Jharkhand – Jharkhand Startup Policy 2021

Vision and Mission

Vision: To be among the top ten startup states in India by 2026 by fostering an environment supporting entrepreneurs to create successful, innovative, and impactful enterprises.

Mission: Facilitate growth and scaling of at least 1000 direct startups and support 1500 startups virtually over five years.

Objectives

Create 1,00,000 sq. ft. of dedicated incubation space offering end-to-end startup support.

Build strong academia-industry partnerships through incubation centers in higher education institutes.

Promote technology-based startups with social impact tailored to state needs.

Encourage entrepreneurship across all educational levels.

Develop a robust investor network.

Action Plan: Startup Support

3.1 Idea/Seed/Prototype Stage

Eligible individuals/groups with innovative ideas can apply to the Atal Bihari Vajpayee Innovation Lab (ABVIL).

Selected startups receive a stipend of ₹15,000 per member (max 3 members) per month for 12 months, with an additional ₹2000/month for females, SC/ST, and differently-abled members.

Support includes idea research, prototype development, and business plan creation.

Financial support up to ₹10 lakh for prototype/product development.

Mentorship and lab facilities provided free for up to one year.

Registration as a startup entity during incubation.

3.2 Secondary/Scale-Up Stage

Mentorship and acceleration support provided.

One-time marketing grant up to ₹10 lakh for product/solution launch.

State government may provide funds for scaling and business expansion.

Infrastructure and Enablers

Jharkhand will develop a Hub and Spoke (HAS) model with ABVIL as the central hub supporting government and private incubators.

ABVIL will provide workspace, training, mentoring, market research, legal and IP support.

Incubators in higher educational institutions will receive endowment grants (₹50 lakhs annually for up to 5 years) and enter performance contracts to mentor at least 20 startups annually.

Private incubators will receive up to ₹50 lakhs per year for 5 years, subject to a performance contract.

Industry-academia partnership incubation centers supported with fiscal incentives and mentorship boards.

Virtual Incubator Platform to connect academia, industry, investors, and startups.

Access to specialized facilities (labs, libraries, PSUs) will be provided.

Funding

Establishment of Jharkhand Entrepreneurship Development Fund to support startups and incubation centers.

Fund managed by a project management unit (PMU) with government, industry, academia, and startup experts.

Funding used for stipends, prototype development, events, awards, and mentor expenses.

Human Capital Development

Encourage entrepreneurship culture at education levels through idea conclaves, startup fests, curriculum updates, and faculty training.

Soft and hard skills training including business planning, financial literacy, and communication.

Interest reimbursement on student loans for entrepreneurs incubated at state centers.

Distribution of STEM kits and setting up tinkering labs in schools.

Regular business plan competitions and workshops for student entrepreneurs.

Platforms for experience sharing and mentorship support funded by the state.

Incentives

GST Reimbursement: 100% reimbursement of state GST paid by registered startups.

Patent Filing Cost: 100% reimbursement for domestic and foreign patents in stages (filing, prosecution, award).

Registration/Stamps: 100% reimbursement of registration, stamp, and transfer duty on land purchased.

Municipal Duties: 3-year reimbursement on municipal duties.

Lease Rentals:

50% reimbursement on lease rentals up to ₹5 lakh per annum for plug-and-play office space in relevant SEZs and IT parks.

For private premises, ₹20 per sq. ft. per month or 50% of actual rent, capped at ₹3 lakh per annum, reimbursed for 2 years.

Internet & Electricity: 30% reimbursement of bills up to ₹60,000 per annum for 5 years.

Land Allocation: Priority for startups in IT Parks and SEZs.

Government Procurement: Preference given to startups as per Jharkhand Procurement Policy.

Certification Costs: Reimbursement up to ₹50,000 (domestic) and ₹1.5 lakh (international).

Special Incentives: Additional 5% reimbursements on leases, internet, electricity for SC/ST, women, and differently-abled enterprises.

Governance and Support

Single-window clearance via online portal for faster approvals and incentive disbursal.

Dedicated 'Startup only' bank branches proposed.

Collaboration with global accelerators and incubators.

Recognition programs for Jharkhand Startup Champions in innovation and social impact.

"Entrepreneur Speak" programs to expose youth to renowned entrepreneurs.

"One Form Policy" to simplify application procedures.

Support for local entrepreneur associations and networks.

Public portal/app for startup applications, tracking, and ecosystem collaboration.

Exit Clause

Startups cease to qualify for benefits after turnover exceeds ₹25 crore or completion of 7 years (10 years for biotech startups), whichever is earlier.

Operational Structure

A dedicated nodal agency (Society/Company) to administer policy incentives transparently and timely.

State Evaluation Board comprising government, industry, incubator, and academia experts to select startups for support.

Annual policy review and operational guideline updates by the Department of IT & e-Governance.

Source: Jharkhand Startup Policy 2016

Issued by: Government of Jharkhand – Department of IT & e-Governance

Policy Period: 2016–2021 (continued ecosystem programs)