Maharashtra – Maharashtra State Innovative Startup Policy 2018

Introduction and Vision

Maharashtra is a leading commercial, financial, and industrial hub of India, contributing nearly 15% to India’s GDP.

The policy aims to create an innovation-driven entrepreneurial ecosystem to enable wholesome and inclusive socio-economic development.

The government supports startups in emerging sectors like biotechnology, AI, IoT, clean energy, and revitalizing traditional sectors.

The vision is to transform Maharashtra by catalyzing an innovation-driven startup ecosystem.

Objectives and Targets (2018-2023)

Create 15 incubators.

Develop ₹5,000 crore angel and seed investments.

Attract 10,000 startups in incorporation.

Facilitate 500,000 direct and indirect employment opportunities.

Foster collaboration between industry and academia.

Startup Definition

Startups must be incorporated as private limited companies, LLPs, or partnerships in Maharashtra.

Operating within seven years from incorporation (ten years for biotechnology and social sectors).

Turnover must not exceed ₹25 crore.

Must be innovation-driven or scalable with high employment or wealth creation potential.

Excludes entities formed by splitting or reconstructing existing businesses.

Key Features and Facilitation

Lighten Regulatory Compliance:

Simplify regulations, reduce compliance costs.

Allow self-certification filings online.

No inspections for startups for seven years unless complaints arise.

Relax laws such as shops and establishments for asset-light startups.

Easing Procurement Norms:

Exempt startups from prior experience and turnover criteria in public procurement (manufacturing sector).

Annual government-startup meet-ups to explore synergies.

Tax Holidays:

Reimbursements for State GST paid by startups where credit is not available to customers.

Stamp Duty & Registration Fee Waivers:

100% exemption for recognized incubators and startups renting space for first 3 years; 50% for next 3 years.

Quality Testing Assistance:

80% reimbursement for tests at BIS-accredited labs.

Patent Filing Assistance:

80% rebate on patent filing costs up to ₹2 lakh (India) and ₹10 lakh (international), reimbursed in three stages.

Infrastructure Development

Create sector-specific innovation clusters in Mumbai (FinTech), Pune (automotive, electronics), Aurangabad (manufacturing), Nashik (healthcare), Nagpur (clean energy), etc.

Develop incubators through public, private, and PPP models.

Academic incubators: Established in universities, colleges, and polytechnics with oversight boards.

Research incubators: Setup Centres of Excellence (CoEs) connected with academia and industry, and run Entrepreneur-in-Residence programs.

Private incubators: Support establishment by industry leaders with mandates for mentorship and startup procurement.

Rural & Social incubators: Support social enterprises through scholarships and rental subsidies.

Open shared infrastructure usage at partner incubators and academic institutes.

Maharashtra Virtual Incubation Centre: Offers legal, financial, intellectual property, cloud services, mentoring digitally to startups statewide.

Support for accelerators with full facilities for rapid scaling.

Tinkering Labs: To be set up in schools for early innovation stimulation.

Startup Park: Multi-facility hubs for incubators, accelerators, investors, and startups in various cities.

Industry and Investor Collaboration

Strong partnerships with national and global industries.

Facilitate mentorship and corporate collaborations.

Support for investors via workshops and verified profiles on digital platforms.

Expansion of startups to global markets through collaborations.

Funding Support

A Fund-of-Funds with an initial corpus of ₹100 crore, scaling to ₹500 crore over five years, to invest in SEBI-registered early-stage funds.

An Infrastructure Fund to assist incubators, accelerators, CoEs, and tinkering labs.

Encourage use of CSR funds by corporates to support innovation ecosystem.

Support to social sector startups through matched crowdfunding grants (up to ₹5 lakh).

Creation of an Alternative Investment Market to enable flexible investment options.

Human Capital Development

Promote entrepreneurship education via curriculum innovation, gap years for student entrepreneurs, MOOCs, and minors in entrepreneurship.

Conduct workshops at schools to develop entrepreneurial skills.

Recognize and publicize successful entrepreneurs and role models.

Establish TEDCs (Technology & Entrepreneurship Development Cells) in universities.

Engage global and NRI mentors through digital platforms.

Partner with EdTech firms to offer scholarships for tech skill certifications (AI, ML).

Events and Competitions

Startup Week: Annual pitching opportunities with funding support to selected startups.

Grand Challenges: Thematic problem-solving contests with government funding support.

Business Plan Competitions: At city, district, and state levels, especially targeting students.

Startup Symposia and Get-Togethers: Networking and knowledge sharing between startups, academia, investors, and government.

Governance and Implementation

Maharashtra State Innovation Society (MSInS): Nodal agency for execution, monitoring, and policy evaluation.

Policy reviewed annually and updated to reflect ecosystem needs.

Focused on inclusive and sustainable startup ecosystem growth across Maharashtra.

Source: Maharashtra Startup Policy 2018

Issued by: Government of Maharashtra

Nodal Agency: Maharashtra State Innovation Society (MSInS)

Policy Period: 2018–2023 (policy framework continues through programs)