

KERALA STARTUP MISSION

Abstract

Kerala Startup Mission – Revision of Innovation Grant and Inclusion of Transgenders– Orders Issued.

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KERALA STARTUP MISSION

KSUM/O/9(A)/2022

Date: 05/07/2022

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Read : G.O.(Rt)No.128/2022/ITD dated 23.06.2022

ORDER

Government has accorded administrative sanction for implementation of the Youth Entrepreneurship Program at a cost of Rs 70.52 Crores as per the GO read above. Sanction is hereby accorded for the revision of the Innovation grant and inclusion of transgenders under the scheme.

KSUM has been accomplishing the Innovation Grant Scheme since 2017 and so far, we are able to support about 592 innovations in Ideation Stage, Productization Stage and Scale up Stage. KSUM, from this year proposed 4 types of grants to support the startups more effectively by classifying into 4 stages. The new scheme of Innovation Grant is already approved and included in the 14th Five Year Plan.

The Scheme is now stands revised as follows:

- 4 stages instead of three stages- included a new stage Market Acceleration Grant. Earlier this stage was included in the productization grant, but startups were struggling to make first move in the market.
- Total support enhanced from Rs.12 Lakhs to Rs.15 Lakhs
- Introduced Funding Caps for all grants, which was not there as before

Stages

| Startup Stage  | Old                                    | New  |
|--|--|--|
| Idea to Prototype  | Idea Grant – Upto Rs.2 Lakhs           | Idea Grant – Upto Rs.3 Lakhs                 |
| Product Development  | Productisation Grant – Upto Rs.7 Lakhs | Productisation Grant – Upto Rs.7 Lakhs       |
| Piloting, Testing and Product Market Fit (Early adoptions) | --                                     | Market Acceleration Grant – Upto Rs.10 Lakhs |

|                   |                                   |                                   |
|-------------------|-----------------------------------|-----------------------------------|
| Scale up & Growth | Scale up Grant - Upto Rs.12 Lakhs | Scale up Grant – Upto Rs.15 Lakhs |
| Max. Cap          | Capped at Rs.12 Lakhs             | Capped at Rs.15 Lakhs             |

#### Fund Cap

| Grant          | Compositions Capped at Max for Startups  |
|----------------|--|
| Idea Grant     | <ul style="list-style-type: none"> <li>● Product Development – 100% (Manpower 50%)</li> <li>● Marketing Research &amp; Identification – 20%</li> <li>● Others – 10%</li> </ul> |
| Productisation | <ul style="list-style-type: none"> <li>● Product Development – 100% (Manpower 50%)</li> <li>● Marketing– 20%</li> <li>● Others – 10%</li> </ul>                                |

|                |   |
|----------------|---|
| Market Access  | <ul style="list-style-type: none"> <li>● Product Development – 50% (Manpower 50%)</li> <li>● Marketing– 100%</li> <li>● Others – 10%</li> </ul> |
| Scale Up Grant | <ul style="list-style-type: none"> <li>● Product Development – 20% (Manpower 50%)</li> <li>● Marketing– 100%</li> <li>● Others – 10%</li> </ul> |

#### Modified Margin Money (as per the Feedbacks from Startups)

| Grant          | Old Margin money                          | New Margin Money                                       |
|----------------|---|--|
| Idea Grant     | 10% of Approved Grant (From 1st Tranche)  | 10 % of Approved Grant (In second Tranche)             |
| Productisation | 20 % of Approved Grant (From 1st Tranche) | 20% of Approved Grant (In second Tranche)              |
| Market Access  | Nil                                       | 30% of Approved Grant Scaleup Grant (From 1st Tranche) |

|                |   |   |
|----------------|---|---|
| Scale Up Grant | 50% of Approved Grant<br>(From 1st Tranche) | 50% of Approved Grant<br>(From 1st Tranche) |
|----------------|---|---|

**Women/Transgender Productization Grant :** For women/transgender startups who are looking to convert the Minimum viable prototype into the final product. This grant will be an additional to the existing productization grant. The grant amount is upto Rs.12 lakhs.

Chief Executive Officer

To

The Management Group, KSUM  
The Accounts Department, KSUM  
The Technical Officer, KSUM  
(For publishing in the website)

Forwarded / By Order



**B Sreekumaran Nair**  
Secretary & Registrar

