

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

**PRomoting and Accelerating  
Young and ASpiring  
innovators & startups  
(NIDHI-PRAYAS)**

**GUIDELINES  
AND  
PROFORMA FOR SUBMISSION OF PROPOSALS**



सत्यमेव जयते

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-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;

# **PRomoting and Accelerating Young and ASpiring technology entrepreneurs (NIDHI-PRAYAS)**

## **1.0 Introduction**

In the idea to market innovation chain while there are mechanisms and support available for R&D and also for commercialization, it is the early stage prototyping where the support is currently deficient. Lot of innovators loose interest and are not able to sustain this journey in absence of this critical support. National Science and Technology Entrepreneurship Development Board (NSTEDB) of the Department of Science and Technology, Government of India has promoted over one hundred Science and Technology Entrepreneurship Parks (STEPS) and Technology Business Incubators (TBIs). STEPs and TBIs are primarily housed in and around academic, technical, management institutions, technology and research parks to tap innovations and technologies for venture creation by utilizing expertise and infrastructure already available with the host institution. Many of these STEPs and TBIs have an in-house seed funding mechanism supported by NSTEDB & Technology Development Board (TDB). Seed funds, by their very nature tend, to focus more towards commercialization and market side of venture, rather than on the technology development, idea formation, proof of concept, proto typing, IPR and other knowledge side of the innovative startup an clients of the incubators.

There is a definite need to address the gap in the very early stage idea/ proof of concept funding. The NIDHI-PRAYAS program focuses on addressing the idea to prototype funding gap. This program would attract a large number of youngsters to come forward to try out their ideas without actually worrying about the failure. Eventually, such an approach would bring in a large number of potential ideas into the incubation programs, thereby increasing the flow of quality incubatee to the incubators. NIDHI-PRAYAS is positioned as a pre-incubation initiative. DST aims to promote upto 10 PRAYAS Centers in TBIs every year for next few years.

## **2.0 Objectives of NIDHI-PRAYAS**

- To enable translation of an innovative idea to a prototype.
- To provide a platform for faster experimentation and modify approaches in the idea to market journey.
- To generate innovative solutions relevant to the local and global problems.
- To attract a large number of youth who demonstrates problem solving zeal and abilities to work on their new technology/knowledge/innovation based startups.
- To enhance the pipeline in terms of quality and quantity of innovative start ups to the incubators.
- To build a vibrant innovation ecosystem, by establishing a network between innovators, academia, mentors and incubators.

### **3.0 Proposed model of a PRAYAS Centre**

The NIDHI-PRAYAS grant would be handled by the PRAYAS CENTRE (PC). The PC would be a place where innovative ideas are supported through physical infrastructure, technical guidance, business mentorship and a prototype grant for converting the idea into a prototype. A furnished and well equipped space of about 3000 sqft will be set up at the host TBI. The innovators would approach one of the PC for seeking support under the programme. Each PC would seek applications from innovators in a common template. The PC would setup a transparent screening mechanism for selecting the innovators based on the potential of the idea/innovation. The selected innovators would get access to the infrastructure, prototype grant and mentorship. The selection of PC would be made as detailed out in subsequent sections.

### **4.0 Support Structure and Mechanism**

The host TBI would provide the furnished space for the PC. The quantum of prototype grant per innovator would be a maximum of Rs 10.00 lakhs and each centre would get 10 innovators per year. Thus a support of Rs. 1.00 crore per year for five years shall be provided as prototyping grant to each PC. In addition to this, Rs. 1.00 Cr grant as one time support under capital for setting up a Fab Lab shall be provided to the PC in the first year of establishment of PC. For annual operations, management of Fab Lab including a dedicated team, technical experts etc, furnishing costs, I.P databases, consumables, utilities and administrative costs for management of PRAYAS program by PC, an amount of Rs. 20.00 lakhs per year for five years shall be provided to PC. Thus DST would invest Rs. 7.00 Cr per PC in 5 years time frame which includes Rs. 2.2 Cr in the first yr and Rs. 1.2 Cr/yr from 2<sup>nd</sup> to 5<sup>th</sup> yr.

A dedicated Fab lab is required to be set up in a PC to facilitate mechanical and digital fabrication (in case TBI/STEP does not have such facilities and infrastructure existing in the institute). Fab lab would enable innovators to go through a cycle of imagination, design, prototyping, reflection, and iteration as a part of process to find solutions to challenges or bring their ideas to reality. Few suggestive equipment in Fab Lab would generally include a laser cutter that makes 2D and 3D structures, a sign cutter that plots in copper to make antennas and flex circuits, a high-resolution numerically controlled milling machine, PCB fabrication equipment and a suite of electronic components, microcontrollers and programming tools for low-cost prototyping, a 3D Printer, essential design softwares, basic manufacturing tools and any other equipment which a PC would require for prototype building. The proper capacity utilization of various equipment in the Fab Lab should be ensured by each PC. The charges of using the equipment and consumables specific to an innovator would be decided by PC and would be in built in the grant to be provided to the PC innovator. The condition and usability of the equipment in the Fab Lab would be reassessed at the end of five years for obsolescence and for possible replacement.

### **5.0 Proposed Implementation Framework - a Nodal Program Management Unit**

The Department has identified Society for Innovation and Entrepreneurship (SINE), IIT, Bombay at the national level to act as the Program Management Unit (PMU) of the PRAYAS program. The PMU would be empowered to steer the entire process of PRAYAS,

which includes creation of an online portal for submission of proposals, selection of PRAYAS centres, fund disbursal, utilization of funds , monitoring and evaluation, organizing annual PC meets , creation of MIS, documentation of innovation successes and failures, and innovator grievance redressal mechanism in consultation with NSTEDB, DST and in line with DST norms and PRAYAS Guidelines. The PMU would present and report about the functioning of the program on six monthly basis to DST and also to the NEAC annually. The Program Management Expenditure @ 5% of total funds, subject to a minimum of Rs 50.00 lakhs, will be sanctioned annually under the program for management of the whole program including all the activities as a part of the overall process highlighted above. The PMU would also be provided a grants of Rs 5.00 lakhs for creation of interactive on-line portal and Rs. 10 lakhs for the annual maintenance and management of the portal including dedicated manpower for portal and data management.

## **6.0 Targets and outcome**

The program would target to facilitate and enable minimum 100 innovators annually across the country in translating their ideas into prototype through funding support to maximum 10 PRAYAS Centres in the country.

## **7.0 Eligibility for Submission of a Proposal of PC**

- a. STEPs/TBIs promoted by Government of India are eligible to apply under the **PRAYAS Centers (PC)**.
- b. The proposal to be submitted by a STEP / TBI and other institutions with a proven track record in promotion of technology based entrepreneurship. The STEP / TBI is supposed to have adequate expertise and infrastructure to support innovation scouting, screening, selection for funding support and monitoring of progress of development.
- c. The financial support for establishing a PC would be extended to a STEP/TBI, a not-for-profit legal entity registered as a society/trust/section 8 company. DST encourages a PC to collaborate with an industry, an academic institution and with other institutions of repute focusing on innovation, research, testing, validation, quality control , commercialization mentorship and start-up promotion. *DST at present does not support for-profit incubators.*
- d. The STEP / TBI should have been in existence for at least 3 years. This limit of time period will not apply to entities created by the central government or state governments.
- e. A pure R&D proposal for academic pursuits and industrial consultancy will not be eligible for support.
- f. The proposals which are not complete or do not meet eligibility criteria will not be considered.

## 8.0 Submission of Proposal

- a. Proposal (one hard copy + soft version in MS word document) in the prescribed proforma which would be available at PMU Portal as well at <http://www.nstedb.com/institutional/PC.htm> along with the necessary enclosures including consent for Terms & Conditions. The proposal should be forwarded by the Head of the STEP/TBI along with the endorsement to PMU as per the Annexure-I under intimation to DST at the following address:-

1. **Ms Poyni Bhatt**,  
Chief Operating Officer,  
Society for Innovation and Entrepreneurship,  
IIT Bombay, Powai,  
Mumbai 400 076

Email : [sine@sineiitb.org](mailto:sine@sineiitb.org)  
Website : [www.sineiitb.org](http://www.sineiitb.org)  
Phone : +91 22 2576 7016  
Fax : +91 22 2572 1220

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

Telefax: +91 11 26517186  
E-mail : [hk.mittal@nic.in](mailto:hk.mittal@nic.in)  
Web-site: [www.nstedb.com](http://www.nstedb.com)

- b. Enclosures to be submitted in the PMU Portal with the proposal by the institutions:

- I. Registration Certificate of TBI as a not for profit entity.
- II. Write up on the past experience in handling such a programme.
- III. Potential innovators in the pipeline.

## 9.0 Acceptance and Processing of Application

The proposals are received throughout the year, however the National Expert Advisory Committee (NEAC) on PC would meet twice a year to be convened by PMU in consultation with DST.

## 10.0 Evaluation of Proposal

The proposals are evaluated based on the merit and the capability of the STEP/TBI in promoting innovations. The evaluation is done by the National Expert Advisory Committee

on PC, constituted by NSTEDB consisting of experts in the domain of R&D, technology development & commercialization, entrepreneurship etc. NSTEDB shall take a final decision to support the PC based on the recommendation of the Committee.

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

- a. Preparedness of STEP /TBI
- b. Qualification and Expertise of the Team proposing PC for promoting startups and innovations.
- c. Approach and Methodology to be adopted, innovative content and pipeline of potential incubatee.
- d. Assessment of STEP/TBI in terms of reaching projected milestones..

### **11.0 Pre-requisites for Release of Funds**

Once the proposal for PC is agreed in-principle by DST, the process for the sanction of PC and subsequent release of funds would be taken up after ensuring the following preliminary actions are taken by the STEP/TBI:-

- (i) Creation of a separate interest bearing bank account under the name of PC scheme by the STEP/TBI..
- (ii) Assigning of a project coordinator and a team for implementation.
- (iii) Constitution of a PC Project Management Committee.
- (iv) Submission of work plan for the year.

### **12.0 Implementation**

- (i) After in-principle approval of the Department of Science and Technology for supporting a PC, the grant would be first released by DST to PMU . Subsequently PMU would release grants to each recommended PC only after ensuring that all pre-requisites have been fulfilled.
- (ii) A Prayas Management Committee (PMC) would be constituted by NSTEDB, DST. The PMC needs to be chaired by the Competent person. PMU would organize meetings of PMC on periodic basis for consideration of proposals, monitoring the progress and taking appropriate decisions on continuation of funding support to the projects. The PMC should provide adequate autonomy and flexibility to the Chief Executive Officer (CEO) to make speedy & transparent decisions. Similarly a Monitoring Committee (MC) would be set up in each PC Centre for consideration of proposals, monitoring the progress and taking appropriate decisions on continuation of funding support to the projects. Decisions of MC at PC Level would be updated to PMU and a consolidated report would be made available/accessible through portal to DST on six monthly basis.
- (iii) PC program management requires adequate skills in innovation management. Hence for its proper day to day operation and management, competent manpower must be made available. Each STEP/TBI would identify a Project Coordinator with adequate knowledge and management expertise for the PC program management.

- (iv) The STEP /TBI would evolve a **transparent system** for selection of projects under PC program. The applicants should be incubate of the STEP/TBI who were admitted fulfilling the admission criteria. STEP/TBI should have executed appropriate agreement with incubatee.
- (v) Each STEP /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 PC and linked to PMU portal.

### **13.0 Monitoring**

The continuation of support and annual funding to the STEP /TBI as PC is entirely performance based and will be reviewed by the PMU every year. The performance at the National level would be monitored by the NEAC. As and when it is felt necessary, a team constituted by PMU/DST may be sent for monitoring the progress of the STEP/TBI. In case of significant shortfall in the progress, the support may also be terminated mid-term upon the recommendation of NEAC. The overall functioning of the PMU would be monitored by NEAC as per DST and GFR norms.

## **2. GENERAL GUIDELINES**

- (i) DST/NEAC has priority areas for supporting innovations under the PC. The current focus areas are manufacturing, agriculture, healthcare, clean-tech, energy, water and Internet of Things (IOT) and other technology areas.
- (ii) To apply for hosting PC , the STEP /TBI should fulfill the criteria of eligibility as given in para 1.3.
- (iii) The proposal should be accompanied by both forwarding letter by the STEP/TBI and endorsement from the Head of the STEP/TBI.
- (iv) The release of grants after the first year and each subsequent year is subject to satisfactory performance of STEP /TBI and on recommendations of NEAC. For this purpose the progress of work under PC and achievement of milestones is to be sent by STEP /TBI to PMU and DST in the prescribed format.
- (v) In case of any kind of problem in the implementation of the programme, the same needs to be documented properly and brought to the knowledge of the STEP /TBI Governing Body, PMU and to DST as early as possible.
- (vi) Non-performance and non-compliance to the conditions required for sustainable PC implementation may result in discontinuation of further support and refund of unspent DST grant.

## **3. TERMS AND CONDITIONS**

**PMU to ensure that all PCs follow the conditions as given below.**

- (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) The Governing Body of STEP/TBI would put in place a proper mechanism for ensuring proper implementation and execution of PC. This mechanism is through a Committee known as the Project Management Committee. This Committee consists of representatives of the STEP /TBI, technical experts and financial experts.
- (iii) 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.
- (iv) 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.

- (v) The grantee is required to upload data and details in the PMU portal as a part of MIS of PRAYAS program and send two copies one to PMU and one 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,
- (vi) All the assets acquired or created from the grant shall be installed in the premises of the STEP /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.
- (vii) 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.
- (viii) STEP /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 STEP /TBI activities.
- (ix) Concerned officers of DST or its authorized representatives may visit the organization/STEP/TBI for ascertaining the progress of work and attempt to resolve any difficulties that might be encountered in the course of implementation.
- (x) 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.
- (xi) 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.
- (xii) 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.
- (xiii) 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.
- (xiv) 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.

- (xv) DST will not have any liability towards the manpower appointed by the grantee institution for implementation of the project.
- (xvi) 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.
- (xvii) The DST will have no liability on account of any omission or commission of regulatory/statutory requirement by the STEP /TBI or its incubatees and their companies.
- (xviii) 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 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. Name of the applicant STEP/TBI

Address :  
Phone :  
Fax :  
E-mail :  
Website :

### 2. Name & Designation of the Head of the Host Institution/Organization:

Address :  
Phone :  
Mobile :  
Fax :  
E-mail :

### 3. Name, Designation & Contact Details of the Head of STEP/TBI

Address :  
Phone :  
Mobile :  
Fax :  
E-mail :

**5. Name of STEP /TBI as Registered Society/Trust or Section 8 Company** (if STEP/TBI is already registered. Enclose a copy of Registration Certificate, Memorandum of Association, etc. related to the STEP/TBI)

### 6. Bank Account Details of STEP/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)

## 7. STEP/TBIs preparedness to host PC

- I. Experience and Expertise of the STEP/TBI Coordinator or probable CEO from Institution identified for the PC. (Attach a brief CV/bio-data, a person/s with domain expertise and having conceptual understanding and deep interest for innovation and entrepreneurship would be preferred to steer the PC). Briefly explain the contributions of the proposed/recruited STEP/TBI team for managing the PC.
- II. List best five innovations supported during the last five years.

Name of the project	Sponsoring agency	Amount Sanctioned (Rs. Lakh)	Amount Released (Rs. Lakh)	Duration	Outcome

- III. Awards & Recognition during last five years: Details of Recognitions & Awards won by the STEP/TBI or incubatees
- IV. Any other notable activities in innovation and entrepreneurship:
  - a. Indicate details of product development/commercialization,
  - b. Details on entrepreneurship orientation for faculty/and proposed STEP/TBI team,
  - c. Details on organization of relevant entrepreneurship development programmes viz. courses, workshops, seminars, competitions, lectures etc by the institute.

## 8. Feasibility of PC

To be evaluated based on the STEP/TBI institution's strength, preparedness in hosting PC, business ecosystem,

Reasons for the STEP/TBI to promote PC (500 words)

- a. Strength of the STEP/TBI in hosting PC
- b. Overall business and innovation environment of the STEP/TBI host institute and ecosystem in the region
- c. Assessment of innovators needs and entrepreneurial needs
- d. Sources of tapping newinnovative entrepreneurs

## 9. Potential Services to be provided to Innovators ( 250 words)

10. Facilities available for innovation support in STEP/TBI and its network including HIs

11. Budget for Creating Fab Lab (Equipment, Tools, Maintenance, Manpower for management of Fab lab, Consumables and Utilities etc.)

12. Details of Availability of 3000 Sq ft for Prayas Centre (PC) at TBI premises.

1. Layout plan of additional 3000 sq ft for PC
2. 14. Year-wise work plan for five years (a separate time linked activity chart to be provided along with the detailed work plan.
3. Attach endorsement from the Head of the Institutions as given at Annexure-I.

Name & Signature of the  
Head of the Institution/Agency (with seal)

Name & Signature of the  
STEP /TBI Co-ordinator  
(with seal)

Date:

Place:

**FORWARDING LETTER FROM THE STEP/TBI (on the Letter Head)**

I hereby forward the proposal of PC from our STEP /Technology Business Incubator – “.....” to be established at ..... .A built up area of .....sq. ft would be provided as a dedicated facility to house PC in the TBI.

There shall not be request for additional financial support for procurement of these facilities and space.

It is agreed to abide by the terms and conditions of the DST grant.

The following documents are enclosed for consideration-

ITEMS	NUMBER OF COPIES
(a) Proposal for the PC duly signed (2 hard & 1 soft copy)	Two
(b) Registration certificate of the STEP/TBI	One

Date : .....

Name & Signature  
Head of STEP/TBI Place:.....