Technology Business Incubator (TBI)

GENERAL GUIDELINES
AND
PROFORMA FOR SUBMISSION OF PROPOSALS

Government of India
Ministry of Science & Technology
Department of Science & Technology
National Science & Technology Entrepreneurship Development Board
Technology Bhawan, New Mehrauli Road
New Delhi-110016
TECHNOLOGY BUSINESS INCUBATOR
GENERAL GUIDELINES AND PROFORMA
FOR SUBMISSION OF PROPOSAL

Introduction

Business incubation has been globally recognized as an important tool for economic development and job creation. National Science and Technology Entrepreneurship Development Board is supporting Technology Business Incubators primarily in and around academic and technical institutions to tap potential technology ideas and innovations for venture creation by effectively utilizing expertise and existing infrastructure already available with the host institution. Technology based new enterprises are typically characterized as high risk and high growth ventures, and as such, they require an enabling environment like TBI to enhance the prospects of success.

Objectives of TBI

- New Venture Creation: to promote new technology/knowledge based ventures.
- Technology Commercialization: to provide a platform for speedy commercialization of technologies developed in the host institution or any academic and R&D institution of the country.
- Interfacing and Networking: to provide networking between academia, industry and financial institution.
- Value Addition: to provide value added services viz. legal, financial, technical, IPR, etc. to incubatees.

Eligibility for Proposal Submission

Academic/Technical/R&D and other Institutions with a proven track record in promotion of technology based entrepreneurship. The host institution is supposed to have adequate expertise and infrastructure to support incubation activity.

Pre-requisites for Release of Funds

Once the proposal for TBI is agreed in-principle by DST, the process for release of funds would be taken up after ensuring the following preparatory actions at the end of Host Institution:

(i) Registration of TBI as not for profit society/trust or a section 25 company by the Host Institution.

(ii) Earmarking of a minimum of 10000 sq feet of building space for hosting the TBI.

Evaluation and Monitoring

The proposals are evaluated based on the merit of the Host Institution in promoting technology based ventures. The evaluation is done by the Expert Advisory Committee, constituted by the Department consisting of experts in the domain of R&D, technology development and commercialization, entrepreneurship etc. The Department shall take a final decision to support the TBI based on the recommendation of the Committee.
The financial support to TBI would be limited to five years after which it should become self sustainable. Continuation of support and annual funding is entirely performance oriented. The performance is monitored both at quantitative and qualitative aspects by the Expert Advisory Committee. As and when it is felt necessary, a team constituted by DST may be sent for monitoring the progress of the TBI. In case of significant shortfall in the progress, the support may also be terminated mid-term.

Submission of Proposal

Proposal (two copies) in the prescribed proforma along with necessary enclosures and endorsement from the Head of the Institution may be sent to the following addressee:-

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 : hkmittal@nic.in
Web-site: www.nstedb.com
GENERAL GUIDELINES

- After in-principle approval of the Department of Science and Technology for supporting a TBI, the grant for TBI would be released only after ensuring that prerequisites have been fulfilled.

- The Governing Board/Board of Directors of the TBI needs to be chaired by the Head of the Host Institution. The Governing Body of the TBI should meet every six months to review and provide policy guidelines for the operations of TBI.

- Each TBI would have a dedicated CEO with desired domain and management expertise, working full time for the TBI. The CEO would lead a core team to manage day to day affairs of the TBI. Apart from the CEO, the TBI should have sufficient manpower for its successful operations. In order to attract good talent, a monthly salary of around Rs.1.0 lac may also be offered to the CEO.

- Host institution would constitute selection committee for hiring the CEO with the consent of DST.

- A suitable incentive mechanism should be evolved by the host institution for the CEO and his team.

- The TBI would evolve a transparent system for selection of incubatees. The incubatees should be admitted fulfilling the admission criteria. TBI should execute appropriate agreement with incubatees.

- Support for capital equipment for the use of incubatees would be considered by DST after a year of initial sanction of the TBI or after 5 incubatees have joined the TBI, whichever is earlier. Efforts should be made by the Host Institution to bear part of the cost if the equipment is very costly.

- Each TBI is required to have a web-site of its own and should update it on a quarterly basis including details of incubatees.

- The incubator may apply under Seed Support System scheme of DST after sufficient number of incubatees are in place and there is a genuine requirement of seed support for nurturing the incubatees to take their start ups to next level.

- The annual accounts/balance sheet of TBI as presented to the Governing Body along with the annual report are required to be made available to DST.

- It is expected that at the end of five years the TBI becomes self sustainable and no further support is requested from DST.

- The release of grants after the first year and each subsequent year is subject to satisfactory performance of TBI.

- Non-compliance of guidelines and terms & conditions of the grants-in-aid for TBI can result in discontinuation of further support.
1. 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://cpsms.nic.in) to facilitate release of funds.

2. All grantee institutions except public funded institutions are required to execute a Bond (in prescribed proforma) on a non-judicial stamp paper before any grants-in-aid is released to them.

3. The grant being released should be exclusively spent on the specified purpose for which it has been sanctioned within the stipulated time. Any unspent balance out of the amount sanctioned would be refunded to the Govt. of India by means of an Account’s Payee Demand Draft drawn in favour of Drawing & Disbursing Officer, Department of Science & Technology, payable at New Delhi.

4. The grantee is required to send two copies each of i) progress report; ii) audited statement of accounts relating to the amount sanctioned; and iii) utilization certificate, in the prescribed proforma, 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.

5. All the assets acquired or created from the grant will be the property of the Govt. of India and should not be disposed off or encumbered or utilised for purpose other than those for which the grant has been sanctioned without the prior permission of the Department of Science and Technology.

6. At the conclusion of the project, the Govt. of India will be free to sell or otherwise dispose off assets which are the property of Govt. The institution shall tender to Govt. necessary facilities for arranging the sale of these assets.

7. Concerned officers of DST or its authorized representatives may visit the organization/TBI periodically for ascertaining the progress of work and resolving any difficulties that might be encountered in the course of implementation.

8. The institute shall furnish to Department of Science and Technology, utilisation certificate and an audited statement of accounts pertaining to the grant as per the prevalent financial rules of Government of India.

9. The Comptroller 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.

10. The grantee will maintain separate audited accounts for the grant. The funds released should be kept in a 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.
11. 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 Govt. of India, the entire amount of grants-in-aid received by it.

12. DST 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.

13. Where support has been provided by DST 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 DST grant will be allowed to such an institution.

14. DST will not have any liability towards the manpower appointed by the grantee institution for implementation of the project.

15. DST 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 TBI.

16. The DST will have no liability on account of any omission or commission of regulatory/statutory requirement by the TBI or its incubatees and their companies.
ENCLOSURES TO BE SUBMITTED WITH THE PROPOSAL BY THE INSTITUTIONS OTHER THAN THE PUBLIC FUNDED INSTITUTION

1. Registration Certificate of the Host Institute One Copy
2. Memorandum of Association One Copy
3. Audited statement of accounts for the last three years One Copy
4. Annual reports for the last three years One Copy
TECHNOLOGY BUSINESS INCUBATOR

PROFORMA FOR SUBMISSION OF PROPOSAL

(Year: 20__ - 20__ )

1. Name of the Institution/Organisation:
   Address :
   Phone :
   Fax :
   E-mail :

2. Name & Designation of the Head of the Institution Organisation:
   Address :
   Phone :
   Fax :
   E-mail :

3. Name, Designation & Contact Details of the TBI Co-ordinator:
   Address :
   Phone :
   Fax :
   E-mail :

4. Name of TBI as Registered Society/Trust or Section 25 Company (if TBI is already registered. Enclose a copy of Registration Certificate, Memorandum of Association, etc. related to the TBI)

5. Bank Account Details of 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)

6. Host Institution (H.I) Information-General

   I. Number of academic departments with associated faculties
   II. Total student strength (separately for UG/PG/Doctorate courses)
   III. Total number of teaching and research faculty with PhD qualification.

7. Host Institute’s preparedness to host TBI

   I. Experience and Expertise of the TBI Coordinator or probable CEO from Institution identified for the TBI. (Attach a brief CV/bio-data, a person with domain expertise and having conceptual understanding and deep interest for innovation and entrepreneurship would be preferred to steer the TBI till it gets
operationalised and thereafter would guide the recruited TBI team and be an active interface between H.I. and TBI).

II. R&D and industrial consultancy track record: List R&D and industrial consultancy undertaken, if any, in the previous three years as per the table given below.

<table>
<thead>
<tr>
<th>Name of the project</th>
<th>Sponsoring agency</th>
<th>Amount Sanctioned (Rs. Lacs)</th>
<th>Amount Released (Rs. Lacs)</th>
<th>Duration</th>
<th>Outcome</th>
</tr>
</thead>
</table>

III. Details of patents granted, if any (Last 5 Years):

IV. Awards & Recognition (Last 5 years): Details of Recognitions & Awards won. Indicate separately for Faculty and Student community.

V. Any other notable activities in innovation and entrepreneurship: Indicate details of product development/commercialization by faculty/students, student interest, faculty with entrepreneurship orientation and organization of relevant entrepreneurship development programmes (courses, workshops, seminars, competitions, lectures etc) in the institute.

8. **Feasibility of TBI**

To be evaluated based on the institution’s strength, preparedness in hosting TBI, business ecosystem, TBI business plan, operating model, systems and processes and effective leadership. Following factors would be considered.

- Strength of the Institute in hosting TBI
- Overall business environment of the location and ecosystem in the region
- Assessment of entrepreneurial needs
- Sources of tapping new incubate entrepreneurs
- Financial model of the Incubator for operational sustainability of the TBI after 5 yrs as the DST support is available for first five years only.

9. **How much built-up area (in sq. ft.) will be made available for TBI?** (Enclose lay-out Plan).

<table>
<thead>
<tr>
<th>S.No.</th>
<th>Description</th>
<th>Space Proposed (sq ft.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Incubation Space (Cubicles)</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Conference Room</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Meeting Room</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Cafeteria</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Office Space</td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td></td>
</tr>
</tbody>
</table>
10. Year-wise work plan for five years (a separate time linked activity chart to be provided along with the detailed work plan.

11. Target milestones (should be projected based on most likely attainable targets)

<table>
<thead>
<tr>
<th>Outcome</th>
<th>Year 1</th>
<th>Year 2</th>
<th>Year 3</th>
<th>Year 4</th>
<th>Year 5</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>a. No. of new entrepreneurs to be admitted for incubation</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>b. No. of entrepreneurs to be graduated from the incubator</td>
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<tr>
<td>c. No. of new products/technologies to be developed/innovations to be commercialized</td>
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<td></td>
<td></td>
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<td></td>
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<tr>
<td>d. No. of training programmes to be conducted</td>
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<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>e. No. of conferences/seminars/workshops to be organised</td>
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<td></td>
<td></td>
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<tr>
<td>f. Other notable services to be provided (specify)</td>
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</tbody>
</table>

12. Budget

(Rs. In Lacs)

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Item of Expenditure</th>
<th>1st Year</th>
<th>IIInd Year</th>
<th>IIIrd Year</th>
<th>IVth Year</th>
<th>Vth Year</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>Non-Recurring</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td></td>
<td>Office Equipments and infrastructure including state-of-the-art communication network (Enclose a list with approximate cost)</td>
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<tr>
<td></td>
<td><strong>Total A</strong></td>
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</tbody>
</table>
### B Recurring

<table>
<thead>
<tr>
<th></th>
<th>Recurring</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Manpower*</td>
</tr>
<tr>
<td>2</td>
<td>Travel</td>
</tr>
<tr>
<td>3</td>
<td>Utility and maintenance</td>
</tr>
<tr>
<td>4</td>
<td>Marketing, promotion and publicity</td>
</tr>
<tr>
<td>5</td>
<td>Networking and Training Programmes*</td>
</tr>
<tr>
<td>6</td>
<td>Miscellaneous and Contingencies</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Total B</th>
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</thead>
<tbody>
<tr>
<td></td>
<td>Total A + B</td>
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* * Budget break-up of manpower and training programmes to be given on a separate sheet

Funding pattern: Out of the total recurring expenditure incurred by the TBI against the approved amount, following mode of funding by DST would be followed.

<table>
<thead>
<tr>
<th>Ist Year</th>
<th>IInd Year</th>
<th>IIIrd Year</th>
<th>IVth Year</th>
<th>Vth Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>100%</td>
<td>100%</td>
<td>80%</td>
<td>60%</td>
<td>50%</td>
</tr>
</tbody>
</table>

### 13. Revenue Generation Projections for Sustainability of TBI

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Means of Revenue Generation</th>
<th>Ist Year</th>
<th>IInd Year</th>
<th>IIIrd Year</th>
<th>IVth Year</th>
<th>Vth Year</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
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| Total   |                          |          |           |            |           |          |      |

### 14. Attach endorsement from the Head of The Institutions as given at Annexure-I

Name & Signature of the Head of the Institution/Agency

Name & Signature of the TBI Co-ordinator

Date:
Place:
CERTIFICATE

ENDORSEMENT FROM THE HEAD OF THE INSTITUTION

1. We have gone through and agree to abide by the terms and conditions of the DST grant for TBI.

2. We have not submitted, nor do we intend to submit this, or a similar project proposal, to any other agency for financial or other support. In case we get the support, we will keep DST informed.

3. We undertake to submit progress reports, statement(s) of accounts, utilisation certificates, etc. as required.

4. Certified that Dr/Shri/Smt.......................... is the TBI Co-ordinator of the proposed TBI. The TBI Coordinator will assume the responsibility of implementation of the project.

5. Certified that the hardware, other basic facilities and such other administrative support required for successful running of TBI will be extended to the TBI by Host Institute, as per terms and conditions of the grant.

6. Our institution/agency assures to undertake the complete financial and other management responsibilities of the TBI, and successful running of TBI beyond 5 years of DST’s financial support.

7. If any of the above statements found to be incorrect by DST at any point of time, the organization takes the responsibility to refund the entire amount released by DST.

Date............                                         Name & Signature of the
Place............                                       Head of Institution/Agency