

संलग्नक -2



Uttar Pradesh Startup Policy 2026



**Department of IT & Electronics,
Government of Uttar Pradesh**

1- Preamble

India's startup revolution is reshaping the future of innovation and Uttar Pradesh stands at the forefront of this transformation. Powered by digital advancement and a new generation of ambitious entrepreneurs, the State is witnessing the rise of ideas that have the potential to create impact at scale. This journey acknowledges that while some startups achieve success, others may fall short and both results play an essential role in shaping a resilient and continuously evolving innovation ecosystem.

Uttar Pradesh, with its vast demographic dividend, expanding knowledge base and growing industrial footprint, is uniquely positioned to harness this momentum. Recognizing the transformative potential of startups in driving economic development, employment generation and regional balance, the State is committed to fostering a vibrant and resilient startup ecosystem that empowers innovators and supports enterprise creation across sectors.

Over the years, through progressive policies and sustained efforts, Uttar Pradesh has laid a strong foundation for a thriving startup ecosystem. The Uttar Pradesh Startup Policy 2026 marks a renewed commitment to this journey-focusing on collaboration, inclusivity and innovation across sectors. These initiatives have laid a strong foundation by providing enabling support in the form of financial incentives, incubation infrastructure, capacity building and market linkages.

By enabling access to capital, mentorship, infrastructure and markets, the State aims to unlock entrepreneurial potential at every level. Uttar Pradesh aspires to emerge as one of India's leading startup destinations, driving not only economic growth but also meaningful social transformation.

2- Vision

To transform Uttar Pradesh by catalysing the growth of an innovation-driven entrepreneurial ecosystem to achieve wholesome and inclusive socio-economic development.

3- Mission

The policy aims to diversify avenues for strengthening the State startup ecosystem in a well-organized and synchronized approach by pushing a performance-driven approach for all startup ecosystem enablers. It seeks to nurture and support startups in Uttar Pradesh, enabling them to grow into successful and sustainable ventures in the State.

4- Goals

- a) To position Uttar Pradesh among the top startup ecosystems in India and establish the State as a leading destination for entrepreneurship and innovation.
- b) To promote innovation in emerging technologies such as Artificial Intelligence, Quantum Computing, Blockchain and other deep-tech domains, as well as in priority sectors including Agri-Tech, Rural-Tech, Space-Tech, Defence-Tech, Edu-Tech, Health-Tech and other areas of social and national significance; and to develop district-level innovation clusters aligned with sectoral strengths, including One District One Product (ODOP)-based industries, to drive localized economic growth.
- c) To facilitate the establishment of successful startups and provide a policy that enables them to grow and remain anchored in Uttar Pradesh, thereby expanding the entrepreneurial base and supporting the development of a robust and sustainable startup ecosystem across the State.
- d) To expand the network of incubation centres and enhance incubation and acceleration infrastructure across Uttar Pradesh, including the establishment of a State-of-the-art “U-Hub Innovation Hub” as a premier incubation facility.
- e) To establish and strengthen a comprehensive network of high-quality incubators, accelerators and sector-focused Centre of Excellence across the State.
- f) To strengthen the startup pipeline by fostering a culture of innovation and entrepreneurship across schools, higher education institutions and incubation Centres.
- g) To enhance access to capital for startups by facilitating linkages with institutional and angel investors, while leveraging government-backed financial support mechanisms; and to enable market access by encouraging government departments and public agencies to act as early adopters and anchor customers.
- h) To build a skilled and entrepreneurship-oriented workforce through the integration of startup-focused education, skilling initiatives and mentorship programme.
- i) To improve the ease of doing business for startups by ensuring simplified regulatory processes, provision of single-window support and time-bound approvals.

5- Policy Period and Applicability

- a) The Uttar Pradesh Startup Policy 2026 shall remain in force for a period of five (5) years from the date of its notification.
- b) The provisions of the Uttar Pradesh Startup Policy 2020 (First Amendment 2022) shall continue to remain in effect until the date of notification of the Uttar Pradesh Startup Policy 2026.
- c) All Startups, Incubators, Centre of Excellence (CoEs) and other beneficiaries approved, recognized, or sanctioned incentives before the notification of the Uttar Pradesh Startup Policy 2026 shall continue to be governed by and remain eligible under, the provisions of the Uttar Pradesh Startup Policy 2020 (First Amendment 2022).

- d) The cases which are under evaluation and awaited for the approval by the PIU/PMIC under the Uttar Pradesh Startup Policy 2020 (First Amendment 2022) shall be granted a one-time option to either continue under the provisions of the said Policy or opt for consideration under the Uttar Pradesh Startup Policy 2026, within a period of three months from the date of notification of this policy. The above mentioned option shall be subject to the approval of the PIU, based on the recommendation of the Startup Review Committee of Experts (SRCE), and the final decision in this regard shall rest with the PIU.
- e) The Uttar Pradesh Startup Policy 2026 shall be sector-agnostic and shall apply to startups operating across all sectors within the State.
- f) AKTU Corpus Fund:
- i. As per the provisions of the earlier UP Startup Policy 2020, a corpus of INR 150 Crores was provisioned by the Department of IT and Electronics and facilitated through Dr. A.P.J. Abdul Kalam Technical University. The said corpus shall continue to be operationalized along with an additional corpus of INR 250 Crores through the designated-UP Startup Mission under the administrative control of the Department of IT and Electronics/ Nodal agency. Thus, the total corpus available will amount to INR 400 Crores.
 - ii. From the said corpus, financial support shall be provided for the following heads covered under the policy-
 - All types of grants and financial assistance for incubators mentioned in this policy as per the provisions of the policy.
 - All types of financial assistance for startups mentioned in this policy as per the provisions of the policy.
 - Seed Capital to startups shall be given from AKTU Corpus Fund and then reimbursed to Seed Capital Fund from GoUP.
 - Grants to Centre of Excellence established in the State as per the policy provisions.
 - Financial assistance for Organizing Startup Ecosystem Promotion Events/Activities.
- g) Convergence with Central and State Policies
- All DPIIT and StartinUP registered startups are eligible to avail benefits under all policies launched by the Central Government and the Government of Uttar Pradesh.

6- The Uttar Pradesh Startup Policy 2026 is structured around Six key pillars that collectively aim to strengthen and sustain the State's startup ecosystem:

1. **Infrastructure Development** – Enhancing physical and digital infrastructure to support startup ecosystem.

2. **Funding Support** – Facilitating access to financial resources through government-backed schemes and linkages with private investors.
3. **Talent Development & Capacity Building** – Building a skilled and innovation-driven workforce through education, skilling and capacity-building initiatives.
4. **Industry Connect** – Promoting collaboration between startups, industry, academia and government to enable market access and innovation.
5. **Ecosystem Promotion** – Promoting and positioning Uttar Pradesh as a leading startup destination through strategic branding, outreach initiatives, ecosystem partnerships and targeted promotional activities at the State, National and International levels.
6. **Ecosystem Strengthening & Enablement** – Strengthening the depth and quality of the startup ecosystem through institutional capacity building, stakeholder engagement, policy support mechanisms and continuous improvement of support structures for startups and enablers.

Pillar 1: Infrastructure Development

1. **StartinUP Online Portal:** Online StartinUP Platform shall be an integrated web platform which is a one-of-its-kind single-window systems for startups, investors, incubators, mentors, CoEs and other relevant startup stakeholders to engage with each other. This platform shall be the digital identity of the startup programme of GoUP and will substantially enhance transparency and execution of policy implementation.

The scope and features of the platform will be as follows:

- i. It will be a compendium of all policies and incentives for startups.
- ii. It shall offer access to various capacity building programme and courses including entrepreneurship development, startup management, financial literacy, regulatory compliance, intellectual property rights (IPR), technology commercialization and market access, through onboarding of domain experts and partner institutions.
- iii. It shall provide a listing of all resources, incubators, upcoming events, schemes, etc.
- iv. Shall offer online submission of applications to claim and avail financial/non-financial incentives.
- v. It will be set up and maintained by the nodal agency. Access to this portal shall be given to all the agencies working in the areas of skill development, youth empowerment, innovation, research and development. Yuva Hub, Innovation Hub, Incubators, CoEs, District Industries Centre (DIC) etc. shall be integrated with Startup portal.
- vi. It will have API Integration with government portals such as DPIIT, BHASKAR and MAARG Portal launched by Startup India. It will have provisions for any future enhancements or integrations.
- vii. Shall facilitate the onboarding of experts such as Mentors, Chartered Accountants, Lawyers, Intellectual Property (IP) Cell, broadband service, funding agencies, corporate tie-ups etc.

- viii. The platform shall be used for online registration of incubators/startups under the Startup Policy.
 - ix. Incubators/Startups/CoEs shall use the platform to submit their respective incentive claims to the nodal agency for evaluation and approval.
 - x. Platform shall offer a comprehensive Management Information System (MIS) functionality to the nodal agency for day-to-day monitoring.
 - xi. A dedicated toll-free helpline will be integrated with the startup portal for resolution of queries/grievances. Additionally, support will also be provided along with integration of social media mechanisms to ensure faster communication for startups.
 - xii. Cross leveraging interface for collaborations, mentorships, partnerships, etc. between Startups, Incubators, Accelerators, Mentors, CoEs and Investors with each other.
 - xiii. An online platform shall be provided on the StartinUP Portal to facilitate networking for startups.
2. **Establishment of U-Hub:** U-Hub will be established as an incubation Centre of StartinUP, GoUP to nurture early-stage startups by providing structured mentoring, infrastructure and access to funding and industry networks. The Centre will aim to support innovation, entrepreneurship and sustainable business growth by creating an enabling ecosystem for startups from ideation to scale-up stages.
3. **Centre of Excellence as Knowledge Centres:**
- i. Government of Uttar Pradesh envisages the creation of world class infrastructure in the form of Centre of Excellence (CoE). CoE shall possess maturity and experience in incubation, exemplary standards of R&D and promote best practices for nurturing entrepreneurship.
 - ii. The establishment of 20 new Centres of Excellence (CoEs) over five years is proposed, and the proposals shall be evaluated and approved by the Empowered Committee (EC).
 - iii. The intent is to create a world class Centre of Excellence which will house 50 most promising product based Startups from India and abroad in the domain of Emerging Technologies Quantum Computing, Artificial Intelligence & Machine Learning, Blockchain, Additive Manufacturing and other deep tech areas as well as sectors like, Space-Tech, Defence-Tech, Agri-tech, Edu-Tech, Health-Tech and other areas of social or national importance.
 - iv. The CoE will provide complete support to the 50 selected startups in terms of infrastructure (incubation Centre, co working space, product testing labs, advanced computers etc.) and mentorship by onboarding key experts in the field of emerging technologies and management.
 - v. Host Institutes like Government and Private Technical colleges, Management institutes, R&D Institutes / Non-Profit Organization/ Corporates / Industry Associations shall be eligible to establish CoE. The proposals may be submitted independently by eligible entities, or may be invited through a formal Expression of Interest (Eoi).
4. **Incubation Ecosystem**

Incubators are the most critical component of the startup ecosystem. They are established by private/government host institutes to support startup companies during their early stages of life to develop a scalable business model.

They provide startups with various resources such as physical office space, coaching, mentoring, legal & corporate services and providing network connections to grow their business.

An incubator shall also mean a Technology Business Incubator recognized by the Government of India. Startups may apply for financial incentives from the Nodal Agency only after receiving recommendation from the incubators and only in accordance with their stage. Incubator recommendations are not mandatory for startups that are at the scaling stage or have progressed beyond it.

- i. The State Government shall promote establishment of incubators in each district of the State.
- ii. Apart from physical infrastructure, Incubators shall also be required to set up digital infrastructure to offer incubation services and engage with startups/other stakeholders digitally. They will be required to provide input in digital form parameters, API integration with StartinUP Portal, wherever possible, against Key Performance Indicators assigned by the Startup Nodal Agency/PIU to all GoUP recognized incubators.
- iii. Sector specific incubators shall be established in consultation with respective departments through collaboration/partnership with academic institutions/private sector.
- iv. Host institutes like Government and Private Technical Colleges, Management Institutes, R&D Institutes, organizations /non-profit organizations/corporates/industry association shall be encouraged to establish Incubators in Uttar Pradesh. The selection of host institutes shall be done after due diligence and fulfilment of the laid down guidelines. State Government Departments pertaining to Technical Education, Higher Education, Agriculture Education, Medical Education and MSME shall be required to set up incubators across the State, put together at least 50 percent of the overall policy target.
- v. Incubators having rich experience and strong capabilities in the incubation field shall be nominated as “Navratna” Incubators. The State Government shall enter into an MoU with these “Navratna” incubators to guide, mentor and handhold other Host Institutes willing to establish Incubation facilities in the State. These Navratna incubators will be nominated based on Annual incubator performance and shall be selected/renewed by EC every year.
- vi. Women led startups: 25% of incubation seats in incubators recognized by the Government of Uttar Pradesh shall be preferentially allocated to startups with women founders or co-founders, subject to a minimum of 51% women equity.
- vii. Hub & Spoke Model: Incubators recognized under the startup policy will work under a Hub & Spoke model; where Incubator being developed by Department of IT & Electronics - U Hub and Centre of Excellence will act as Hub for other satellite incubators in the State. The Navratna incubators will work closely with Hub to assist in capacity building of these satellite incubators set up at District level.

Pillar 2 Funding Support

1. Fund of Funds

The Government of Uttar Pradesh has established INR 1000 Crores UP Startup Fund for providing access to finance to startups in Uttar Pradesh. This fund shall be in the form of fund of funds wherein it shall not invest directly into the startups, but rather it shall make investment in “Daughter Funds,” which would ultimately invest in startups engaged in innovative ideas/activities across all sectors in Uttar Pradesh.

2. Funding by Banks

The State government shall encourage Banks and other Financial Institutions to extend their lending facilities to startups on the similar lines of MSME lending. GoUP shall sign additional MOUs with Lead Banks to create funding avenues for startups.

3. UP Investor Network

The Government of Uttar Pradesh shall facilitate creation of a network of Angel Investors, Venture Capitalists, High Net Worth Individuals (HNWIs), High Net Worth Families (HNWFs) and other investors and encourage them to create an aggregated corpus of up to INR 100 Crores to support emerging innovative and deep-tech startups in areas such as Artificial Intelligence, Machine Learning, Electric Vehicles, MedTech, Robotics, Drones and other disruptive technologies across sectors.

The investors/Funders are aggregated by the Nodal Agency, while the investment amount shall be contributed by the participating investors/funders.

Pillar 3 Talent Development & Capacity Building

1. Fostering innovation through academic intervention

i. Faculty Development Programme

Universities/colleges shall organize faculty development programme to promote innovation and entrepreneurship at the college level.

ii. Establish E-Cells in Universities, colleges and schools

Entrepreneurship Cell (E-Cell) would be established to encourage and support college-level students to start their own enterprise.

2. Innovation Hub at AKTU

An Innovation hub has been established at Abdul Kalam Technical University with the help of the Department of Technical Education from its own Budget. The Centre is responsible for the development of Entrepreneurial Curriculum to be adopted by schools and colleges in the State.

Pillar 4 Industry Connect

1. Integration with ODOP

The Department of MSME shall support incubators supporting ODOP products in each of the identified clusters under the ODOP scheme. The department shall nominate Field Officers to interact with

startups in their respective regions and encourage them to become a Micro Enterprise. These startups could assist the Government in strategizing and innovating the production, marketing, or distribution mechanisms of ODOP products by introducing new technologies or even through disruptive business model innovations.

2. **Leveraging the NRI Connect**

Nodal Agency shall work with NRI Department and Higher Commission/Embassies in reaching out to UP Diaspora and encourage them to contribute to building the startup ecosystem in the State.

Pillar 5 Ecosystem Promotion

1. **Brand Promotion and Recognition of Talent**

- i. **Startup Express:** The State shall organize the “Startup Express” programme across various colleges/universities for entrepreneurship development in the State. The colleges participating in the programme shall be required to establish an incubator/E-Cell within the campus before being nominated to participate in the programme.
- ii. **Startup Mela:** This culmination of the Startup Express programme shall be known as the Startup Mela. Startups selected during the Startup Express event shall be invited to present their ideas to the jury members of Startup Mela. The winners of the programme shall be given various financial/non-financial rewards such as subsidized incubation support, sustenance allowance, Seed Capital etc. at the sole discretion of the Nodal Agency subject to approval from the PIU.
- iii. **Hackathons:** As required by the State Startup Ranking Framework of GoI, hackathons will be organized to identify innovative technological solutions from participants across India/ abroad. The top three shortlisted ideas shall be rewarded in the form of incubation support, funding, mentoring, etc.
- iv. **Junior Ideathon:** District level competitions for innovative ideas for the student groups from 8th to 12th standards shall be rewarded with a maximum amount of INR 25,000 per idea to the Idea team up to 50 ideas per year.
- v. **Startup Exchange Programme:** National/International programmes shall be introduced to garner knowledge and experience from global startup destinations to enhance the startup culture in the State. Similarly, tie-ups shall be made to bring world class startups to work and exchange ideas with local startups.
- vi. **Boot Camps:** Boot camps shall be organized at schools/ colleges/ universities to foster the culture of innovation and entrepreneurship within the campuses.
- vii. GoUP shall participate in the startup events organized domestically/globally in order to promote startup policy.
- viii. **Organize Competitions and Events:** Various events and competitions will be organized in State to stimulate and provide national and international exposure to the start-up ecosystem.

- ix. **Business Plan Competitions:** City-, District- and State-level competitions will be organized inviting school and college students to propose innovative business ideas to address issues faced by local communities and society-at-large. The best ideas shall be felicitated.
- x. **Grand Challenges:** The Government of UP shall extend financial support up to INR 3 Crores through a competitive grant-in-aid mechanism to scaling stage startups selected on merit through an open and transparent evaluation process. Such Grand Challenges may be organized by the State Government, in accordance with prescribed guidelines.
- xi. **Start-Up Symposia:** The Government will organize a two-day Start-Up Symposium, which would bring together innovators, incubators, investors, industry associations and academic institutions from across India and beyond. The event will rotate between major cities of Uttar Pradesh in order to engage and encourage the start-up communities in these geographies.
- xii. **Startup Week:** Startup week will be celebrated every year. Start-ups will be invited through an expression of interest in selected sectors for “Proof of concept opportunity”. Panel to evaluate the pitch/idea would include government officials, renowned industry players, investors, mentors and bankers. Two start-ups from each selected sector will be selected and awarded a work order of an amount of maximum INR 15 Lakhs and INR 10 Lakhs respectively to prove their concept. It is expected that UP Startup Mission may provide proof of concept opportunity to 14 start-ups every year through the startup week.
- xiii. **Sensitization Programme with State Government Departments:** UP Startup Mission shall conduct sensitization programmes with various State government departments to increase the effectiveness and awareness of the policy.
- xiv. **Financial Assistance for Organizing Startup Ecosystem Promotion Events:**
 - To strengthen the startup ecosystem by encouraging recognized organizations to host impactful events such as startup summits, investor meets, hackathons, bootcamps, workshops and incubation expos that foster innovation, mentorship and investment facilitation.
 - The Applications submitted by Incubators, Industry Associations, Academic Institutions, Non-profit organizations and similar entities for the amount up to INR 50 Lakhs will be approved by the PIU on the basis of proposal received and the application beyond INR 50 Lakhs will be approved by the EC on the recommendation of the PIU.

Pillar 6 Ecosystem Strengthening & Enablement

1. Preference to Startups in State Government Procurement

As per GoI, the startups have been provided with functionality to list their products and services on GeM portal. The GeM portal provides exemption to Startups from criteria of ‘prior experience’, ‘turnover’ and ‘submission of EMD’ to provide equal opportunity to DPIIT recognized startups.

For products and services not listed on GeM portal, the Government will strive to amend the Procurement Guidelines of the State in coordination with the Department of MSME, Govt of UP to earmark a specific value or percentage of total public procurements allocated for startups.

2. Annual Startup Ranking (UPrate)

State level annual startup ranking framework (UPrate) shall be introduced for GoUP registered startups which will be evaluated based on predefined parameters. The PIU shall be the approval authority for defining the annual ranking parameters and the ranking will be conducted by an external agency.

7- Incentives:

A Startups:

1. Startup Recognition & Eligibility:

- The eligible startup as mentioned in the “definition of startup” will submit the complete application on the StartinUP portal.
- Any startup that is incorporated in Uttar Pradesh and demonstrates an innovative idea or concept.
- The submitted application will be approved for recognition by the nodal agency subject to fulfilment of compliance.
- Incentives will be as per stage of startup.
- The Startup needs to be registered on DPIIT and StartinUP platform to be eligible for incentives under the policy.

Note: Startups shall be required to be incubated at a StartinUP-recognized incubator, commensurate with their stage of development and obtain a formal recommendation from the respective incubator at the time of applying for incentives under this policy.

Startups that are in the scaling stage or have progressed beyond the scaling stage shall be exempted from the requirement of incubation and incubator recommendation for the purpose of availing incentives under this policy.

2. Incentives for startups:

The policy introduces the following incentives to Support the Startups under the policy:

- i. **Sustenance Allowance:** Sustenance allowance at the rate of INR 20,000 per month per startup payable on a quarterly basis for a period of two-years shall be given to startups till prototype stage.
- ii. **Prototype Grant:** A one-time Prototype Grant of up to INR 10 Lakhs per startup shall be provided to StartinUP registered startups for prototype development. Startups at the prototype stage shall also be eligible to avail sustenance grant. The grant shall be disbursed in two tranches- 70% upfront and 30% on a reimbursement basis. The proposal shall be evaluated by Startup Review

Committee of Experts (SRCE) and recommended to PIU for approval and disbursement. Software-based startups developing standalone or technically advanced applications shall be considered eligible for the prototype grant. Startups providing services such as development of basic websites, informational portals, or simple mobile applications without substantial technological innovation shall not be considered under this category.

- iii. **Seed Capital:** Maximum INR 15 Lakhs per startup for cost of raw materials/ consumables/hardware & software/professional services /other equipment/ tools required for prototype refinement / product/ process development, Market research, Testing & trials, Marketing/ publicity assistance to launch the Minimum Viable Product (MVP) in the market. This incentive shall be given in 2 tranches (50% + 50%) - the first being advance and second will be based on the milestones committed and fulfilled by the startup. Proposals seeking benefits of more than INR 15 Lakhs and up to INR 50 Lakhs may be considered on a case-to-case basis and will be approved by the PIU subject to recommendation from the Startup Review Committee of Experts (SRCE).
- iv. **Matching grant on fund Raised:** For a start-up that has received funds/investments from any recognized national/international body or national mission, may receive matching assistance of 50% of the fund raised, up to a maximum of INR 5 Crores on minimum qualifying fund raise of INR 2 Crores. Assistance will be disbursed proportionately, aligned with the same funding rounds in which the startup receives funds. Startups that have received funding under UP Startup Fund (UPSF) launched by GoUP and rewards/prize money under any initiative shall not be eligible for this type of incentive. Startups not registered in Uttar Pradesh, but having production/service facility or operational unit with **more than 50% business operations** within Uttar Pradesh, shall also be eligible to avail the Matching Grant.
- v. **Additional Incentive for Startups:** An additional incentive of 50% shall be provided to Startups:
 - Founded/co-founded by EWS-led/ Women-led/ Divyangjan-led/ Transgender-led/ with minimum 51% shareholding or
 - Startups having registered offices in Purvanchal or Bundelkhand region or
 - Startups working in the sectors Agri-tech, Circular Economy, Rural Impact, Waste Management, Sustainability, Renewable Energy and Climate Change sectors. This additional incentive shall be applicable on seed and prototype grant based on the submitted proposal.
- vi. **Networking Support/ Event Grant:** Government will reimburse 50% of the cost of attending national conferences/events up to INR 50,000 and for attending international conferences/ events up to a maximum of INR 2 Lakhs. It will be mandatory for startups to obtain prior approval

from the PIU before participating in any conference or event. Reimbursement shall be based on actual expenses, subject to submission of an achievement report after the event.

- vii. **Accelerator programme support for startups:** Reimbursement shall be provided to eligible startups at Early Traction or Scaling stage for participation in an Acceleration Programme, subject to the following tiered limits:

- (a) Tier 1 — National/International Recognized Accelerators: 75% of programme fee, maximum INR 3,00,000 per programme;
- (b) Tier 2 — State-Recognized Accelerators: 50% of programme fee, maximum INR 2,00,000 per programme;
- (c) Tier 3 — Empanelled Programmes: 50% of programme fee, maximum INR 1,00,000 per programme.

Support will be extended to maximum 2 programmes per startup during the policy period, across all tiers. Prior approval from the PIU is mandatory before enrolment. Reimbursement shall be based on actual fee paid, supported by fee receipt and programme completion certificate. Tier classification shall be maintained by the UP Startup Mission on the StartinUP portal.

- viii. **Quality Certification Reimbursement/ Patent filing cost:** Startups will receive reimbursement of costs incurred for quality certification/ patent filing on a slab basis as follows:

- (i) 100% reimbursement on eligible expenditure up to ₹50 lakh subject to approval by the PIU based on the recommendation of Startup Review Committee of Experts (SRCE)
- (ii) 75% reimbursement on the portion of eligible expenditure exceeding ₹50 lakh and up to ₹1 crore on approval by the Hon. Cabinet on the recommendation of the PIU and the EC;
- (iii) 50% reimbursement on the portion of eligible expenditure exceeding ₹1 crore and up to ₹2 crore on approval by the Hon. Cabinet on the recommendation of the PIU and the EC;

Startups who have obtained the Quality certification from the recognized bodies shall be considered eligible under this provision.

- ix. **Interest Subvention on the Term Loans** - Interest subsidy shall be provided at 4% per annum subvention on Term Loans or actual interest paid which is lower on the loans obtained from scheduled banks / financial institutions subject to a maximum of up to INR 2 Crores for a period of 3 years, paid to lender on half-yearly basis subject to submission of a supporting documents.
- x. **Reimbursement of Provident Fund (PF)/ Employees' State Insurance (ESI)** - The State Government shall reimburse the Employer's contribution towards Provident Fund (PF) and Employees' State Insurance (ESI) paid by eligible startups, to promote formal employment generation in the State for a duration of 3 years.

Eligibility criteria for reimbursement of PF/ ESI:

- The applicant should be a startup registered with StartinUP
- Applicable for all the startups across the State
- The employer's contribution should be less than INR 21,000 per employee (Employee data will be verified through PF/ESI departments)
- The employee should be on the payrolls of the company
- Company should not be operating for more than 3 years on the date of application

3. Incentive for Deep Tech Startups:

- Enhanced Financial Assistance for Deep-Tech Startups (Prototype and Seed Grants)-** Deep-tech startups whose proposals undergo rigorous evaluation and are recommended by the concerned **Centre of Excellence (CoE)/ Deep Tech Hub/ Innovation Hub** for Prototype Grant and Seed Grant shall be eligible **for enhanced financial assistance, wherein the approved incentive amount shall be increased up to twice the standard startup incentive**, subject to approval by the PIU.
- Patience Capital-** In order to accelerate the development of high-impact Deep Tech innovations with long gestation periods, the Government of Uttar Pradesh shall provide "Patience Capital" to eligible Deep Tech Innovation startups to enable sustained research, product validation and commercialization.
 - The startup proposal for seeking Patience Capital must be identified by the Navratna Incubators and formally recommended by Director of the host institute of those Navratna incubators. The proposal shall thereafter be recommended by the PIU, followed by consideration by the EC and final approval by the Hon'ble Cabinet.
 - A maximum of four (4) Deep-Tech Innovation startups shall be supported in a financial year, with funding of up to INR 40 Crores per startup under this provision. The total allocation under this component shall not exceed INR 100 Crores in a year. The amount sanctioned per startup shall be decided on a case-to-case basis, based on technology readiness, capital requirements and the amount sanctioned will be disbursed to Navratna incubator for further disbursement to selected startups.
 - Returns on Patience Capital shall be structured through a flexible combination of IP monetization share, revenue share and equity/convertible instruments, including revenue-linked returns, capped IP commercialization share and long-tenure convertible equity, as determined by the competent authority.
 - Supported startups shall commit to Uttar Pradesh as their home State upon maturity and maintain a majority of scale-up, manufacturing and future R&D operations within the State to ensure long-term economic and strategic benefits.

- iii. **Royalty based R&D matching grant-** The State government matches up to 40% of the verified R&D expenditure as non-dilutive grant. Repayable as 3% revenue royalty only after the startup crosses INR 1 Crore in annual revenue. Non-repayable if the product fails to commercialize.
- iv. **Incentive for Compute Power to Startups-**Eligible startups may receive reimbursement for actual expenses incurred on data centre and/or cloud services, up to INR 2 Lakhs per financial year. A minimum annual spend of INR 50,000 shall be required to claim this benefit. Reimbursement will be 50% of the amount spent above INR 50,000, subject to the maximum limit of INR 2 Lakhs per year.

4. Process of Incentivization

Startups shall apply on the StartinUP Portal as per their actual stage, with incubator recommendation. Startup applications shall be evaluated by the sector specific Startup Review Committee of Experts (SRCE) and recommended to the nodal agency. After approval from nodal agency, the final approval PIU shall be done by the PIU and after which the financial incentive shall be directly transferred to the startup's bank account.

The guideline for selection and disbursement of incentives for startups shall be notified by the PIU, which may further be amended for the betterment of the policy on the approval of EC recommended by the PIU.

5. Support for startups

Free incubation shall be provided for two years at StartinUP recognized incubators and Centre of Excellence (CoEs).

B. Incubator

1. Incubator Recognition & Eligibility

- i. Incubators recognized by StartinUP.
- ii. Host institutes willing to get recognized under UP Startup Policy shall be required to fulfil the following parameters:
 - **Floor Area:** 10,000 sq. ft. for educational institutes and 5,000 sq. ft. for incubators occupying commercial space.
 - **Dedicated Incubation Team:** Incubator must employ a dedicated incubation manager to manage the regular operations along with 2 other team members to support.
 - **Co-working Space:** Incubator shall create a coworking space of at least 50 sq. ft. per seat.
 - **Meeting Rooms:** There should be availability of dedicated meetings rooms available to be used for client meetings by startups.

- **Conference Room:** A conference room should also be available for small events or mentoring classes for start-up founders.
- **Cafeteria/Refreshment Zone:** Refreshments zone shall be established for startups and visitors working from/visiting the incubation Centre.

2. Incentives for Incubator

- Capital expense grant:** Capital grant on setting up/scaling up technology infrastructure for the StartinUP recognised non-government incubators shall be reimbursed up to 50 percent of the eligible amount subject to maximum limit of INR 1.25 Crores (for the Purvanchal/Bundelkhand regions Up to ₹1.50 Crores), first instalment to be capped at 25 percent of the maximum limit. The demand for the same shall be raised on quarterly basis by incubators. Capital grant to government incubator shall be given in exceptional cases only post approval by the Empowered Committee.
- Operational Expenditure grant:** Financial support to incubators up to INR 40 Lakhs per year shall be allowed to cover operational expenditure for 5 years or until self-sustainable, whichever is earlier. The incubators having 2 or more registered startups shall be eligible to claim these expenses. The expenses can be claimed proportionately until the target of 10 registered startups is achieved upon which they become eligible to claim the full amount of INR 40 Lakhs for subsequent remaining period. The year-on-year continuation of operational expenditure support shall be solely dependent on incubator's performance assessed through Incubator Performance Evaluation Framework conducted by external agency, released by Nodal Agency and approved by the PIU. The operational expenditure shall be subject to valid supporting documents such as Invoices, Utilization certificates certified by CA etc. (A relaxation shall be provided for the first year, wherein the requirement of having a minimum of 2 registered startups shall be waived. However, by the end of the first year, the incubator must have at least 10 registered startups to continue receiving full operational expenditure support. Incubators who have completed 5 years of operations but have not received any OPEX grant or have received only partial OPEX support earlier shall also be considered eligible under this provision, subject to meeting other criteria and performance requirements).

Note: An incubator shall be eligible to claim the operational grant only if it has startups physically incubated within its premises. Startups that are incubated virtually shall not be considered for this purpose.

- Incubators shall be free to charge from startups for utilization of co-working space and mentorship session as per their agreement post the free incubation period executed on the StartinUP Portal.

- Around 60% amount of the operational grant shall be utilized for the salary of dedicated manpower for the incubation Centre and remaining 40-45% amount shall be utilized for maintenance of the incubation Centre, professional services and programmes & outreach.

Note: The operational grant shall be utilized strictly and exclusively for resources, activities and expenditures directly related to the incubation Centre. Any utilization of funds for purposes other than those specified under this policy shall not be permitted.

- The selection criteria for the appointment of incubation manager and guideline for disbursement of incentives for Incubators shall be approved by the EC on the recommendation of the PIU.

iii. **Acceleration Programmes:** Acceleration programmes are short to medium term mentoring programmes to support startups with business expansion once they have scaled up to formally launch product in the market.

- A matching grant of up to INR 1,00,000 per startup, maximum INR 10 Lakhs per programme, shall be given to competent institutions for up to 5 programmes per institution per year, to run an Acceleration Programme of minimum 12 weeks for eligible startups at Early Traction or Scaling stage. Maximum 100 such programmes may be organised per year under this policy. The total number of such programmes and the cap on the number of such programmes per institute may be relaxed by the EC on recommendation of the PIU. Competent institutions eligible to run programmes include: GoI/GoUP-supported or recognized incubators; SEBI-registered angel investors; banks and reputed academic institutions; private accelerators empanelled with the UP Startup Mission with at least 3 years of experience.
- **Exclusion - Anti Double-Dipping:** An institution that has claimed the matching grant under this clause for a specific programme cohort shall not also receive programme fees from the same startup participants for whom the startup-side reimbursement has been claimed. Where a startup claims reimbursement, the running institution must certify on the StartinUP portal that it has not charged and will not charge, a programme fee to that startup in excess of the amount the startup will recover through the government reimbursement.
- **Outcome Reporting and Empanelment Renewal:** Institutions claiming this matching grant shall submit an Annual Programme Outcome Report to the UP Startup Mission within 60 days of financial year end, covering: (i) number of startups graduated per cohort; (ii) percentage of graduates who raised external investment within 12 months; (iii) aggregate revenue growth of cohort companies; (iv) number of jobs created.

- Empanelment shall be renewed annually. Institutions that fail to submit the Outcome Report for 2 consecutive years, or whose cohort funding conversion rate falls below 10% for 2 consecutive years, shall be de-empanelled at the discretion of the PIU.
- iv. **Navratna Incubators:** All Navratna incubators shall get an incentive of INR 30 Lakhs per annum for developing/scaling up the incubation capabilities.
 - The guidelines for selecting Navratna Incubators and for disbursing incentives to them will be approved by the EC on the recommendation of the PIU.
- v. **Annual Incubator Rankings:** State level annual incubator rankings shall be introduced as per the KPI framework approved by the EC. An external agency will be engaged to perform the Periodic Evaluation and assign rankings.
- vi. **Reward for funding raised by startups:** The GoUP shall reward the recognised incubators with 2% up to INR 50 Lakhs of the total amount raised by their incubated startups in each quarter of the financial year. This incentive shall be excluding the funds raised by startups under the UP-Startup Fund.

3. Provision for incentivization of Incubators

- The Incubator applying for incentive shall be a StartinUP recognized incubator.
- Capital and operational expenses can be claimed by applicants applying to get recognized as an incubator under the policy.
- Performance review and quarterly assessment of incubators shall be done by the UP Startup Mission based on the KPIs/target compliance report along with the necessary supporting documents submitted by the recognized incubator.
- Necessary action shall be taken in cases of non-performance by incubators, i.e. non-compliance to mandatory 70% KPI Target achievement and at least 80% grant utilization for a period of 2 Years tenures.
- Other terms and conditions will be decided by the PIU through separate guidelines issued for the incentivization to the incubators under the policy.
- The Incubator applicants shall register on StartinUP Portal and will be the PIU recognized and approved for grant under the policy by the PIU.
- The proposal of incubator shall be devoid of charging any equity from the startups to be incubated within the free incubation period.
- Recognized incubators shall submit a declaration confirming that a dedicated infrastructure space has been created using StartinUP funds. The incubator shall also confirm that no other funds have been raised for the same purpose. However, they are free to dovetail schemes/ incentives of Government of India and not through any other State policy/ scheme.

Mentors:

4. Eligibility for recognition on StartinUP Portal:
 - i. Mentors shall be registered on MAARG and StartinUP portal.
 - ii. Mentors shall provide structured guidance and support for startups across various stages.
 - iii. Key responsibilities of mentors include providing strategic guidance for startup growth, business model validation and product-market fit. They shall support startups through domain expertise, fundraising guidance, market linkages, networking and resolution of operational or regulatory challenges.

C. Centre of Excellence (CoE)**1. Procedures and Guidelines for Centre of Excellence (CoE):**

The Government of Uttar Pradesh shall provide financial support in the form of Grant-in-aid (covering capital and operational expenditure) up to INR 12 Crores to CoE during a span of 5 years from the date of establishment. It is expected that the CoE would become self-sustainable by the end of 5 years.

Post completion of the 5 year period, the CoE shall continue to be associated with Startup UP; however, no further financial Grant-in-aid shall be provided.

Upon completion of 5 years, in Exceptional cases an extension of up to 40% of the financial Grant-in-aid (covering capital and operational expenditure) may be considered for the existing CoE, subject to approval by the Empowered Committee based on the recommendation of the PIU.

The goal is to establish CoEs in the fields of Quantum Computing, Machine Learning, AR/VR, Robotics, Space-Tech, Defence-Tech, Agri-Tech, Edu-Tech, Health-Tech and other relevant areas of social or national importance.

The disbursal of financial support to CoE shall be contingent upon the EC's decision. Moreover, the release of funds/incentives by the Government shall depend upon their performance

2. Target and Outcome for CoE:

The CoE shall create incubation capacity for at least 50 startups at any given point in time. The CoE shall target to graduate 100 startups over a period of five years, primarily in IT and related domains, including at least 100 startups from other sectors such as Biotechnology, Manufacturing, Energy, Agri-business and other emerging sectors.

The CoE shall provide end-to-end support across the startup lifecycle, including ideation, validation, prototyping, product development, market access and scale-up. Emphasis shall be placed on enabling startups to achieve commercial viability. Accordingly, startups graduating from the CoE are expected to have established sufficient production or service delivery capacity, demonstrated market traction and an active presence in the market, with clearly defined revenue models and growth potential.

A CoE can also recommend its beneficiary startup for applying incentives under the policy.

D. Non-Fiscal Incentives for Startups/Incubators/ CoEs:

- i. In alignment with the labour reforms undertaken by the Government of India, including the Code on Wages 2019, Industrial Relations Code 2020, Occupational Safety Health and Working Conditions Code 2020 and Code on Social Security 2020, the State shall provide a facilitative and enabling regulatory environment for startups to promote ease of doing business. In case of the labour laws, no inspections will be conducted for a period of 3 to 5 years from the date of incorporation. Startups may be inspected on receipt of credible and verifiable complaint of violation, filed in writing and approved by at least one level senior to the inspecting officer.
- ii. Permission shall be available for 3-shift operations with women working in the night for startups, subject to such units taking the prescribed precautions in respect of safety, welfare and security of employees in addition to providing the required welfare and health amenities as prescribed under applicable labour laws and obtaining the necessary approvals from the competent authority.
- iii. The State shall promote flexible employment practices including engagement of gig workers, platform workers and fixed-term employees in accordance with applicable provisions under National Labour Laws. A simplified and digital single-window compliance mechanism shall be developed through the StartinUP Portal to enable startups to fulfil regulatory requirements in a seamless and time-bound manner.
- iv. The State Government shall periodically review and rationalize compliance requirements for startups to ensure alignment with evolving reforms and emerging business models.

8- Governance

4-Tier Governance structure will be responsible for effective implementation, monitoring and decision making for the Startup Policy 2026.

The composition of the governance structure is as follows:

1. **Steering Committee (SC)** formed under the Chairmanship of Hon. Chief Minister, Government of Uttar Pradesh

The charter of the Steering Committee shall be pertaining to monitoring and review of achievement of policy outcomes on annual basis against defined Vision, Mission and Goals including but not limited to promotion of startup culture by various departments, approval and disbursement of incentives to incubators and startups, recognition and establishment of incubators in the State, performance of State in State Startup Ranking Framework etc. The other members of the committee are as follows:

Hon. Minister, IT & Electronics, GoUP

Hon. Minister, MSME & Export Promotion, GoUP

Hon. Minister, Technical Education, GoUP

Hon. Minister, Agriculture, GoUP

Hon. Minister, Tourism, GoUP

Hon. Minister, Department of Industrial Development, GoUP

Chief Secretary, GoUP

Additional Chief Secretary/ Principal Secretary, Infrastructure and Industries Development
Commissioner (IIDC), GoUP

Additional Chief Secretary/ Principal Secretary, Department of Tourism, GoUP

Additional Chief Secretary/ Principal Secretary, Department of IT & Electronics, GoUP

Additional Chief Secretary/ Principal Secretary, Department of Planning, GoUP

Additional Chief Secretary/ Principal Secretary, Department of Finance, GoUP

Additional Chief Secretary/ Principal Secretary, Department of MSME, GoUP

Additional Chief Secretary/ Principal Secretary, Department of Vocational Education & Skill
Development, GoUP

Additional Chief Secretary/ Principal Secretary, Department of Higher Education, GoUP

Additional Chief Secretary/ Principal Secretary, Department of Technical Education, GoUP

Additional Chief Secretary/ Principal Secretary, Department of Medical Education, GoUP

Additional Chief Secretary/ Principal Secretary, Department of Agriculture, GoUP

Additional Chief Secretary/ Principal Secretary, Department of Rural Development, GoUP

Additional Chief Secretary/ Principal Secretary, Department of Housing & Urban Development,
GoUP

2. **Empowered Committee (EC)** shall be formed under the chairmanship of Chief Secretary, Government of Uttar Pradesh.
 - i. The State level EC shall take necessary decisions on the matters related to effective policy implementation or any other issues referred by the PIU for decision making.
 - ii. The charter of the committee shall be pertaining to effective implementation of the policy by various departments with respect to setting up incubators, setting up sectoral funds, promotion of startup culture through various events and contributing to positioning UP among the Top start-up ecosystems in India.
 - iii. The EC will also approve Key Performance Indicators (KPIs) for periodic assessment of incubator's performance towards achieving the policy goals. The assessment of incubators shall be done by an external agency.
 - iv. The EC shall be responsible for recommending grant-in-aid for Centre of Excellence, Patience Capital for Deep-Tech Start-ups and special cases of Quality Certification/ Patent filling cost reimbursement to the Hon'ble Cabinet for approval.
 - v. This Committee will also have the power to provide any clarity or interpretation of the policy and resolving any challenges faced in the implementation of the policy.
 - vi. This committee shall comprise of Additional Chief Secretary/ Principal Secretaries of IT&E, Finance, Technical Education, Higher Education, Skill Development, Medical Education,

Agriculture, MSME, Commercial Tax, Energy, Transport, Rural Development, Housing & Urban Development and any other department as directed by the EC Chairman time to time.

- vii. The Empowered committee constituted under the policy shall decide upon the amendment of the policy.
3. **Policy Implementation Unit (PIU)** shall be formed under the chairmanship of the Additional Chief Secretary/ Principal Secretary, Department of IT & Electronics Government of Uttar Pradesh
 - i. The PIU shall be set up to oversee the work of Nodal Agency with regards to startup policy implementation including the decision making wherever required such as recognition of incubators, approval of incentives for startups, launch of startup funds and approval of startup ecosystem promotion event.
 - ii. The PIU shall also be responsible for providing recommendations and approvals of incentives applicable to startup stakeholders through startup nodal agency.
 - iii. It shall provide timely redressal of their grievances and facilitate necessary guidance and support.
 - iv. The PIU may refer cases to the Empowered Committee (EC) for further deliberation and decision making, as and when required.
 - v. Other responsibilities of the PIU include but not limited to, coordination with government functionaries, engagement with industry associations, onboard startup ecosystem stakeholders, corporates, promotion of the policy etc.
4. **Startup Review Committee of Experts (SRCE)** shall comprise of members from Industry, Academia, Venture Capitalists, Angel Investors, Mentors, Government representatives along with funding agencies and established/ prominent startups to evaluate and recommend the incentive proposals of startups as per the provisions of the policy.
 - i. The SRCE shall be answerable to the ACS/PS, IT & Electronics, GoUP, for carrying out the assessment of startups under the Policy. The recommendations on evaluation by the SRCE will be forwarded to the PIU through the Nodal Agency.
 - ii. UP Startup Mission will nominate the sector specific Startup Review Committee of Experts (Total 7 and can be further amended/extended after approval of the PIU) in the below mentioned priority sectors after the approval of PIU. This committee shall evaluate startup applications and recommend them to the Nodal Agency, which shall be forwarded to the PIU for final approval and disbursement of incentives.
 - iii. These members of the committee shall be:
 - Subject Matter Experts (SME) from technical and non-technical academic institutions which shall be nominated by UP Startup Mission after due approval from the PIU.
 - Investors (Angel Investors, HNIs, VCs, etc.), mentors and private industry experts who are proficient in investing or evaluating startups.
 - iv. Any individual holding equity in a startup shall not be eligible to serve as Chairperson of the SRCE.

Additional Institutional Mechanisms:

- **Advisory committee** Shall be formed under the chairmanship of Additional Chief Secretary/ Principal Secretary, Department of IT & Electronics, Government of Uttar Pradesh.

The Advisory Committee shall function as a think tank for incubators, startups, accelerators and other stakeholders within the State's startup ecosystem. The Committee shall comprise representatives from Incubators, Alternative Investment Funds (AIFs), Fund Managers, Faculty Members from reputed Academic Institutions, successful startups and other relevant stakeholders. The Committee shall provide strategic inputs, suggestions and feedback to support the effective implementation and continuous improvement of the Policy to the Empowered Committee which shall further taken for consideration of the Steering Committee.

- **UP Startup Mission** will be established which will act as single-window and nodal agency for the implementation of this policy. UP Startup Mission will be set up under the Department of IT & Electronics, Govt. of Uttar Pradesh and shall be responsible for effective implementation of this Policy.

Note: UP Electronics Corporation Limited shall continue to serve as the Nodal agency until the UP Startup Mission is established and becomes operational.

9- Guidelines and Amendments

- The Operational guidelines for the implementation of this policy including approval and disbursement of Incentives mentioned in this policy shall be issued by Policy Implementation Unit (PIU).
- During the implementation of the policy, if needed, the financial incentives for startups, incubators and CoEs may be increased by up to 50%, with the approval of the Hon'ble IT Minister, based on the recommendation of the Empowered Committee.

10- Definitions

1. **Startup:** An entity shall be considered as a Startup on fulfilling the conditions defined by Government of India, vide notification No. G.S.R. 108(E) dated 4 February, 2026 being issued in supersession of the Gazette Notification No. G.S.R. 127(E) dated February 19, 2019 and subsequent amendments thereof. In this notification, an entity shall be considered as a Startup:

a 'Startup' means an entity which—

- i. is incorporated or registered in India as a private limited company (as defined in the Companies Act, 2013) or registered as a partnership firm (registered under section 59 of the Partnership Act, 1932) or a limited liability partnership (under the Limited Liability Partnership Act, 2008) or a Multi-State Cooperative Society registered with the Central Registrar of Cooperative Societies (under the Multi-

- State Cooperative Societies Act, 2002) or a Cooperative Society registered under any State or Union Territory Cooperative Societies Act with the respective Registrar of Cooperative Societies in India;
- ii. is within a period of ten years from the date of its incorporation or registration;
 - iii. has a turnover for any of the financial years since incorporation or registration not exceeding two hundred Crores rupees; and
 - iv. is working towards innovation, development or improvement of products or processes or services, or is a scalable business model with a high potential of employment generation or wealth creation.

Provided that, in the case of an entity recognized as a 'Deep-Tech Startup' under this notification:

- (a) the period specified in clause (ii) shall be up to twenty years from the date of its incorporation or registration; and
- (b) the turnover limit specified in clause (iii) shall be three hundred Crores rupees for any of the financial years since incorporation or registration

Provided further that, an entity formed by splitting up or reconstruction of an existing business shall not be considered a Startup.

Explanation:

For the purposes of this notification, an entity shall cease to be a Startup on completion of ten years from the date of its incorporation or registration, or if its turnover for any previous year exceeds two hundred Crores rupees.

Provided that, in the case of an entity recognized as a Deep-Tech Startup under this notification, such entity shall cease to be a Deep-Tech Startup on completion of twenty years from the date of its incorporation or registration, or if its turnover for any previous year exceeds three hundred Crores rupees.

2. **Incubators:** The incubator shall be responsible to support startups by providing plug and play facilities, meeting/conference rooms/office space and shared administrative services, high-speed internet access etc. The Incubators shall also provide various services to startups such as mentors, training, funding, legal services, accountancy services, technical assistance, networking activities, marketing assistance etc. in collaboration with State/Central Government, as possible.
3. **Host Institutes:** Host Institutes (HIs) are reputed technology, management and R&D institutes run by GoUP or established and run by GoI in the State of UP focused on entrepreneurial development and promotion to set up incubators to galvanize the startup ecosystem in the State.
4. **Acceleration Programmes:** An Acceleration Programme is a structured, time-bound programme of a minimum of 12 weeks' duration designed to accelerate the growth of post-product startups through intensive mentoring, market access facilitation, investor readiness training and peer cohort learning. Acceleration programmes are distinct from incubation:

which provides infrastructure and early-stage support — in that they focus exclusively on business scaling, revenue growth and investment readiness for startups that have completed product development and are at Early Traction or Scaling stage.

An Acceleration Programme must satisfy all of the following conditions to be eligible under this policy:

- ✓ Minimum duration of 12 weeks operating on a cohort model of not fewer than 5 startups per cohort.
- ✓ Delivered by an organization empanelled with the UP Startup Mission and falling within one of the three Tiers defined below;
- ✓ curriculum must include, at minimum: investor pitch preparation, financial model review, go-to-market strategy and at least 2 Demo Day or investor connect events
- ✓ the programme must not charge equity from participating startups as a condition of participation.

- Tier Classification:

- ✓ Tier 1- National/International Recognized Accelerators: DPIIT-recognized accelerators, SEBI-registered AIFs with an acceleration mandate, or international accelerators with a verified portfolio of 50 or more graduated companies (examples: Y Combinator, Techstars, T-Hub Lab32, CIIE IIM Ahmedabad, IIT-based accelerators).
- ✓ Tier 2 – State-Recognized Accelerators: GoUP or GoI-supported incubators running structured acceleration programmes; SEBI-registered angel networks with acceleration programmes; banks and financial institutions with verified startup acceleration programmes; private accelerators with at least 3 years of operation and a minimum of 20 graduated companies.
- ✓ Tier 3 - Empanelled Programmes: All other institutions empanelled with the UP Startup Mission meeting conditions (a) through (d) above, including academic institutions, industry associations and emerging accelerators.

- Tier classification shall be maintained and published by the UP Startup Mission on the StartinUP portal and updated annually.

5. **Venture Capital Funds:** Investment funds that manage money from investors seeking equity stakes in startups with strong growth potential. These investments are generally characterized as high-risk/high-return opportunities.
6. **Angel Investors:** Investors who provide early-stage seed funding to small startups or entrepreneurs. The Angel investor should be registered with SEBI or banks or GoUP/GoI approved incubation Centres.
7. **Women based startup:** A woman led startup is a startup owned by woman or group of women with at least 51% of equity in the startup and registered with DPIIT and StartinUP
8. **Purvanchal based startup:** Startup registered in any district of the Purvanchal region of Uttar Pradesh:
 - **Ayodhya Region:** Ayodhya, Ambedkar Nagar, Sultanpur, Amethi
 - **Gorakhpur Region:** Gorakhpur, Deoria, Maharajganj, Kushinagar
 - **Prayagraj Region:** Prayagraj, Kaushambi, Fatehpur, Pratapgarh

- **Varanasi Region:** Varanasi, Chandauli, Jaunpur, Ghazipur
 - **Mirzapur Region:** Mirzapur, Sant Ravidas Nagar, Sonbhadra
 - **Azamgarh Region:** Azamgarh, Ballia, Mau
 - **Devipatan Mandal:** Gonda, Bahraich, Balrampur, Shravasti
 - **Basti Region:** Basti, Sant Kabir Nagar, Siddharth Nagar
9. **Bundelkhand based startup:** Startup registered in any district of the Bundelkhand region of Uttar Pradesh.
- **Jhansi Region:** Jhansi, Jalaun, Lalitpur
 - **Chitrakoot Region:** Banda, Chitrakoot, Hamirpur, Mahoba
10. **EWS (Economically Weaker Section):** A category defined by the Government of India for individuals from the general (unreserved) category whose annual family income is below INR 8 Lakhs and who do not belong to SC, ST, or OBC categories and holding a valid certificate issued by a competent authority.
11. **Transgender:** A person whose gender identity does not align with the gender assigned at birth, as defined under the Transgender Persons (Protection of Rights) Act, 2019 and holding a valid disability certificate issued by a competent authority.
12. **Divyangjan:** Persons with disabilities who have long-term physical, mental, intellectual, or sensory impairments that hinder full and effective participation in society, as defined under the Rights of Persons with Disabilities Act, 2016 and holding a valid disability certificate issued by a competent authority.
13. **Minimum Viable Product (MVP):** A Minimum Viable Product (MVP) is the simplest version of a product that includes only the core features necessary to solve a specific problem for early adopters, allowing a startup to launch quickly, test assumptions and gather real user feedback with minimal resources.
14. **Patience Capital:** Long-term, risk-tolerant financial support provided to startups, structured through a flexible combination of IP monetization share, revenue share and sweat/mentoring equity/convertible instruments, including revenue-linked returns, capped IP commercialization share and long-tenure convertible equity in the form of Compulsorily Convertible Preference Shares (CCPS), which does not seek immediate returns and is aligned with extended innovation, research and development.
15. **Deep-Tech Innovation:** Technology-driven innovation based on significant scientific or engineering breakthroughs, including but not limited to artificial intelligence, advanced materials, biotechnology, medical technologies, clean energy, semiconductors, aerospace, robotics, quantum computing or similar emerging technologies, where product development involves high R&D intensity and longer gestation periods.
16. **Circular Economy:** Circular Economy refers to an economic model that focuses on reducing waste, reusing resources, recycling materials and regenerating natural systems by promoting sustainable production and consumption practices. The Circular Economy domain includes sectors and activities such as waste management and recycling, resource recovery, sustainable packaging, repair and refurbishment,

remanufacturing, industrial symbiosis, bio-based materials, agricultural waste utilization, water recycling and wastewater treatment, e-waste management, construction and demolition waste recycling, renewable and sustainable materials, product life extension, sharing economy platforms and circular supply chains.

17. **Patent filing cost:** The cost incurred for getting an intellectual property right granted to an inventor for an invention that is novel, involves an inventive step and is capable of industrial application, conferring exclusive rights to make, use, sell, or import the invention for a specified period.
18. **Quality Certification reimbursement:** The reimbursement for getting Quality certification granted by an accredited national or international certification body, confirming that a product, service, or process complies with prescribed standards of quality, safety, performance, or reliability.
19. **Graduating:** Graduating of startup means reaching a stage where a startup has successfully grown, proven its business model and is ready to move from an early-stage incubation or acceleration programmes into the next phase of independence and scaling.



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