

**NATIONAL INITIATIVE FOR DEVELOPING
AND HARNESSING INNOVATIONS
(NIDHI)**

**Grand Challenges and
Competitions
for scouting innovations
(NIDHI-GCC)**

**GUIDELINES
AND
PROFORMA FOR SUBMISSION OF PROPOSALS**



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Government of India
Ministry of Science & Technology
Department of Science & Technology
Technology Bhawan, New Mehrauli Road,
New Delhi-110016
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National Initiative for Developing and Harnessing Innovations (NIDHI)

Background

National Initiative for Developing and Harnessing Innovations (NIDHI) is an umbrella programme conceived and developed by the Innovation & Entrepreneurship division, Department of Science & Technology, Government of India, for nurturing ideas and innovations (knowledge-based and technology-driven) into successful startups. The programme would work in line with the national priorities and goals and its focus would be to build an innovation driven entrepreneurial ecosystem with an objective of socio-economic development through wealth and job creation.

NIDHI would aim to nurture start-ups through scouting, supporting and scaling of innovations. The key stakeholders of NIDHI would include various departments and ministries of the central government, state governments, academic and R & D institutions, mentors, financial institutions, angel investors, venture capitalists and private sectors. NIDHI is developed keeping in line the new national aspirations and on the basis of DST's experience of three decades, in promoting innovative start-ups.

The key components of NIDHI are –

- 1. NIDHI-GCC - Grand Challenges and Competitions for scouting innovations;**
2. NIDHI-PRomotion and Acceleration of Young and Aspiring technology entrepreneurs (NIDHI-PRAYAS) - Support from Idea to Prototype.
3. NIDHI-Entrepreneur In Residence (NIDHI-EIR) - Support system to reduce risk.
4. Startup-NIDHI through Innovation and Entrepreneurship Development Centres (IEDCs) in academic institutions; encouraging Students to promote start-ups.
5. Start-up Centre in collaboration with MHRD; Inculcating a spirit of entrepreneurship in National Institutions of Higher Learning.
6. NIDHI-Technology Business Incubator (TBI) - Converting Innovations to start-ups.
7. NIDHI-Accelerator - Fast tracking a start-up through focused intervention.
8. NIDHI-Seed Support System (NIDHI-SSS)- Providing early stage investment
9. NIDHI Centres of Excellence (NIDHI-CoE) - A World class facility to help startups go global

NIDHI-GCC - Grand Challenges and Competitions

Introduction

National Science and Technology Entrepreneurship Development Board (**NSTEDB**) of the Department of Science and Technology, Govt. of India is supporting Technology Business Incubators primarily in and around academic, technical and management institutions to tap innovations and technologies for venture creation by utilizing expertise and infrastructure already available with the host institution.

These incubators look inwards as well as outwards to source interesting ideas - which can be further groomed and supported. NSTEDB has been supporting large-scale scouting programs like Economic Times Power of Ideas, Intel Innovate for Digital India, Lockheed Martin India Innovation Growth Program, among several others. These large-scale programs have motivated several aspiring entrepreneurs to take the plunge and convert their ideas into viable enterprises. The programmes with the private sector participation are evolved through mutual discussion and keeping in view the national priorities of promoting innovation, entrepreneurship and start ups. In the cases like Power of Ideas, the private sector approaches the Department directly for building a collaborative programme. Apart from money, it is the commercial knowledge of scaling an innovation which is of significant value to the programme. These programmes will continue to be supported on a case to case basis through existing evaluation mechanisms. Innovation scouting has also been a key component in bilateral/multilateral programmes and these programmes would be supported in consultation with the International Division(s).

NSTEDB believes that going forward such nation-wide as well as regional programs should actively involve all the TBIs supported by the Government of India.

These guidelines are aimed at encouraging the TBIs to undertake large-scale innovation scouting programs tilted **NIDHI-Grand Challenges and Competition** (NIDHI-GCC), which will strengthen the entrepreneurial ecosystem as well as deliver immense value to other TBIs. NIDHI-GCC is a pre-incubation activity targeted mainly at scouting of innovations for building a pipeline for the TBIs. NIDHI-GCC targets large number of innovators.

Objectives of NIDHI-GCC Programs

- To find & nurture new and innovative solutions for major challenges being faced by the society that are viable and sustainable.
- To pickup ideas from untapped sources and convert them into startups.
- To generate better awareness about entrepreneurship amongst India's masses and reach out to aspiring and existing entrepreneurs through active media outreach
- To expand the pipeline of potential incubatees for all TBIs
- To provide structured mentoring, guidance, prototyping grants, and seed-funding for ideas applying for such programs
- To build a vibrant startup ecosystem, by establishing a network between academia, financial institutions, industries and other institutions.

Types of Scouting Programs

It is envisaged that 2 broad types of Scouting Programs will be supported by NSTEDB under this scheme –

- a) **National Programs** – These are scouting initiatives organized at a national scale to attract best ideas from across the country. These National Programs would ideally be sector-agnostic or theme-focused (e.g. Digital India, Make in India etc.) programs (which will complement the Accelerator scheme of NSTEDB, which will be sector-specific). Ideally, such a National Program should have a national outreach – and partnership with national media will be preferred, which could enable the Scouting Program to invite anywhere between 2000-10,000 ideas.
- b) **Regional Programs** – These are scouting initiatives organized at a regional scale to attract ideas from within the region. It is envisaged that such a regional program would be sector agnostic and should have partnership with the regional media, and should ideally attract anywhere between 1000-2000 ideas.

Structure of the Program – While the applicant TBI will have flexibility to be creative and propose innovative and new structures for the Scouting Programs, it should be a transparent and tiered review process. The Scouting Program is likely to have the following stages –

- a. **Phase 1 - Outreach & Application-** During this phase, the TBI and Scouting Program partners will carry out marketing and attract applications through the online portal.
- b. **Phase 2 – Evaluation and Shortlisting –** During this phase, the applications will be evaluated by experts through an online process and top ones will be chosen out of all the applicants
- c. **Phase 3 – Mentoring & Final Selection –** During this phase, the applicants will be provided mentoring support to crystallize or refine their ideas. Following this the top ideas may be further shortlisted.
- d. **Phase 4 – Boot-camp –** During this phase, the selected entrepreneurs will be provided active mentoring support through a brief residential training program.

At the end of this program, the TBI may consider the winners for a grant or seed-investment support as per the design of the program.

Targets from Scouting Programs

It is envisaged that Scouting Programs will help achieve the following goals in promoting entrepreneurship in India –

- a) **Sourcing Ideas** – Across the Scouting Programs supported by NSTEDB, around 25,000 ideas are expected to be sourced every year.
- b) **Mentoring** – It is envisaged that at least 2000 ideas will be provided basic mentoring support every year and approximately 300 ideas will be provided rigorous mentoring and training support of at least 1 week.
- c) **Incubation, Training & Seed-Funding support** – It is envisaged that at least 150 ideas out of these programs shall be provided either incubation, training or seed-funding support by the Scouting Program and other TBIs.

Guidelines for Applying for Scouting Program

- a. **Who can apply?** - The proposal for running a Scouting Program may be submitted by a TBI with a minimum 3 years of experience of running at least one program of national / regional scale of promoting entrepreneurship (including accelerator or entrepreneur development program).
- b. **External Program Partner** – It would be desirable for each Scouting Program to have at least one external partner (including a corporate, media-house, NGO etc.), hereafter referred to as **Program Partner**, who shall commit for partnership for the program and provide at least 50 percent contribution (in the form of cash or in kind, which should be easily quantifiable) for the program. It would be desirable to have a Program Partner's formal commitment at the time of application to NSTEDB. The Program Partner may directly spend these funds towards the program or provide the same to TBI, along with NSTEDB's support. The Program Partner and NSTEDB shall be provided similar branding in all promotional material and media coverage.
- c. **Evaluation and Mentoring Expertise** – Managing a large Scouting Program requires operational expertise as well as evaluation and mentoring experience, both in-house as well as externally. At the time of application, TBI will provide a tentative list of internal team members expected to be involved in running the program as well as a list of evaluators and mentors proposed to be associated with the program.
- d. **Technology Platform and access for TBIs** – The NIDHI-GCC shall be carried out on a technology platform. The individual with idea(s) shall apply through this online platform. Following the completion of the Scouting Program (subject to preference of the applicant), all TBIs will have access to and ability to reach out

to the applicant for exploring incubation with them. This will enable them to derive value out of such Scouting Programs.

- e. **Proposed Targets** – The applying TBIs must detail how the proposed NIDHI-GCC will help NSTEDB meet its objectives and goals. Further, it is hereby clarified that the startups provided Incubation, Acceleration, and/or Seed-Fund support by the applying TBIs will be considered as “incubatee” of the relevant TBI.
- f. **Budget** –
 - i) **Operations Budget** - The Operations Budget shall include manpower, logistics, travel, mentoring, infrastructure, training and all other program costs. The NSTEDB’s contribution towards the Operations Budget for a National Program shall not exceed Rs. 4 crores and that for a Regional Program shall not exceed Rs. 1.5 crores.
 - ii) **Seed-Fund Budget** – In addition to the Operations Budget, based on the structure of the program, NSTEDB shall consider providing funds for providing seed-fund support to the applicants of the Scouting Program. NSTEDB will consider a maximum of Rs 5 lacs prototyping grant per winner and a maximum of Rs 50 lacs seed-funding support per winner to the top applicants of the Scouting Programs. In their application, the TBIs must mention the number of startups they expect to provide prototyping grants and seed-fund support.

Submission of Proposal

- a. Proposal (one hard copy + soft version in MS word document) in the prescribed form which is available at <http://www.nstedb.com/> along with the necessary enclosures including consent for Terms & Conditions. The proposal should be forwarded by the Head of the TBI or another authorized signatory along with the endorsement as per the Annexure-I & II. The proposal should be sent to the following address:-

The Member Secretary,
National Science & Technology Entrepreneurship Development Board,
Department of Science & Technology,
Technology Bhawan,
New Mehrauli Road,
New Delhi-110016.

Telefax: (011) 26517186
E-mail : hk.mittal@nic.in
Website: www.nstedb.com

Acceptance and Processing of Application

The proposals are received throughout the year, however the National Expert Advisory Committee (NEAC) on Innovation, Incubation and Technology Entrepreneurship meets atleast twice in a year. Any proposal submitted up to one month before the meeting will be placed before the NEAC for consideration.

Evaluation of Proposal

The proposals shall be evaluated based on the merit and the capability of the TBI in helping achieve the objectives of NIDHI GCC, efficiently managing the programs, and supporting technology based startups. The evaluation is done by the NEAC, and the Department shall take a final decision to support the Scouting Program based on the recommendation of the NEAC.

The following broad parameters are used for evaluation of the proposals –

- a) Design of the program, preparedness and experience of the TBI and its team to run the program
- b) Quality of the Evaluators and Mentors associated with running the program
- c) Strength of the Program Partner (s) to attract and add value to the startups
- d) Ability of the Scouting Program to achieve the overall objectives and targets
- e) Experience of the TBI to provide prototyping grants and seed-support (in case Seed Fund is sought as a part of the application to NSTEDB)

Monitoring

The implementing TBI will be required to provide regular updates to NSTEDB on progress of the program. During and after the program, the TBI will closely track the following parameters and provide quarterly report during the program and for a 12-month period from the end of the program –

- a) Number of ideas scouted and crystallized through the application process
- b) Number of ideas evaluated and provided feedback
- c) Number of ideas provided mentoring support
- d) Number of ideas trained through the bootcamp / accelerator program
- e) Number of ideas provided prototyping and/or seed-funding support
- f) Number of ideas absorbed for incubation by other TBIs
- g) Number of ideas raising external validation / capital

Following the completion of the above mentioned 12-month period, the TBI will continue providing bi-annual details of the progress of the startups supported (Incubated, Accelerated, or Seed-Funded) as a part of the Scouting Program – along with details of other incubatees, required to be provided to NSTEDB on a regular basis. The reports should be submitted till the 3rd Year from the launch of the programme.

If at any stage the performance of the Scouting Program is found to be unsatisfactory and not in accordance with the original plans, NSTEDB shall reserve the right to withdraw its support to the Scouting Program.

1. TERMS AND CONDITIONS

- (i) As per the latest instruction by Controller General of Accounts (CGA), Government of India, the grantee institution is required to register at CGA website (<http://pfms.nic.in>) to facilitate release of funds.
- (ii) All implementing TBIs are required to execute a Bond (in prescribed proforma) on a non-judicial stamp paper before any grants-in-aid are released to them.
- (iii) The TBI would put in place a proper mechanism for ensuring proper implementation and execution of Scouting Programs, and provide timely monitoring report as envisaged earlier in these guidelines.
- (iv) The grant being released should be exclusively spent for the specified purpose for which it has been sanctioned within the stipulated time. Any unspent balance out of the amount sanctioned, including interest accrued, would be refunded to the Govt. of India by means of an Account's Payee Demand Draft drawn in favor of Drawing & Disbursing Officer, Department of Science & Technology, payable at New Delhi.
- (v) The grantee shall furnish to Department of Science and Technology, utilization certificate and an audited statement of accounts pertaining to the grant as per the prevalent financial rules of Government of India.
- (vi) The grantee is required to send two copies each of following to Department of Science and Technology at the end of each financial year as well as at the time of seeking further installments of the grant, if any.
 - a. Progress report (hard & soft copy);
 - b. Audited statement of accounts relating to the amount sanctioned; and
 - c. Utilization certificate, in the prescribed proforma,
- (vii) All the assets acquired or created from the grant shall be installed in the premises of the TBI and not in any other department/Division of the host institute, unless specifically approved by the Department of Science and Technology on the recommendation of the NEAC.
- (viii) Assets acquired wholly or substantially out of government grant, except those declared as obsolete and unserviceable or condemned in accordance with the procedure laid down in the General Financial Rules (GFR), shall not be disposed off without the prior approval of the Department of Science and Technology.
- (ix) Any amounts returning from Seed Fund provided by the TBI to the startups from the NIDHI-GCC shall be kept aside in a separate bank account and utilized only after approval from NSTEDB. It is hereby clarified that NSTEDB shall reserve the right to request the TBI to return or transfer such proceeds to another TBI, as it may deem fit.
- (x) TBI would maintain a record of all the capital equipments procured and once these

are unserviceable/obsolete/unusable they should be disposed with a prior permission for assets more than Rs.1.00 lakh from the Department of Science and Technology. The fund thus generated from disposal of capital equipments should be flowed back for TBI activities.

- (xi) The Controller and Auditor General (CAG) of India at his discretion shall have the right of access to the books of account for the grant received from the Government.
- (xii) The grantee will maintain separate audited accounts for the grant. The funds released should be kept in a separate bank account earning interest, the interest earned should be reported to the Department of Science and Technology. The interest thus earned will be treated as a credit to the organization to be adjusted towards further installments of the grant, if any.
- (xiii) The grantee must not entrust the implementation of the work for which the grant is being sanctioned to another institution and divert the grant receipts as assistance to the latter institution. In case the grantee itself is not in a position to execute or complete the project, it may be required to refund forthwith the Department of Science and Technology, the entire amount of grants-in-aid received by it.
- (xiv) NSTEDB reserves the right to terminate support to the project at any stage, if it is convinced that the grant is not being utilized properly or that appropriate progress in the project work is not being made.
- (xv) Where support has been provided by NSTEDB under specific conditions accepted by a grantee institution and if it does not comply with these conditions, it will be liable to refund the grant already received in such a manner as may be required by the Government and no further NSTEDB grant will be allowed to such an institution.
- (xvi) NSTEDB will not have any liability towards the manpower appointed by the grantee institution for implementation of the project.
- (xvii) NSTEDB will have no responsibility in case of any loss is caused to any life or property due to accident, fire or any other reasons. The Host Institute is required to take appropriate safety and insurance measures to safeguard against any loss to human life and property related to the Scouting Program.
- (xviii) The NSTEDB will have no liability on account of any omission or commission of regulatory/statutory requirement by the TBI or its incubatees and their companies, as a part of the Scouting Program.
- (xix) The Grantee will indemnify, defend and hold harmless the Department of Science and Technology (Grantor) from and against, and in respect to, any and all losses, expenses, costs, obligations, liabilities and damages, including interest, penalties and attorney's fees and expenses, that the Grantor may incur as a result of any negligent or willful acts or omissions of the Grantee.

PROFORMA FOR SUBMISSION OF NIDHI-GCC PROPOSAL

Please fill up the proforma completely. Incomplete proposals are liable to be rejected. Even if information is not available for a particular point please record that information is not available.

1. Executive Summary: [Brief Description of the Program]

2. Details of the Technology Business Incubator:

Name :
Address :
Fax :
E-mail :
Website :

3. Name and type (National / Regional) of the proposed program:

4. Bank Account Details of the TBI:

Name as given in Account
Account No.
IFSC Code
MICR Code
Name of bank with complete branch address:
(Enclose a copy of cancelled cheque)

5. Program Partner

- I. Names and brief profiles of the proposed Program Partner (s)
- II. Details of in-kind and cash commitments being made by the Program Partner (along with letter of intent / commitment letter)

6. TBI's preparedness to run Scouting Program

- A. Details of the TBI's experience of running large-scale programs involving scouting, outreach and training support
- B. Details of the tentative team proposed to be involved in running the Scouting Program, including details of the program lead who will spend substantially all time in running the program smoothly.
- C. Tentative list of expert evaluators and mentors expected to be involved in running the program.
- D. Details of experience of providing seed-fund to startups and success stories

7. Program Design and Structure

Provide details of different aspects of the program including –

- a) Tentative dates and timelines of the program
- b) Details of different phases of the program
- c) Key Performance Indicators targets expected from the program

- a. Expected number of ideas that will be scouted and crystallized through the application process
- b. Expected number of ideas that will be evaluated and provided feedback
- c. Expected number of ideas that will be provided mentoring support
- d. Expected number of ideas that will be trained through the boot-camp / program
- e. Expected number of ideas that will be provided prototyping and/or seed-funding support
- f. Expected number of ideas that will be absorbed for incubation by other TBIs
- g. Expected number of ideas that will raise external validation / capital
- d) Experience of the TBI to provide prototyping grants and seed-support (in case Seed Fund is sought as a part of the application to NSTEDB)

8. Month-wise work plan for the program (a separate time linked activity chart to be provided along with the detailed work plan.

9. Total Budget (including non-NSTEDB contribution) across Phases of the program

(Rs. In Lakhs)

S. No.	Item of Expenditure*	Phase 1	Phase 2	Phase 3	Phase 4	Grant / Investments	Total
	Tentative Timeline						
A	Capex						
a	Capital expenditure required for implementation of the program (Provide details as annexure)						
	Total A						
B	Operating Costs**						
1	Manpower						
2	Travel						
3	Utility and maintenance						
4	Marketing, promotion and publicity						
5	Networking and Training programmes						
6	Other Administrative Expenses including consumables, printing, publications, books, journals, etc.						
7	Miscellaneous and Contingencies						
	Total B						
C	Prototyping Grant / Seed Fund						
1	Prototyping Grant						
2	Seed Fund						
	Total C						
D	Total A+B+C						
E	Expected NSTEDB contribution						
F	% NSTEDB Contribution (E/D)						

* Budget to be submitted along with the justification of each item and a list indicating cost along with the quotations for the thrust area equipments, office equipments under non-recurring expenditure on a separate sheet.

** Budget break-up of Recurring Expenditure- manpower, utility and maintenance, marketing promotion, training programmes and Miscellaneous & contingencies along with the justification to be given on a separate sheet.

10. Means of Financing:

	Means of Financing	Amount
1	Contribution of NSTEDB towards Capex	
2	Contribution of NSTEDB towards Recurring grant	
3	Contribution of Program Partner / TBI towards Capex	
4.	Contribution of Program Partner / TBI towards Operating Costs	
6	Revenue Generation from Scouting Program e.g. application fee, etc.	
Total:		

Name & Signature on behalf of TBI (with seal)

Date:

Place: