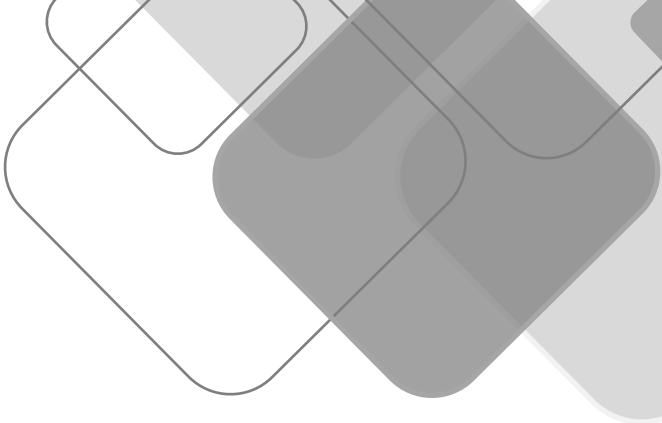
6.1 Institutional Support

6.1.1 Establishment of Madhya Pradesh Start-up Center

Establishment of Start-up center with subject matter experts under the patronage and aegis of Madhya Pradesh Laghu Udyog Nigam (MPLUN) for facilitation and providing necessary support to start-ups in the state, also providing an institutional platform and providing them ample opportunities in global and local market/events/workshops etc. The center will act as a dedicated agency for promoting, strengthening and facilitating the start-up ecosystem in the state.

▪ Objectives and Scope of Start-up Center -

- i. Guiding and assisting Start-ups of the state.
- ii. Coordinating/continuous liaison with various departments of the State Government for necessary approvals for smooth functioning of the ecosystem.
- iii. To resolve complaints relating to any approval/promotion and any other issues in the prescribed manner.

- 
- iv. It can review the start-up ecosystem of the state and make necessary recommendations to the state government.
 - v. The center aims to make Madhya Pradesh a self-reliant start-up and innovation hub by promoting an innovation driven start-up ecosystem with the objective of creating and supporting entrepreneurship, innovation and start-up entrepreneurship in the state.
 - vi. The center will facilitate to pitch/showcase their services/ products across various investment, market and other related platforms to encourage startup/innovative entrepreneurship. It will also help in providing mentorship support and raise capital/other financing from required investors from angel investors/corporate investors/other funding agencies registered with SEBI/RBI/other competent authorities.
 - vii. Preparation of master database.
 - viii. To provide guidance and support to the start-ups in resolving the problems faced by them in the context of company and tax laws.
 - ix. Organizing Boot Camps, Challenge, Competitions, Road Shows and Investor Meets/Workshops in and outside the State.
 - x. Will act as a single window agency for start-ups and incubators.
 - xi. Pre-market study and evaluation.

- **Human resource arrangement for the proposed centre -**

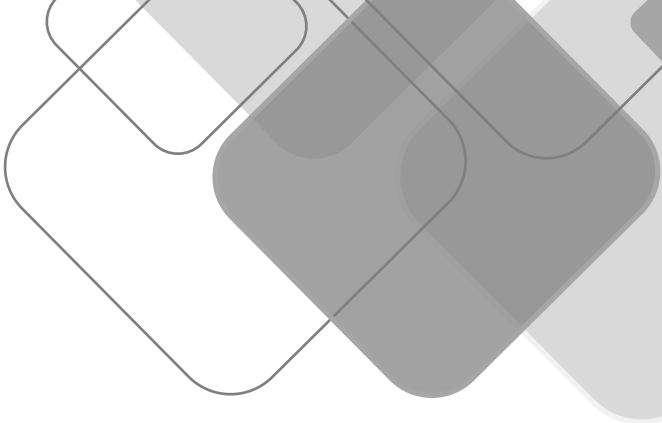
- **Executive Head - 1**
- **Subject Experts - 3** (One each for Legal Affairs, Marketing & Financial and Project Management)
- **Associate Executive/Staff - 10**

The human resource requirement for executive heads and subject matter experts other than associate executives/staff will be met by professional experts working in this field. Salary will be provided to these posts as per prevailing market norms/emoluments. The estimated monthly salary of Executive Head will be Rs 2.50 to 3.00 lakh and that of subject specialist will be estimated as Rs 1.00 to 1.50 lakh. The arrangement of the above posts will be purely on contractual basis for a period of 3 years. This period can be extended for an additional year. Applications will be invited for these posts through advertisement in newspapers.

The provision of support staff will be made from the existing workforce working in the department and the corporations/institutions working under it.

- **Financial arrangement for the proposed center**

The financial arrangement for the operation and maintenance of MP Start-up Center will be done from the internal restructuring of the Center for Entrepreneurship Development Madhya Pradesh (CEDMAP) and Madhya Pradesh Laghu Udyog Nigam



(MPLUN) and the departmental budget allocation available under the Start-up head. The amount allocated in the budget of the department for the Venture Capital Fund will be used for the establishment of MP Startup Center and startup/innovation related activities.

6.1.2 Development of Robust Online Portal

A robust online portal will be developed for start-ups in the state, which will act as a bridge for mutual connects between start-ups, investors, incubators and other stakeholders. This portal will be integrated with the Startup India portal of the Government of India. Start-ups and incubators in the state will be provided the benefits of all the provisioned facilities primarily through this online portal.

6.1.3 Academic Support & Participation

In order to encourage start-ups, especially product-based start-ups and innovations in the state and to provide necessary technical and guidance support, they will get necessary support and participation from national and state level technical and management institutes/universities and other academic institutions. Madhya Pradesh Start-up Center will seek as much cooperation as possible from MSME Technology Center, Indore, and Bhopal, National Institute of Design Bhopal, IISER Bhopal, IIITDM Jabalpur etc., to provide the necessary high-tech machinery for the testing, research and development of the products envisioned by the startups.

Entrepreneurship development courses will be included in the curriculum in secondary, higher secondary and higher educational institutions. Brainstorming sessions and entrepreneurship related workshops will be

organized regularly in these institutes. Internship will be encouraged to attract students towards entrepreneurship.

In order to make the students aware of the financial and non-financial facilities being provided by the government for starting start-ups, workshops for mutual discussion will be organized twice a year in collaboration with Start-up India.

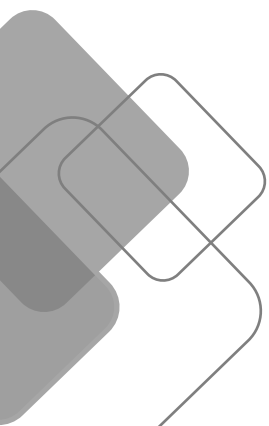
6.1.4 Ease of Doing Business (EoDB)

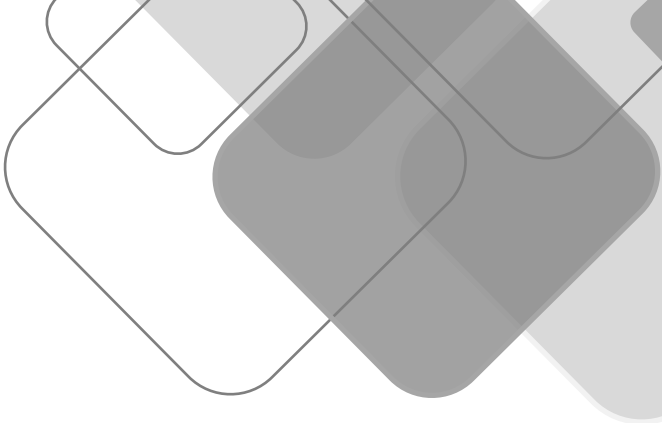
For smooth operation of the start-ups and incubators of the state, they have to be facilitated to meet various regulatory requirements. Arrangement of post facto approval will be ensured for necessary permission/consent. Deemed approval will also be given as per the provisions made in the Madhya Pradesh Public Service Guarantee Act, 2010 (as amended, 2020).

6.2 Marketing & Liquidity Support/ Assistance

Provisions will be made in the Madhya Pradesh Store Purchase and Service Procurement Rules, 2015 (as amended from time to time) for institutional marketing assistance to start-ups in the state as follows –

- Exemption from the conditions/parameters related to experience and turnover will be given to the start-up enterprises participating in the government tender up to Rs. 1 crore. For government tender above Rs. 1 crore, the concerned department can make provision for procurement of services/products separately from startups if it deems fit.
- Proof of Concept for Start-ups will be accepted in the context of Tenders (NITs)/Request for Proposal (RFP) for service





acquisition above Rs. 1 Crore. Provided that there shall be no change in the conditions of quality of service or product and other essential qualifications under the aforesaid provision.

- All the Tenders (NIT)/Request for Proposal (RFP) of the State Government will be exempted from Security/ Earnest Money Deposit (EMD).
- Other -

State government corporations and key departments will be linked to the TReDS Platform (Trade Receivable Discounting System) authorized by the Reserve Bank of India as far as possible, so that the start-ups do not face liquidity crunch.

6.3 Financial Assistance

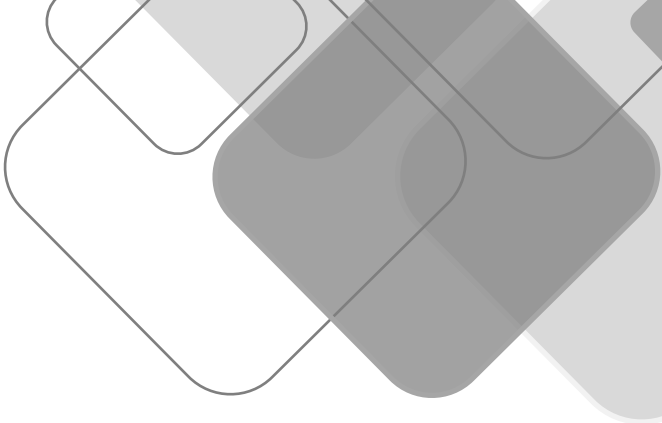
6.3.1 For Start-ups and incubators established in the state –

- **Assistance on investment received** - For a start-up that has received funds/investments from a financial institution recognized by SEBI (Security and Exchange Board of India)/RBI, assistance will be given at the rate of 15% maximum upto Rs. 15 lakh, of the first investment received. This assistance will be payable at the rate of 15% separately for each of the investments received over a maximum of four stages during the life of the start-up.

In the above context, assistance of Rs. 5 lakh will be given to the concerned incubators located in Madhya Pradesh.

- ¹[Startups set up by Women/Scheduled Caste/Tribe entrepreneurs will be given 18 percent maximum assistance of Rs. 18 lakhs on the total funding/investment received and within the maximum limit of Rs. 72 lakhs in four phases, the rest of the conditions remain the same.]
- **Event Organizing Assistance** – Assistance of Rs. 5 lakh per event to incubators located in Madhya Pradesh for organizing events related to start-ups not exceeding Rs. 20 lakh per annum.
- **Incubation Upgradation Assistance** - One time assistance of Rs. 5 lakhs for the up-gradation of Incubators, but to avail this facility, each Incubator will have to increase its existing seat capacity by an additional 20%. This facility will be available only once in the entire life of the incubator.
- **Lease Rental Assistance** – 50% up to a maximum of Rs. 5000/- per month lease rental assistance for three years, on the rent paid per month for the workspace taken on lease by the startups. The said assistance will also be available to the product-based startups set up in industrial areas/parks/clusters owned or aided by the State Government, on the lease rent and maintenance charges paid by them on the plot/shed/constructed space taken on lease. Provided that the said assistance shall not, under any circumstances, exceed 50% of the amount paid in the above items, subject to a maximum of Rs. 5000/- per month and for a period not exceeding three years.

1. Substituted as per order No. 1058/1260091/2023/1/65, dated 01.06.2023 of Department of Micro, Small & Medium Enterprises and with effect from notification date 09 June, 2023

- 
- **Patent Assistance** - Maximum assistance of Rs. 5 lakh for obtaining a patent subject to the condition that the patent is obtained for a start-up established in the state.
 - **¹[Assistance for participation in events –** Financial assistance will be provided to Startups of Madhya Pradesh as follows:
 - (a) Reimbursement of 75% of expenditure incurred per event for participation in Start-up focused domestic events up to a maximum of Rs. 50,000
 - (b) Reimbursement of 75% of expenditure incurred per event for participation in Startup focused international events outside the country (International/ Overseas Events) up to a maximum of Rs. 1,50,000.
 - (c) Financial assistance mentioned in point (a) and (b) above is provided to any Startup of Madhya Pradesh for maximum one event in a financial year after the approval of the Managing Director of *Madhya Pradesh Laghu Udyog Nigam*. But this assistance will not be given to the Startup more than twice in its lifetime.

In case of more amount or number than the above (a), (b) and (c), if the case is found appropriate, it will be sanctioned with the approval of the Secretary/Principal

1. Embedded as per order No. F 4/3/0001/2023/1/65, dated 07.02.2024 of Department of Micro, Small & Medium Enterprises and with effect from notification date 16 February, 2024

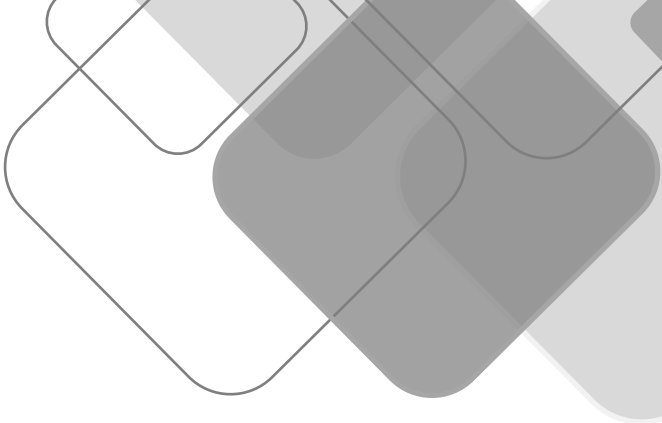
Secretary, M.P. Government, Department of Micro, Small and Medium Enterprises.

Expenditure incurred on National/International event participation by the participant on commuting, lodging, product transportation and stall fees, if any, will be eligible for the said assistance.

To get the above assistance, the Startups will have to apply to Madhya Pradesh Startup Centre 15 days before the event date for permission, which will mention the details of the event, utility/relevance and estimated expenditure. On the basis of the said application, the Managing Director, *Madhya Pradesh Laghu Udyog Nigam* Bhopal will decide for the participation of the Startup in the event and the decision of the Managing Director, *Madhya Pradesh Laghu Udyog Nigam* Bhopal in this regard will be final.]

6.3.2 Special financial assistance and support for product-based start-ups

- Concurrent License/Consent facility for one year.
- Facility to use the required machine in MSME Technology Centre, Bhopal and Indore.
- **Training Expenditure Reimbursement** – In view of the need of technical and skilled workers to start-ups, the assistance of reimbursement of expenditure for skill development and training will be given to a maximum of 25 employees per new employee Rs 13000 per year for three years. This assistance will be available only to the employees domiciled in Madhya Pradesh.

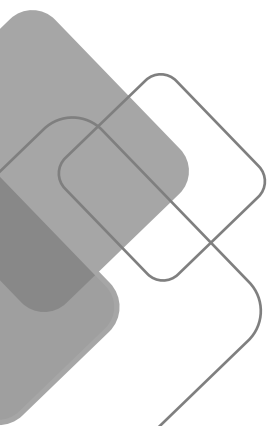
- 
- **Employment Generation Assistance** - All the new employees appointed by the employer in the product based start-up unit in the first three years from the date of commencement of commercial production will be eligible to get the benefit of assistance of Rs. 5000 per employee per month. The assistance period will be maximum 3 years and will be given to maximum 25 employees only. This assistance will be limited to a period of 5 years from the date of commencement of commercial production in the unit. This means that the new employee appointed in the third year will be eligible for employment generation assistance for the next two years from the date of his appointment. The said assistance will be subject to the following conditions:-

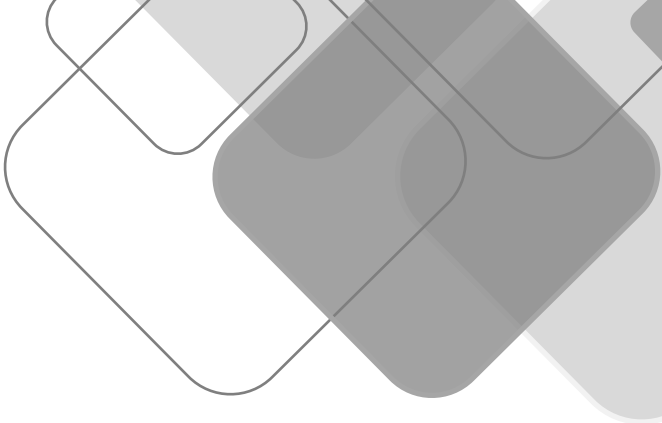
Sr. No.	Time Period	Minimum average percentage of employment available to the natives of Madhya Pradesh out of total employed employees from the date of commencement of unit production
1	within 1 year	50%
2	within 2 years	75%
3	within 3 years	90%

- If the above condition is not fulfilled, the employment generation assistance being provided to the unit will be deducted proportionately.
- **Exemption on Electricity Duty** - All eligible new units having new electricity connection shall be exempted from electricity duty for 3 years from the date of connection.
- **Concession in Electricity Tariff** - Supply of electricity in the project on new electricity connection at a fixed rate of Rs. 5 per unit for 3 years from the date of commercial production in the unit.
- The benefits of the facilities provided in the prevailing MSME Development Policy, will be available subject to the conditions.

6.3.3 Financial assistance/ non-financial assistance under the State Innovation Challenge

Special Financial Assistance will be provided to the selected concept for redressal of four high-impact economic-social problems of the state. For this, concepts will be invited from all types of institutions (including Start-ups) and they will be circulated to all the concerned departments for their views. The concepts on the recommendation of the departments will be placed before the Screening/Selection and Empowered Committee constituted in this context under the chairmanship of the Chief Secretary. The committee will select four best concepts based on the specificity, merits and demerits of the above concepts and problem-solving ability. For evaluation and monitoring of selected start-ups, a State Level Evaluation and Monitoring Committee will be constituted under the chairmanship of the Principal





Secretary of the concerned department. The nature of assistance will be as follows –

- Grant up to Rs. 1 crore, which will be provided in maximum four phases or as decided by the competent committee for this purpose. The selected start-ups will be assessed, monitored and evaluated by the competent committee on the basis of the work done by them.
- Exemption or reimbursement and ex-post facto clearance from all necessary license/consent charges.
- Procurement Assistance in state for two years. If found suitable, the provisions of Madhya Pradesh Store Purchase and Service Procurement Rules, 2015 (with amendments from time to time) can be relaxed.
- Utilization of facilities, office space and meeting arrangements with office support available in Atal Bihari Bajpai Institute of Good Governance and Policy Analysis, Bhopal.
- If a product-based start-up is selected, then it will also be able to get the benefits of the facilities provided for product-based start-ups in the policy.

7 Procedures & Guidelines

Start-ups and incubators will be provided the benefits of the facilities provided under the policy as per the attached procedure and guidelines.

8 The Powers to Amend/Relax/Repeal

Subject to the provisions under the policy, Government of Madhya Pradesh, Department of Micro, Small and Medium Enterprises at any time-

- 8.1 Can amend or repeal this policy.
- 8.2 Can relax the provisions of this policy.
- 8.3 May issue directions/clarifications/guidance to clarify the provisions of the policy.
- 8.4 The Madhya Pradesh Start-up Policy, 2019 shall become ineffective from the date of coming into force of this policy.

9 Jurisdiction

In case of any dispute, the jurisdiction shall be within the State of Madhya Pradesh.



Procedure & Guidelines

1. Preface

MP Start-up Policy and Implementation Scheme, 2022 has been approved by the state government. In order to implement the provisions made for various assistance to start-ups and incubators in the said policy, the state government implements "Madhya Pradesh Start-up Implementation Scheme, 2022".

2. Period and scope of implementation of the scheme

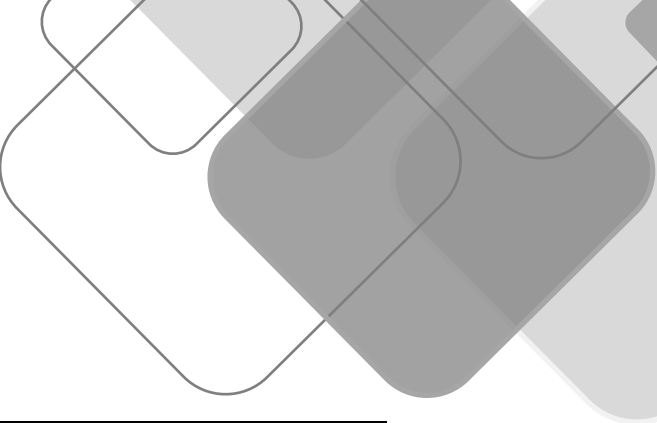
- 2.1 This scheme will be effective from the date of notification and will be effective in the whole of Madhya Pradesh till it is amended or superseded by the government.
- 2.2 Start-ups / Incubators will be eligible to get assistance under this scheme. In the case of product based start-ups, the units which start commercial production after the date of notification will be eligible to get the benefit of the facility under this policy.
- 2.3 Start-ups/incubators established before the date of notification shall be eligible for assistance under Madhya Pradesh Start-up Policy, 2019 or earlier policies as the case may be. The disposal of such cases will be done as per the earlier policy.
- 2.4 Various committees formed to avail the facility/assistance to the start-ups/incubators under the earlier/prevaling policy(s) shall be dissolved and disposal of cases received/sanctioned under the earlier policy(s) will be done as per the procedure laid down in the **"Madhya Pradesh Start-up Implementation Scheme, 2022"**.

3. Formation of committees for Policy Implementation

3.1 State level Start-up Empowered Committee

The Constituents of the State Level Empowered Committee under the chairmanship of the Chief Secretary for the screening and selection of start-ups for the State Innovation Challenge and smooth implementation and supervision of the policy will be as follows -

S. No.	Details of office bearers	Authority
1.	Chief Secretary, Government of Madhya Pradesh	Chairman
2.	Additional Chief Secretary/Principal Secretary, Finance Department	Member
3.	Additional Chief Secretary/Principal Secretary, Public Health and welfare Department	Member
4.	Principal Secretary, Urban Development and Housing Department	Member
5.	Principal Secretary, Department of Science and Technology	Member
6.	Principal Secretary to Honorable Chief Minister	Member
7.	CEO, Atal Bihari Bajpai, Institute of Good Governance and Policy Analysis, Bhopal	Member



S. No.	Details of office bearers	Authority
8.	Principal Secretary/Secretary, Micro, Small & Medium Enterprises	Member Secretary
9.	Other invitees as required	Member

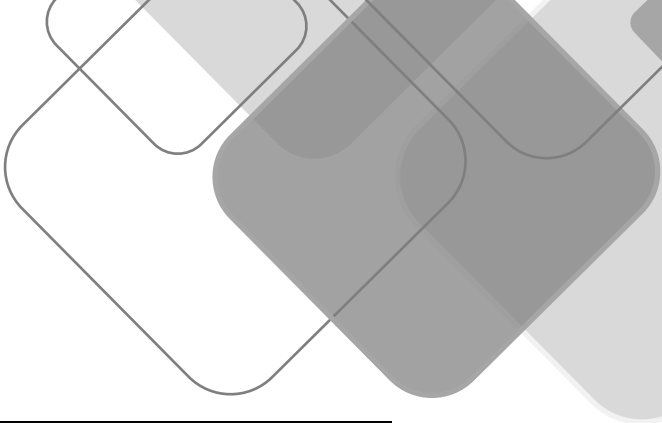
3.2 The Constituents of the **State Level Committee for assessment/evaluation** of selected start-ups under the State Innovation Challenge will be as follows –

S. No.	Details of office bearers	Authority
1.	Principal Secretary Concerned department (of the subject selected in the challenge)	Chairman
2.	Principal Secretary/Secretary, Micro, Small & Medium Enterprises	Member
3.	Nominated Representative of Principal Secretary, Finance Department (not below the rank of Deputy Secretary)	Member
4.	Nominated Representative of CEO, Atal Bihari Bajpai, Institute of Good Governance and Policy Analysis, Bhopal	Member
5.	Head, Madhya Pradesh Start-up Centre	Member Secretary

S. No.	Details of office bearers	Authority
6.	Other invitees as required	Member

3.3 State Level Assistance Committee :- The constitution of the committee for eligibility determination and approval of the facilities provided under the policy to the eligible Start-ups and incubators will be as follows –

S. No.	Details of office bearers	Authority
1.	Principal Secretary/Secretary, MSME Department	Chairman
2.	Principal Secretary, Finance Department or its nominated representative	Member
3.	Principal Secretary, Energy Department or its nominated representative	Member
4.	Principal Secretary, Urban Development and Housing Department or its nominated representative	Member
5.	Principal Secretary, Department of Science and Technology or its nominated representative	Member



S. No.	Details of office bearers	Authority
6.	Principal Secretary, Department of Technical Education, Skill Development and Employment or its nominated representative	Member
7.	Industries Commissioner, M.P.	Member
8.	Director, MSME	Member
9.	Head, Madhya Pradesh Start-up Centre	Member Secretary
10.	Other invitees as required	Member

Note :- The quorum of the meeting of the committee shall be at least 5 members.

4. Miscellaneous

- 4.1 Incentive/concessional financial assistance under the scheme will be available to Start-ups and Incubators only.
- 4.2 It will be mandatory for Start-ups and Incubators to be registered and recognized in Start-up India under the Government of India, Ministry of Commerce & Industry, Department for Promotion of Industry and Internal Trade.
- 4.3 If there is more than one such policy of the State Government, under which the unit can get incentives/concessions, then the unit (except product based startups) takes incentives/concessions under any other policy/apply for assistance under this scheme will be ineligible.

- 4.4 The State Level Assistance Committee may relax the delay in submission of applications for justifiable reasons within the time limit of application mentioned in this scheme.

5. Responsibilities of the Committees

- 5.1 Responsibilities of the State Level Empowered Committee under the chairmanship of the Chief Secretary for the screening and selection of start-ups for the State Innovation Challenge and smooth implementation and supervision of the Policy -

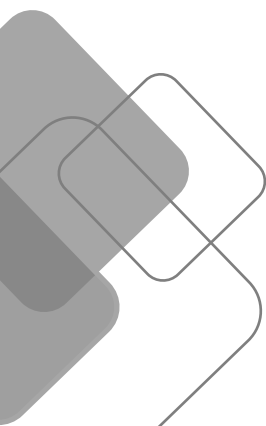
Concepts will be invited from the institute for redressal of four high-impact economic-social problems in the state and after receiving the opinion/recommendations of all the concerned departments, it will be presented before the committee. The committee will select four best concepts based on the specificity, merits and demerits of the above concepts and problem solving ability. The committee will also discharge the responsibility of smooth implementation of the policy and general supervision. Committee meeting will be organized as per need.

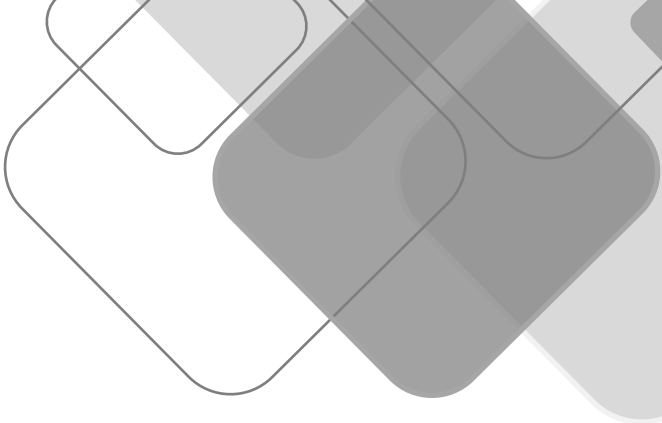
- 5.2 Responsibilities of the State level committee for assessment/evaluation of selected start-ups under State Innovation Challenge -

It will assess and evaluate the work done by the startups/institute selected by the State Level Start-up Empowerment Committee for redressal of economic and social problems and will recommend for sanction of grant in a time bound manner under the State Innovation Challenge.

- 5.3 Responsibility of the State Level Assistance Committee

- 5.3.1 The application for assistance under the scheme will preferably be submitted online by the proprietor/ authorized representative of the unit/ institution in the prescribed form to the Madhya Pradesh Start-up Centre.



- 
- 5.3.2 After proper screening and due diligence of the applications received by the Madhya Pradesh Start-up Centre, the matter related to assistance along with its report will be presented before the State Level Assistance Committee for consideration.
 - 5.3.3 For the first time all the assistance under the scheme will be approved by the State Level Assistance Committee. After that the installments of the sanctioned assistance will be received automatically as per the eligibility, without re-submission to the committee.
 - 5.3.4 The meeting of the committee will be organized as per need.
 - 5.3.5 After due consideration, the State Level Assistance Committee will have the right to issue sanction orders for the financial assistance provided under the scheme. The Member Secretary of the committee where applicable, will issue the sanction letter mentioning the criteria and details of the assistance amount to be given.
 - 5.3.6 If any such technical point comes to the notice of the committee, due to which it has to revise its decision, then it can review its decision by taking suo motu cognizance, but the information of the decision so taken will be communicated to the concerned unit within 30 days.

6. Under the scheme, the application unit will have to preferably submit online in the prescribed form to the concerned Madhya Pradesh Start-up Center. The following enclosures will be submitted along with the application :-

- 6.1 Certified photocopy of recognition of Start-up India under Government of India, Ministry of Commerce & Industry, Department of Industry Promotion and Internal Trade.

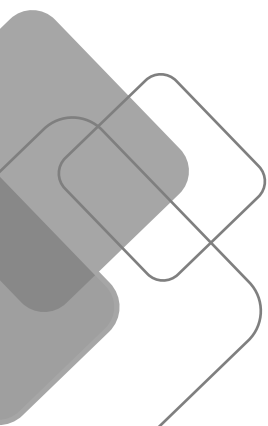
- 6.2 Notarized affidavit by the unit in respect of the month wise number of total employment for the applied year.
- 6.3 Certificate of Incorporation by the Competent Authority.
- 6.4 Affidavit in the prescribed format.
- 6.5 Details of the financial arrangement (from its own sources or bank loan or sanction/disbursement letter of the financial institution in case of loan from a financial institution recognized by SEBI/RBI).
- 6.6 Brief Project Report.
- 6.7 Product based start-ups can get the benefit of non-financial incentives provided under the scheme on application, but the benefit of financial incentives will be available after unit starts the commercial production.

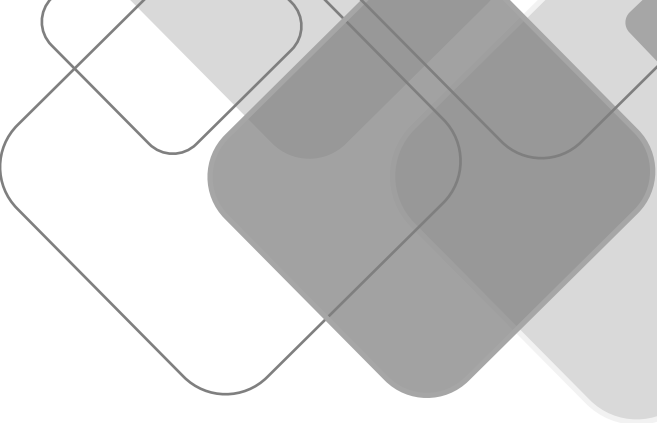
7. Appeal

Appeal against the decision of the State Level Assistance Committee can be made before the Administrative Department within 90 days from the date of receipt of the decision, the department can condone the delay of the appeal on the basis of merit. The decision of the Administrative Department shall be final.

8. The Powers of Clarification/Guidance/prepare application forms -

In order to facilitate the implementation of the scheme or to remove the discrepancy and to explain the provisions of the scheme, instructions and guidance can be issued by the administrative department, which will be final and binding. The administrative department will be authorized to prepare the prescribed online application forms and other forms to avail benefits of the assistance provided under the scheme. In case of contradiction in the language of this scheme and other investment policies of the State Government, guidance, where ever necessary, will be given by





the Department of Micro, Small and Medium Enterprises, Government of Madhya Pradesh, which shall be final and binding.

9. Amendment/Relaxation/Repeal

Notwithstanding anything contained in the provisions of the scheme, the Government of Madhya Pradesh, Department of Micro, Small & Medium Enterprises at any time -

9.1 Amend or repeal this scheme,

9.2 May relax the provisions of this scheme.

10. In case of any dispute, the jurisdiction shall be within the State of Madhya Pradesh.





Department of Micro, Small and Medium Enterprises

