

Seed Funding Guidelines

Introduction

To create a world-class technology startup ecosystem and foster entrepreneurship and a culture of innovation in the state; which contributes towards increased knowledge, wealth and employment in the society, Government of Andhra Pradesh through a dedicated and focused approach is trying to create a significant and substantial change by designing and operationalizing various incentives and programs in order to make the state an Innovation and Entrepreneurship Hub of Global repute.

Andhra Pradesh's Innovation policy is based on the 5 pillars of:

1. Shared Infrastructure
2. Accelerators/ Incubators
3. Human Capital
4. Funding
5. A system of Good Governance (State Support)

To attain the objectives of the AP Innovation Policy and support deserving startups in their endeavor, Andhra Pradesh Innovation Society formulated the Seed Funding Guidelines.

What is supported:

- A process or product innovation with significant impact or commercial potential.
- A proposal with clear technology objectives.
- A proposal that focuses on establishing or validating proof-of-concept for a innovative technological idea.
- A proposal aimed at technology de-risking i.e., reducing uncertainties in the technology.
- A proposal that focuses on generating and providing the scientific data needed to demonstrate an idea to potential licensors/ investors etc.

What is not supported:

- Basic / exploratory research projects that aims to demonstrate scientific principles/ techniques etc without technology commercialization objectives.
- Ideas or projects with no plan to convert them into saleable (implementable) technology/products/services.
- Ideas or projects with serious ethical, environmental, health and safety risks deemed unfeasible by experts

Guidelines



The scheme aims to support startups who come up with innovative products, processes or services, or have a scalable business model with high commercialization potential.

Eligibility:

Startups graduated from APIS owned/partnered Incubator/Accelerator or APIS recognized or associated Incubation/Innovation/Entrepreneurship Centers, are eligible to apply for the seed fund support.

Implementation:

APIS will implement the scheme through its partner incubators, its own network of incubators and APIS recognized/associated Incubation/Innovation/Entrepreneurship Centers.

- To promote the development of cutting edge technologies catering to the current and future needs of the society; proposals will be called and categorized into the following themes and paired with an appropriate incubator:
 1. Health
 2. Agriculture
 3. Education
 4. IT, AI, AR and VR, IOT
 5. Social Innovation
 6. Waste Management
 7. Energy
 8. Environment
 9. Robotics, Space, Defense
 10. Intersection of other new technology
- A one-time grant of upto **INR 5,00,000/-** per startup will be provided to the selected entities as seed fund, with the total budget for the scheme not exceeding INR 2 Crores per financial year.
- The seed fund may also be give as reimbursement for any professional/technical/infrastructural/marketing or any other cost incurred by the startup which is deemed necessary and recommended by the Evaluation Committee, through the corresponding incubator during the incubation process.
- Startup that has already received the fund support once is not eligible for receiving the same funding support again. However, it may apply for state government run other funding schemes.
- Startups can apply for the scheme throughout the year.
- The Evaluation Committee will convene once in every 2 months to select the eligible startups for the scheme.
- Startups who have been in incubation under the APIS recognised/partnered/owned incubators for atleast 4 months will be eligible for the seed fund.



- To avail the benefit, the entity must be an APIS registered startup.

Startups and Incubation Centers Evaluation Committee:

The Startups and Incubation Centers Evaluation Committee will be responsible for the selection of the beneficiary startup form the list of applications. The committee will consist of following members:

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| 1. Principal Secretary, Dept. of ITE&C, GoAP | - Chairperson |
| 2. CEO, APIS | - Convenor |
| 3. One person from GoAP, nominated by Principal Secretary, ITE&C, GoAP | - Member |
| 4. Domain Experts opted by CEO, APIS | - Member |
| 5. Member from Startup/Academia/Industry/NGO opted by CEO, APIS | - Member |
| 6. Member from Investor's Community opted by CEO, APIS | - Member |
| 7. Member from APIS partnered/recognised Incubator | - Member |

Details of the Selection Process:

1. APIS along with its Incubator Partners screen the applications for eligibility and appropriateness under the scheme.
2. A technical validation report duly signed by the expert will be facilitated by the incubation partner.
3. Based on the recommendation and report of the expert, the Startups and Incubation Centers Evaluation Committee will select the final list of startups for the grant of seed fund.
4. The decision of the Evaluation Committee regarding any aspect of the selection process will be considered as final.

Evaluation Criteria:

Evaluation criteria for selection of the idea of the startup maybe determined by the committee based on the context, domain, innovativeness, feasibility for implementation, social impact, commercialising potential, etc.

The guidelines are subjected to change based on the recommendations of the Executive Council from time to time. Any revisions in the guidelines will be reflected on the APIS portal.

