Bihar – Bihar Start-up Policy 2022

Vision and Objectives

To make Bihar the preferred destination for start-ups and entrepreneurs by leveraging local youth and creating an inclusive start-up ecosystem.

Promote entrepreneurship education and career through campaigns, awards, innovation challenges, and business plan competitions.

Support start-ups with seed funding, matching grants, mentoring, handholding, and training.

Facilitate entrepreneurship development centers and incubators.

Enable hassle-free and timely statutory clearances.

Provide a comprehensive portal for financial, regulatory, mentoring, and incubation support.

Policy Duration

Effective from notification date for 5 years.

Eligibility Criteria for Start-Ups

Must be incorporated or registered in Bihar as a private limited company, partnership, or LLP.

Up to 10 years from the date of incorporation/registration.

Annual turnover not exceeding ₹100 crore.

Focus on innovation, scalable business model, or employment/wealth generation.

Start-up must pay applicable taxes in Bihar.

Governance Structure

Bihar Start-up Fund Trust (BSFT): Chaired by Development Commissioner, formulates and monitors policy.

Start-up Monitoring and Implementation Committee (SMIC): Oversees policy implementation, certification, grants.

Preliminary Scrutiny Committee (PSC): Screens and approves applications.

Start-up Support Unit (SSU): Single contact for start-ups, application processing, handholding.

Third Party Agencies (TPA): Conducts rating and evaluation of start-ups.

Financial Management Company: Manages financial operations of the policy.

Application Process

Online submission via Start-up Portal.

Screening and handholding by SSU.

Recommendation by PSC and incubation support.

Evaluation by TPA and certification by SMIC.

Financial incentives based on start-up rating.

YUVA Action Plan Pillars

Yes to Start-ups: Awareness campaigns, awards, competitions.

Unleash Regulatory Enablers: Single window portal for registrations, exemptions from licenses and inspections for 5 years, preferential procurement and space allocation.

Vibrancy in Education: Embed entrepreneurship modules in curriculums, set up facilitation centers, organize idea competitions.

Access to Funding and Incubation: Support for incubators, financial assistance for incubation, common infrastructure, innovation hub.

Funding Support

Seed Grant: Up to ₹10 lakh interest-free loan for 10 years, based on milestones.

Early Stage Support: Angel investor access, matching grants, free valuation, acceleration program assistance.

Scale-up Funding: Participation in venture capital funds, facilitation of public listing.

Intellectual Property support with government bearing patent filing costs for domestic and reimbursing foreign patents.

Special Incentives

Additional funding support for SC/ST, women, and differently-abled entrepreneurs.

22% of total funding corpus reserved for SC/ST beneficiaries.

Relaxed eligibility criteria for these groups.

Exit Conditions

Legal action for fraud or misuse of policy benefits.

Government exits its investment and board nomination rights upon start-up ceasing certification.

Legal Protection

No legal proceedings against officials acting in good faith under this policy.

Source: Bihar Startup Policy 2022

Issued by: Government of Bihar – Department of Industries

Implementing Body: Bihar Start-up Fund Trust (BSFT)

Policy Period: 2022–2027

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