

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

**ENTREPRENEUR-IN-RESIDENCE
(NIDHI-EIR)**

**GUIDELINES
AND
PROFORMA FOR SUBMISSION OF PROPOSALS**



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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
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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 aims to nurture start-ups through scouting, supporting and scaling of innovations. The key stakeholders of NIDHI includes 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-**PR**omotion and **A**cceleration of **Y**oung and **A**spiring 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-**T**echnology **B**usiness **I**ncubator (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 **C**entres of **E**xcellence (NIDHI-CoE) - A World class facility to help startups go global;

NIDHI-Entrepreneur-In-Residence (NIDHI-EIR)

National Science and Technology Entrepreneurship Development Board (NSTEDB), Government of India supporting Technology Business Incubators is mainly associated with academic and research institutions to leverage technologies and innovations for venture creation. Converting technologies and research into start-up ventures has a long product development and revenue generation time. To inspire the best talents to be entrepreneurs, minimise the risk involved in pursuing start-ups, and to partially set off their opportunity costs of high paying jobs, NSTEDB has introduced NIDHI-Entrepreneurs-in-Residence (EIR) Programme. The NIDHI-EIR programme provides tremendous opportunities for innovative entrepreneurs to expand their networks and get critical feedback on their ventures in order to promote their entrepreneurial career goals and aspirations.

The opportunities under NIDHI-EIR Programme includes:

- Guidance from experienced, innovative and highly successful entrepreneurs on the business concept, strategy or venture and insight into specific industries or markets.
- Best practices for starting a business and broaden the professional network.
- Co-working spaces for developing the idea into a marketable product.

Objectives of NIDHI-EIR Support Programme

The Programme aims:

- To encourage graduating student to take to entrepreneurship by providing support as a fellowship.
- To provide a prestigious forum for deserving and budding entrepreneurs to pursue their ventures without any additional risks involved in technology based businesses.
- To create, nurture and strengthen a pipeline of entrepreneurs for incubators
- To make pursuing entrepreneurship related to a technology business idea more attractive among options available career options.
- To enable creation of new start-ups by entrepreneurs and significant progress towards raising funding or investment.

Proposed model for NIDHI-EIR

The Programme is meant for potential innovative entrepreneurs at selected NSTEDB approved Technology Business Incubators. The NIDHI-EIR Programme would provide subsistence grant to an aspiring or budding entrepreneur of considerable potential for pursuing a promising technology business idea. The support to early-stage, product-focused young entrepreneurs working on the innovative big ideas would be for a maximum period of 12 months. As an NIDHI-EIR an entrepreneur gets office space, administrative support and a stipend to establish/make the most of their ideas and turn innovative breakthroughs into viable businesses.

The Programme thus encourages enterprising individuals to venture out and pursue daring entrepreneurial ideas as well as enhances the quantity and quality of startups.

Expected Outcome of the NIDHI-EIR

- Conversion of at least 30 % of the support recipients ideas into start-up companies.
- At least 10% support recipient raising funds or investment for his or her company within 18 months of NIDHI-EIR support.

Funding Mechanism:

a. Support Grant

The NIDHI-EIR support recipient will be eligible for grant maximum of Rs.30,000/- per month with a minimum level of Rs.10,000/- per month for a period of 12 months.

The Technology Business Incubator acting as Programme Executing Partner (PEP) will receive an annual grant to the maximum of Rs.39.60 lakhs per year. Of this Rs.36.00 lakhs shall be for NIDHI-EIR support as indicated above and Rs.3.6 lakhs (or 10% of the released amount whichever is lower) will be for local administration of the grant and execution overheads, indicative break-up of which is provided below:

Item of Administrative Expenditure	Budget per year (Rs)
Promotion (Publicity, marketing, stationary, posters; website)	1,00,000
Organization of selection and review meeting (Once in 2 months; Honorarium for reviewers/ experts/ mentors; Local transport; 6 X Rs.10,000/- per meeting)	60,000
In-house mentors (Part-time in-house business planning mentors @Rs.10,000/month)	1,20,000
Travel for review meetings	20,000
Professional fees (for auditor/CA ,etc)	10,000
Overheads	50,000
Total	3,60,000

The disbursement of funds to PEP would be as per the following:

- Instalment 1- 50% at the time of starting the project and
- Instalment 2 - 50% after submission of report/UC/SE showing commitment of 90% of funds released in first instalment.

Implementing Agency

The programme will be implemented by Venture Centre, NCL, Pune which has been identified as Programme Implementing Partner (PIP) by NSTEDB. The Department of Science and Technology (DST) through National Science and Technology Entrepreneurship Development Board (NSTEDB), will constitute a Project Management Committee (PMC) for the overall management of the programme. The role of implementing agency will be that of implementing the programme as per the guidelines of DST.

The funding support for the Implementing Agency to be maximum of Rs.4.26 crores (i.e. 10 TBI per year) on annual basis, for implementation of the program involving inviting the

application and selection of the incubator, disbursing funds to them and monitoring the progress. The funding support would also include a minimum of Rs.30.00 lakhs or 10% of the released amount towards administrative cost, as mentioned below:

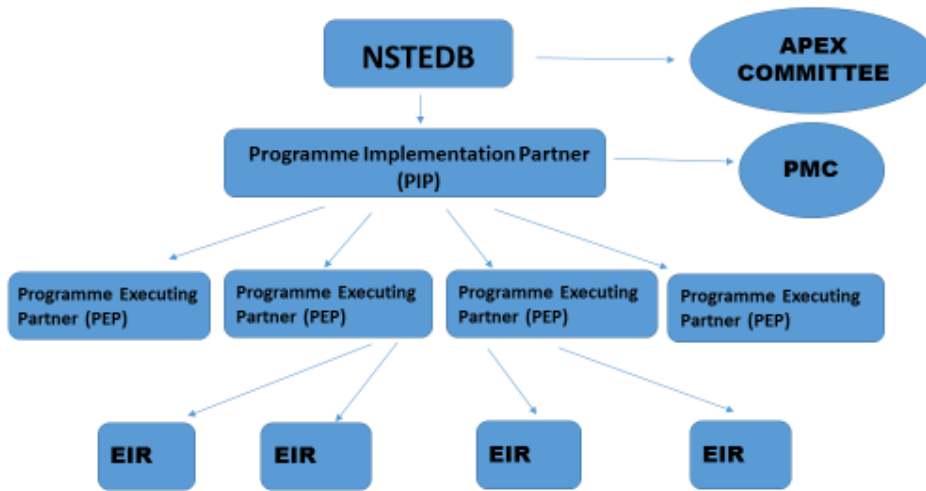
Item of Administrative Expenditure	Budget per year (Rs)
Program manager(s) and mentor (@25% of budget)	7,50,000
Program portal, and online application and grant management platform	4,60,000
Annual mentoring workshop of all NIDHI-EIRs synchronous with annual review meeting of the program (Workshop on Nuts and Bolts of Starting Up; Faculty costs; Event logistics etc)	5,00,000
Organization of selection and review meeting (Twice a year; 6 member committee; 6 X Rs.20000/- X 2 meetings)	2,40,000
Program announcements; campaigns; newspaper advertisements (2 times a year; 3 newspapers; 20,000/newspaper/city X 6 cities; assuming DAVP rates)	7,20,000
Travel and related	50,000
Professional fees (for auditor/CA/ legal etc)	30,000
Overheads	2,50,000
Total	30,00,000

Programme Implementation:

Programme Stakeholders:

- Programme Implementation Partner (PIP): The programme will be implemented through a Programme Implementation Partner. NSTEDB has identified Entrepreneurship Development Center (Venture Center), CSIR-NCL Campus, Pune as the nodal agency and Programme Implementation Partner.
- Programme Executing Partner (PEP): The programme shall be executed at selected Technology Business Incubator (TBI). These incubators shall be approved by NSTEDB to serve as centres operating the NSTEDB's EIR programme.
- NIDHI-Entrepreneurs in Residence (EIR): NIDHI-EIR are intended as aspiring or budding young entrepreneurs selected by the TBI holding considerable promise who are pursuing a promising technology business idea. NIDHI-EIR shall be the eventual support beneficiaries.

Implementation of the scheme



Eligibility and Pre-requisites of Programme Executing Partner (PEP):

- Should be a NSTEDB approved and recognised incubator (not-for-profit legal entity);
- Should be in existence for atleast three years with proven track record of incubation;
- Should have minimum of 20 resident incubatees; and
- Should have capacity to generate pipeline of incubate and accommodate the growth in number of start-ups that can result from the NIDHI-EIR programme

Eligibility for an NIDHI-EIR support:

- NIDHI-EIR recipients are expected to be committed to exploring a business idea. Typical NIDHI-EIR needing the support is a first generation innovative entrepreneur, who has no prior source of income. NIDHI-EIR support recipient should not treat this support as a stop gap arrangement to support them in their academic pursuits or transition between jobs.
- NIDHI-EIR seeking the support should demonstrate his ability to build a scalable technology business startup. The background of the NIDHI-EIR needs to be provided in a prescribed format.
- The NIDHI-EIR support recipient should propose one technology business idea in a prescribed format.
- NIDHI-EIR support recipient are expected to pursue their entrepreneurial aspirations full time. NIDHI-EIR cannot be concurrent with any other remuneration or fellowship.
- NIDHI-EIR support recipient cannot be the promoter or significant (>10%) share holder / beneficiary of another company at the time of applying for and receiving the grant approval
- The NIDHI-EIR should be registered for the pre-incubation or incubation program at the TBI for the entire duration of NIDHI-EIR support.
- Preference shall be given for a) technology business ideas with larger technology uncertainties and/ or long gestation periods, b) technology business ideas leveraging

technology or IP from publicly funded research or academic organizations, c) technology business ideas with considerable potential for social impact.

- Entrepreneurs pursuing business ideas with no or marginal technology innovation or those with very short journey (i.e less than 6 months) to commercialization are discouraged to apply.
- NIDHI-EIR seeking support should have a formal business plan for the idea they intend to pursue and a business presentation including the investment proposal.
- Once the NIDHI-EIR raise funding or investments for their business ideas/ potential start ups, the grant support shall be discontinued from the date of receipt of the first tranche of funds.

Responsibilities of the Programme Implementation Partner (PIP):

- The PIP shall be responsible for overall management of the programme.
- The PIP shall invite proposals from qualifying incubators, organise an evaluation process via PMC.
- The PMC shall be constituted by NSTEDB, with a mandate for selection of the incubators as well as the periodical review of the progress of the programme and suggest mid-course corrections, if required.
- The PIP shall submit minutes of the PMC, progress reports and annual utilisation certificates to NSTEDB in a timely manner.
- The PIP shall also be responsible for tracking the programme and maintaining data on the programme via an online portal.
- PIP shall finalize and standardize all documents required for implementing the project with the approval from NSTEDB.

Responsibility of the Programme Executing Partner (PEP):

- TBI shall operate the program to increase their pipeline of young entrepreneurs pursuing technology idea.
- TBI will follow an appropriate mechanism to select the NIDHI-EIRs
- TBI will periodically review the progress or NIDHI-EIRs.
- TBI may terminate the support to non-performing NIDHI-EIRs even before completion of 12 months with intimation to PIP/NSTEDB.
- TBI should submit periodical report, annual Utilization Certificates to PIP/NSTEDB as may be required.
- TBI will maintain the latest data on the status of the program on the portal as per the instruction provided by the PIP/NSTEDB.

Submission of Proposal

Procedure for Submission of Proposal by PEP

- The PIP shall announce annual calls for applications.
- The PIP shall facilitate the eligibility checks based on the merit and capability of TBI, to shortlist the applications and invite them to present in front of the PAMC
- The selected applicants shall be listed as TBI and provided above mentioned support.

The hard & soft copy of the proposal in the prescribed format should be sent to the following address:

Ms Shruti Devasthali

Venture Center
100, NCL Innovation Park,
Dr. Homi Bhabha Road,
Pune – 411008

Phone: +91 20 25865877

Email: shruti@venturecenter.co.in

Web-site: www.venturecenter.co.in

Procedure for Submission of Application by NIDHI-EIR:

- NIDHI-TBI shall announce the program locally.
- All applicants for NIDHI-EIR support grant will apply as per the prescribed format.
- The selection of the NIDHI-EIR support grantees shall be done by the NIDHI-TBI through a mechanism involving certain qualifying criteria's. The selected NIDHI-EIR shall be informed by the NIDHI-TBI.

Monitoring:

PMC will monitor the programme implementation and its impact through PIP on annual basis. The review & monitoring includes presentation by the NIDHI-TBIs, submission of annual progress report, utilisation certificate. PIP will also submit a consolidated annual progress report along with the audited accounts details to NSTEDB.

Terms and Conditions:

- To apply for hosting NIDHI-EIR Programme, the NIDHI-TBI should fulfil the criteria of eligibility as given in para 6.2.
- The proposal should be accompanied by forwarding letter from the Head of the NIDHI-TBI.
- The NIDHI-EIR programme management requires adequate skills in innovation management. Hence for its proper day to day operation and management, competent manpower must be made available. Each NIDHI-TBI would identify a Project Leader with adequate knowledge and management expertise for the programme management.
- The NIDHI-TBI would evolve a transparent system for selection of NIDHI-EIRs. The applicants should be admitted fulfilling the admission criteria.
- Each NIDHI-TBI is required to have a web-site of its own and should update it on a regular basis but at least quarterly basis including the details of beneficiaries under NIDHI-EIR Programme.
- The Governing Body of NIDHI-TBI would put in place a proper mechanism for ensuring proper implementation and execution of NIDHI-EIR Programme. This mechanism is through a Committee known as the Project Management Committee. This Committee consists of representatives of the NIDHI-TBI, technical experts and financial experts.
- 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.

- The grantee is required to send two copies each of following to NSTEDB, Department of Science and Technology, at the end of each financial year as well as at the time of seeking further instalments 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
- 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 instalments of the grant, if any.
- 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.
- 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.
- 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.
- DST will not have any liability towards the manpower appointed by the grantee institution for implementation of the project.
- 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.
- The DST will have no liability on account of any omission or commission of regulatory/statutory requirement by the NIDHI-TBI or its incubatees and their companies.
- 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
- The level of monthly support shall be decided by the NIDHI-TBI based on qualifications and shall be set at levels felt optimal to encourage entrepreneurship.
- NIDHI-TBI may charge NIDHI-EIR recipient for providing pre-incubation or resident incubation services. The NIDHI-TBI shall guide and mentor the NIDHI-EIR in business planning and execution.
- Funds which have not been deployed by NIDHI-TBI out of annual grant money shall be reduced to that extent from the disbursement in the following year.

NIDHI-EIR Programme

National Science & Technology Entrepreneurship Development Board (NSTEDB)
Department of Science & Technology
Ministry of Science & Technology, Government of India
Technology Bhawan, New Mehrauli Road, New Delhi-110016

Form NIDHI EIR01: Format for NIDHI-TBIs to apply for Programme Executing Partner (PEP)

Ref no (to be filled by PIP)	
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Part A: Applicant NIDHI-TBI Information

A1. Name of applicant NIDHI-TBI	
A2. Host institute	
A3. Full address of NIDHI-TBI	
A4. Website of NIDHI-TBI	
A5. Head of the NIDHI-TBI	
A6. Full postal address of the Head	
A7. Email address of Head	
A8. Phone/mobile number of Head	

Part B: Proposed Project Leader from applicant NIDHI-TBI

B1. Name of the Project Leader	
B2. Full postal address	
B3. Email address	
B4. Phone/mobile number	

Part C: About the applicant NIDHI-TBI

C1. Legal structure of the NIDHI-TBI [Not-for-profit (Trust/ Society/S25 or S8 Company)]	
C2. Date of incorporation/registration of the TBI (<i>Essential criteria = At least 3 years old</i>)	
C3. Year when recognized by NSTEDB under the TBI scheme	
C4. a. Members of the governing body of the TBI with names and b. Is approval by the Governing Body to submit the proposal been obtained? If yes, enclose the approval letter.	
C5. Key members of the incubators executive team	
C6. Focus/thrust areas of the NIDHI-TBI	
C7. Brief overview of the various programs, services, facilities and other resources of the NIDHI-TBI.	
C8. Number of current resident incubatees in the NIDHI-TBI.	

C9. List of current resident incubatees, indicating the joining date and their legal status (PLC, LLP, Sole proprietorship etc)	Appendix _____
C10. Total number of companies incubated/graduated since NIDHI-TBI was initiated	

Part D: Proposed plan to implement the NIDHI-EIR program

D1. Describe the potential candidates for NIDHI-EIR in your incubation system. Where do you expect your pipeline of applicants to come from ?	
D2. Describe your NIDHI-TBI's proposed additional criteria or preferences (besides the essential criteria listed in the scheme document) for selecting NIDHI-EIRs. (For example, will it be limited to specific institutions or specific disciplines etc)	
D3. Describe your TBI's proposed selection and decision process for NIDHI-EIR's.	
D4. Describe your TBI's mentoring plan to advance the NIDHI-EIRs to start-up creation and helping them raise their first funding.	
D5. Please attach the bio-sketch of the primary mentor for the NIDHI-EIR program.	Appendix _____
D6. Describe plans of the NIDHI-TBI relating to expansion and ability to accommodate the increased number of prospective incubatees emerging from the NIDHI-EIR program.	

Part E: Undertaking

- We confirm that the above mentioned information is true.
- We confirm that we have read and understood the guidelines.
- We confirm that we meet requirements of the programme and shall abide by the rules of the programme.
- We confirm that we are authorized by the Governing Body of the NIDHI-TBI to submit this proposal on behalf of the NIDHI-TBI
- We confirm that we shall provide all requested data and information to the PIP/NSTEDB in a timely manner.

Signature of Project Leader	Signature of Head of applicant NIDHI-TBI
Date Place:	Date Place:

NIDHI-EIR Programme

National Science & Technology Entrepreneurship Development Board (NSTEDB)
Department of Science & Technology
Ministry of Science & Technology, Government of India
Technology Bhawan, New Mehrauli Road, New Delhi-110016

Form NIDHI-EIR 02: Format to apply for NIDHI-EIR

Ref no (to be filled by PEP)	
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Part A: Basic applicant information

A1. Name of applicant	
A2. Full postal address	
A3. Email address	
A4. Phone/mobile number	
A5. Age	
A6. Gender: Female/Male	

Part B: About the applicant

B1. Basic undergraduate training/ education	
B2. Any experiences relating to entrepreneurship, leadership, fund raising, organizing activities/ events etc.	
B3. Attach CV or Resume with details of education and work experience, if any.	Attached as Appendix _____

Part C: About the applicant's Technology/Business idea

C1. Please describe the technology for which you are seeking market opportunities or market for which you are seeking technology opportunities.	
C2. Please attach a concept note of the technology/business idea you propose to pursue.	Attached as Appendix _____
C3. Please attach a note describing the knowledge or technology intensity aspects of the idea. Describe the innovative elements of the idea along with comparisons with previous reports or products available.	Attached as Appendix _____
C4. Select any categories that may apply	<ul style="list-style-type: none">○ Technology business ideas with larger technology uncertainties and/ or long gestation periods○ Technology business ideas leveraging technology or IP from publicly funded research or academic organizations○ Technology business ideas with considerable potential for social impact.

Part D: Checklist of essential criteria

D1. Applicant confirms that he/she has not been a recipient of the NIDHI-EIR previously. NIDHI-EIR can be used only once.	Yes/ No
D2. Applicant is planning to pursue NIDHI-EIR full-time with no other concurrent commitments.	Yes/ No
D3. Applicant confirms that he/she will not be in receipt of any other remuneration or fellowship during the duration of the NIDHI-EIR.	Yes/ No
D4. Applicant confirms that he/she is fully committed to exploring a business idea. NIDHI-EIR support recipient should not treat this support as a stop gap arrangement to support them in their academic pursuits or transition between jobs.	Yes/ No
D5. Applicant confirms that he/she is not the promoter or significant (>10%) share holder / beneficiary of another company at the time of applying for and receiving the NIDHI-EIR support.	Yes/ No
D6. The NIDHI-EIR has or is planning to register for the pre-incubation or incubation program at the PEPI for the entire duration of NIDHI-EIR support.	Yes/ No

Part E: Undertaking and signatures

- I confirm that the above mentioned information is true.
- I confirm that I have read and understood the guidelines.
- I confirm that I meet requirements of the programme and shall abide by the rules of the programme.
- I confirm that I shall provide all requested data and information to the PEP and PIP in a timely manner.
- I commit to keeping the PEP promptly informed about all key business related developments including incorporation of company, success in raising grant/equity/other funding etc.

Signature of the Applicant
Date
Place: