Meghalaya – Meghalaya Startup Policy 2018

Preamble

Aims to create a conducive environment for startups in Meghalaya by nurturing innovation, scientific ecosystem, and empowering youth.

Focus on promoting startup culture with emphasis on women and rural youth participation.

Targets scalable startups for large-scale employment generation.

Vision

To emerge as a leading startup hub in India by 2023 through strategic partnerships, enabling ecosystem, investment, and policy support.

Mission

Build a holistic startup ecosystem.

Provide timely and transparent fiscal and non-fiscal benefits.

Streamline regulations and legislations for a startup-friendly environment.

Implement a supportive regulatory framework with hassle-free statutory clearances and robust governance.

Objectives

Encourage establishment of incubators, including sector-specific ones aligned with Meghalaya’s strengths.

Facilitate the growth of 500 startups within five years.

Promote skill development and entrepreneurship awareness among youth.

Establish strong institutional frameworks for policy implementation, monitoring, and evaluation.

Policy Duration and Scope

Policy validity: five years from notification or until revised.

Provides incentives and exemptions over central government policy but not cumulative with other state policies.

Definitions

Startup: As per definition aligned with DPIIT, operational within 7 years (10 years for biotech), turnover under INR 25 crore, innovation-driven or scalable business, registered in Meghalaya or employing 60% workforce from Meghalaya.

Incubator: Registered entity (Society, Section 8 Company, Pvt Ltd, LLP) facilitating startups with infrastructure, mentoring, and networking.

Innovation: translating ideas into marketable products or services.

Nodal Agencies: State-approved certifying bodies.

Successful Startup: Funded with at least INR 5 lakh or achieving revenue of INR 5 lakh/month.

Startup Ecosystem Development

Develop digital infrastructure: startup portal, mobile app, and dedicated helpline.

Establish dedicated Startup Cell with at least three professionals for policy implementation and monitoring.

Support higher education institutions to create incubators via grants (75% of capital cost, capped at INR 5 crore) and performance-linked incentives.

Promote Sector-specific incubators: IT, ESDM, healthcare, agri, tourism, textiles, chemical sectors.

Develop Startup/Innovation Parks with shared facilities and services.

Promote private-public partnership and CSR funding for infrastructure.

Funding Support

Encourage Angel Networks and Social Impact Investors comprising local and diaspora investors.

Innovation fund to support R&D and commercialization in sectors including IT, energy, and tourism.

Fiscal incentives including:

GST reimbursement (up to INR 7 lakh per year for 7 years),

Stamp duty and registration fee reimbursement,

Digital upgradation subsidy (50% of cost up to INR 2 lakh),

Lease rental reimbursement (50% up to INR 2 lakh per year for 3 years),

Power subsidy (50% up to INR 10 lakh per year for 5 years),

Patent filing cost reimbursement (100% cost, up to INR 2 lakh domestic and INR 5 lakh international).

Non-Fiscal Support and Compliance

Market access interventions to enhance opportunities for registered startups.

Public procurement benefits:

Compulsory 20% procurement from startups,

Waiver of earnest money deposit in tenders,

Relaxation in turnover and experience criteria.

Self-certification for labor and employment-related compliances to reduce inspection burden.

Capacity Building and Awareness

Incorporating entrepreneurship education across schools and universities.

Establish Entrepreneurship Development Cells in colleges and government departments.

Statewide workshops, bootcamps, hackathons, investment events to build awareness.

Collaboration with academic institutions to promote innovation and incubation support.

Governance

Startup Council: Chaired by Chief Secretary; includes senior government officials, industry and academic experts.

Certifies incubators and mentors,

Approves incentive schemes,

Monitors policy implementation.

Task Force Committee: Monitors execution, approves incentives; meets biannually.

Operational Mechanism: Applications processed via certified incubators and nodal agencies; mentorship and funding coordinated under policy guidelines.

Policy Review Mechanism

Annual review of policy effectiveness and updates as necessary.

Disputes resolved by state government with final authority.

Possibility of policy amendments by government as needed.

Source: Meghalaya Startup Policy 2018

Issued by: Government of Meghalaya

Policy Validity: 5 years (or until revised)