

# NewGen IEDC

## (NEW GENERATION INNOVATION AND ENTREPRENEURSHIP DEVELOPMENT CENTRE)

### 1.0 Background:

India is witnessing an upsurge of technology-driven and knowledge-based enterprises. Whether it is the field of conventional business or in IT and ITES a sudden spurt in the number of new ventures or start-ups has taken the country by surprise. Technology and Innovation are playing a major role in this process. It is as if all of sudden people, especially the young ones are no longer afraid to dream an idea and work actively to convert their ideas to commercially viable business.

While a few years back, the conversion of idea to product might have sounded a distant dream, with both technology and market being uncertain, things certainly have changed now.

More and more technocrats, students with practically no experience or industry experienced professionals are giving shape to their business ideas. It is as if the Silicon Valley story is reincarnating itself in India.

Encouraged by the motivating ecosystem students are no longer giving preference to campus placements and are going for deferred placement to give a chance to their dream projects.

It has however been seen that initial support to the start-ups has been one of the deterrent in the process of the launch. Students (their parents) have already incurred a heavy expenditure for the payment of tuition fees and subsistence and are cash strapped.

Anticipating this movement and to empower the younger generation to acclimatize themselves to innovation and entrepreneurship culture, the Department of Science and Technology has initiated a programme called New Generation Innovation And Entrepreneurship Development Centre (NewGen IEDC). **NewGen IEDC** has a mission to *“promote knowledge based and technology-driven start-ups by harnessing young minds and their innovation potential in an academic environment”*

### 2.0 The Programme:

**New Generation Innovation and Entrepreneurship Development Centre (NewGen IEDC)** is the programme launched by National Science and Technology Entrepreneurship Development Board (NSTEDB), Department of Science & Technology (DST), Government of India.

NewGen IEDC will aim to inculcate the spirit of innovation and entrepreneurship amongst the young S&T students, encourage and support start-up creation through guidance, mentorship and support. The programme will be implemented in academic institutions. Students will be encouraged to take up innovative projects with possibility of commercialization.

NewGen IEDCs would also spread the message of entrepreneurship and create a culture of entrepreneurship in the Host Institution (HI). With faculty already trained in the nuances of entrepreneurship, the presence of NewGen IEDCs in HI would create a vibrant entrepreneurial culture amongst the students. Few amongst the “**Job-Seekers**” would be converted to “**Job-Generators**” through the entrepreneurial route.

### **3.1 Objectives of NewGen IEDC:**

1. To channelize the knowledge and the energy of youth towards becoming active partners in the economic development process
2. To catalyze and promote development of knowledge-based and innovation-driven enterprises and promote employment opportunities amongst youth specially students
3. To inculcate a culture of innovation driven entrepreneurship
4. To act as an institutional mechanism for providing various services including information on all aspects of enterprise building to budding S&T entrepreneurs.

### **4.1 Salient features of NewGen IEDC:**

1. It is a five-year programme to be implemented in an educational institution
2. A maximum of twenty new projects would be supported in a year
3. The projects should be students’ projects with a high degree of innovation and commercial viability
4. As far as possible, the projects may be multi-disciplinary in nature and should be executed by teams consisting of students drawn from various levels
5. The projects should also have a high degree of commercial viability to lead to possible startup by students.

### **5.1 Functions of NewGen IEDC:**

1. To motivate, support and mentor students for identification, development and commercialization of their innovative ideas
2. To initiate targeted number of innovative student projects each year for new product development
3. To organize Business Plan Competitions/Innovation Camps/ Hackathons with active involvement of industry and alumni
4. To guide and assist prospective entrepreneurs on various aspects such as preparing project reports, obtaining project approvals, loans and facilities from agencies of support system, information on technologies, etc.
5. To arrange interaction with entrepreneurs, bankers, professionals, potential customers and create a mentorship scheme for student innovators

6. To facilitate creation of entrepreneur's club / E-Cells in the college to foster culture of entrepreneurship amongst students

### **6.1 Project Managing and Implementing Agency:**

NewGen IEDCs will be coordinated by Entrepreneurship Development Institute of India (EDII), Ahmedabad on behalf of NSTEDB, DST and implemented by the Host Institutions. The role of coordinating agency will be to -

1. invite and receive proposals for NewGen IEDC
2. initial scrutiny of proposals
3. convening of experts advisory committee, constituted by DST, meeting to consider the proposals for support
4. release of funds to individual institutions
5. convening review meetings
6. monitoring, evaluation, documentation (including MIS and web-portal)
7. mentoring and handholding of NewGen IEDC
8. Maintaining database and compilation of progress

### **7.1 Criteria for selection of an Institution to set up NewGen IEDC:**

1. The institution should be a University/Deemed University or a premier Institute/College offering Engineering, Technology, Science courses at degree level or above for at least 5 years. In case of a college/institute, it should be duly recognized, affiliated, and while in case of the private institutions, it should be promoted by a Trust or a Society registered under relevant Acts besides being recognized/affiliated to AICTE/Universities.
2. Qualified and dedicated faculty in various disciplines with a good Research & Development base and background in industry related activities should be available.
3. Availability of two faculty trained in Entrepreneurship through DST sponsored Faculty Development Programme.
4. Minimum dedicated space of about 5000 square feet for housing the NewGen IEDC with the availability of utilities like electricity, water, telephone installation and internet connectivity.
5. Availability of workshops, laboratories and computational facilities
6. Library with a good collection of books and journals
7. Experience in Entrepreneurship Development and Promotion and Industry related activities such as Consultancy, Product Development, Testing, Calibration etc

## **8.1 Functioning/Status of the NewGen IEDC:**

1. The NewGen IEDC should maintain separate books of account and a savings bank account for the NewGen IEDC. It should function as a prominent Central Facility of the Host Institution and not as a facility for a particular Department of the parent institution.
2. The NewGen IEDC should enjoy flexible administrative and financial status for ensuring effective and speedy implementation of the programmes and activities.
3. It should have effective linkages with different Departments, Centres and other facilities of the institution to spread entrepreneurial culture for optimal utilization of the expertise, resources and know-how available. It should network with other agencies involved in entrepreneurship development.

## **9.1 Budget & Funding:**

### **9.2 Funding mechanism & Financial guidelines:**

The Host Institution shall submit the proposal for setting up of an NewGen IEDC as per the proforma to EDII, Ahmedabad. The financial assistance to the selected institution for establishment of NewGen IEDC, towards its non-recurring (as one time establishment cost) and recurring expenditure (Project Development Cost, Travel, Training and Contingencies, etc.) up to five full operational years would be provided. However, the financial assistance would be available in the project mode on a year-to-year basis, based on successful implementation of the NewGen IEDC project and review by the National Experts Advisory Committee.

### **9.3 Non-Recurring Grants:**

The NSTEDB will provide limited onetime non-recurring financial assistance, up to a maximum of Rs. 25.00 lakhs. The non-recurring grants would be provided for the establishment cost, furnishing of cubicles for start-ups, purchase of PC with printers, UPS, library books, journals, laptop, multimedia projector, office communication equipment and other equipment like 3D printers, prototyping equipment/software and shared equipment. The grants should NOT be used for funding purchase of land and building.

The host institution should provide the support of two members of the faculty, trained in entrepreneurship development through DST sponsored Faculty Development Programme (FDP) in entrepreneurship development, 5000 sq.ft of dedicated space, a counseling/meeting room, office furniture, facility of conference hall/ auditorium, telephone and internet connection etc.

### **9.4 Recurring Grants:**

The recurring budget will be provided for each year of operation for a maximum of five years. The maximum number of student project supported each year would be as follows—

Year →	First	Second	Third	Fourth	Fifth	TOTAL
<b>No of Projects</b>	10	15	20	20	20	85

Sl. No	Budget Head	Amount in Rs. Lakh Per Year (Max Project)				
		1	2	3	4	5
		(10)	(15)	(20)	(20)	(20)
1	Prototype Development Grant (@ Rs 2.50 lakh per project)	25	37.5	50	50	50
2	Recurring Expenditure	10	10	10	10	10
	<b>TOTAL</b>	<b>35</b>	<b>47.5</b>	<b>60</b>	<b>60</b>	<b>60</b>

The recurring cost would include the honorarium to mentors, honorarium to NewGen IEDC coordinator, travel, expense for advisory board and review meeting, contingencies and misc. expenditures.

The Prototype Development Grant of Rs. 2, 50, 000/- per project, would cover the following expenditure-

- a) A maximum amount of Rs 25,000/- to the mentor for providing guidance to the project team
- b) A maximum amount Rs 25,000/- per student group as stipend
- c) Rs 2, 00,000/- for cost of raw material, prototype development cost, external vendor/consultant cost.

In case the expenditure on item no (c) is more than the stipulated amount of Rs 2, 00,000/- the additional expenditure will be borne by the student team/college/institute.

***The above funding is just indicative and may vary from case to case.***

#### **10.0 Review & Monitoring:**

The periodic review of NewGen IEDCs would be carried out by EDII and/or NSTEDB, DST. The Host Institutions would provide access to the personnel, facilities and records for smooth conduct of the review. The National Experts Advisory Committee (NEAC) of Entrepreneurship in Education, constituted by DST, would review the activities of NewGen IEDC annually. NewGen IEDCs would submit their documents, duly approved by their Local Advisory Committees, to EDII every year.

#### **11.0 Financial Discipline:**

The Host Institution shall open a Savings Bank Account in which the grants-in-aid will be transferred. The bank account shall be jointly operated by the coordinator of NewGen IEDC and the Head of the Institution or a person nominated by the Head of the Institution. The grants-in-aid will be credited to this account and utilized solely for the activities of NewGen IEDC. The interest

earned thereon shall be accounted for in the Utilization Certificate and shall be adjusted in the grants in aid of subsequent years.

All financial receipts/funds received by NewGen IEDC shall be credited to this account. Surplus funds generated through NewGen IEDC activities (and not the grants-in-aid) and revenue earned should be credited to the same bank account to continue the activities of NewGen IEDC beyond the project life (maximum 5 years). However, DST grants-in-aid or interest earned thereon should not be used to create the corpus. The accounts should be audited either by the Chartered Accountant in case of private Institution or by the Financial head in case of the Government Institution or as per the norms of the parent institution.

The NewGen IEDC will maintain a separate books of account. The NewGen IEDCs should also maintain a separate stock register for the assets created. The Utilization Certificate (UC) and Statement of the Audited Expenditure (SAE) has to be submitted to EDII, Ahmedabad, who would, in turn submit a consolidated UC to DST.

#### **12.0 Utilization Certificate and Statement of Audited Expenditure:**

EDII, Ahmedabad, will submit Utilization Certificate and Statement of Audited Expenditure annually in the prescribed proforma of DST. The Utilization Certificate is also to be uploaded in the Public Financial Management System (formerly Central Plan Scheme Monitoring System CPSMS) website [www.pfms.nic.in](http://www.pfms.nic.in). The interest earned on the grants-in-aid shall be reflected in UC.

#### **13.0 Organizational requirements:**

The NewGen IEDCs will function under the guidance and control of the Head of the Host Institution. The Head of Institution will be solely responsible for the implementation and successful operation of NewGen IEDCs. He will appoint the NewGen IEDC Coordinator for the day to day functioning of the NewGen IEDC. An Advisory Board will monitor its activities.

#### **14.0 Advisory Board:**

For the effective implementation of the programmes, the Host Institution would constitute an Advisory Board immediately after the sanction of the NewGen IEDCs by the DST. The Advisory Board will lay down policy guidelines, fix up physical and financial targets, suggest measures for raising funds, effective utilization of facilities and expertise available in the parent Institute and sourcing of expertise and facilities from other institutions in the region. The Advisory Board should meet at least twice a year and should hold its first meeting within four months of receipt of grants-in-aid. The student projects should be approved by the Advisory Board.

The Advisory Board may have the following composition:

1. Head of the Host Institution - Chairman
2. Representative of NSTEDB, Govt. of India
3. Representative of Entrepreneurship Development Institute of India, Ahmedabad
4. Two senior faculty members from Host Institution preferably with relevant entrepreneurial / industry experience
5. Representative of a nearby Incubator
6. Representatives of SIDBI / NABARD / Lead Bank or Local bank
7. One Member from Industry Associations
8. Two Alumni Entrepreneurs from the Host Institutions
9. Coordinator of NewGen IEDC Member Secretary

### **15.0 Manpower for the NewGen IEDC:**

The appointment of all the staff of NewGen IEDCs would be on contractual appointment. Their appointments are co-terminus with the project. There will be no liability of any sort whether direct or indirect on EDII, Ahmedabad and / or Department of Science and Technology, Government of India.

### **16.0 Evaluation, Performance Guidelines and Reporting:**

The NewGen IEDCs would prepare an Action Plan for each financial year and fix physical and financial targets to be achieved during the year for submission to EDII, Ahmedabad by 31 January each year. The Advisory Board of the NewGen IEDCs would meet, discuss and approve these plans and targets. The Action Plan and targets should be finalized much before the beginning of the financial year.

The institution will also submit an annual progress report prepared by NewGen IEDCs to EDII latest by 30th April in addition to submission of half yearly progress report latest by 30<sup>th</sup> October every year.

The participation of the NewGen IEDC staff in the Annual Review Meeting is mandatory, when invited. Adequate travel grants have been provided for this in the annual budget.

### **17.1 Submission of Proposal:**

The proposal in the prescribed proforma along-with the necessary enclosures should be forwarded by the Head of the Host Institute/Registrar/Vice-Chancellor along with the endorsement as per the Annexure-I, II, III & IV. The proposal should be sent to the following address-

**Mr. S. B. Sareen**

Project Director & Co-Member Secretary (DST NewGen IEDC)

Entrepreneurship Development Institute of India

PO Bhat 382 428

District Gandhinagar,

Gujarat

Tel : +91-79-23969151, 23969153 Fax: +91-79-23969164

Email : sareen@ediindia.org

Enclosures to be submitted with the proposal by the institutions other than the Publicly Funded Institutions

- |                                                                |          |
|----------------------------------------------------------------|----------|
| 1. Registration Certificate of the Host Institute -            | one copy |
| 2. Memorandum of Association/Trust Deed of the Host Institute- | one copy |
| 3. Audited Statement of Accounts for the last Three years      | one copy |
| 4. Annual Reports for the last three years                     | one copy |
| 5. Copy of AICTE approval                                      | one copy |
| 6. Copy of NAAC/NBA accreditation                              | one copy |

### **18.0 Acceptance and Processing of Application:**

For submission of proposals, interested institutions may visit Announcement Section on <http://www.newgeniedc-edii.in/#NewGenIEDC>. The National Expert Advisory Committee (NEAC) on Entrepreneurship in Education constituted by DST for the purpose will make its recommendations for setting up NewGen IEDCs.

### **19.1 Evaluation of Proposal:**

The proposals are evaluated based on the merit and the capability of the Host Institution in promoting the NewGen IEDC. The evaluation is done in two stages. In the initial stage a Sub-Committee consisting of three experts of which two members are external to the Department, evaluate the proposal. The shortlisted proposals are then invited for a presentation before the National Expert Advisory Committee (NEAC) on Entrepreneurship in Education, constituted by the Department, consisting of experts in the domain of R&D, Technology Development & Commercialization, Entrepreneurship etc. The Department shall take a final decision to support the NewGen IEDC based on the recommendation of the Committee.

The proposal must also include a Certificate from the Head of the Institution showing willingness of Institution to continue the NewGen IEDC after DST financial support is withdrawn at the end of five years of operation.

The proposal also must include the acceptance of Terms and Condition of the sanction by the Department. The institution should submit the details of student projects in the prescribed format.

## ANNEXURE - I

### PROFORMA FOR PROPOSAL TO BE SUBMITTED BY THE INSTITUTIONS WILLING TO SET UP NewGen IEDC

1. Name of institution
2. Communication address with tel/fax and email
3. Name of principal or head of institution
4. Contact details of head of institution (all communication will be made with the head of institution)
5. Status of institution (govt/pvt/self-financed/deemed university)
6. Year of establishment
7. Courses offered in UG / PG
8. Faculty details
9. Give brief details of labs of the institute
10. Names of faculty trained through DST sponsored faculty development programme in entrepreneurship (enclose copy of their certificates)
11. Name and contact details of proposed NewGen IEDC coordinator
12. Educational qualification of NewGen IEDC coordinator
13. Whether the college/institution has conducted entrepreneurship related awareness camp/training programme prior to this application?
14. Does the institution have any industry linkages? If yes, give details.
15. How does the institution propose to commercialize the innovative ideas generated out of NewGen IEDC?
16. How does the host institution plan to implement financial and administrative autonomy to NewGen IEDCs?
17. Give list of five prominent alumni entrepreneurs in past 10 years
18. Does the institution have any IPR policy in place?
19. If yes, how does the institution takes up the IP issues?
20. Does the institution have any start-up policy in place? Give details.
21. Are the students allowed to register start-ups?
22. Please indicate how do you propose to make the NewGen IEDC self-sustainable after five years. (Give year wise revenue generation plans and plans to support the student projects each year for at least five more years, indicating the activities and revenue expected to be generated there from)
23. Year-wise budget requirement

## ANNEXURE II

### **CERTIFICATE FROM HEAD OF INSTITUTION SHOWING THE WILLINGNESS TO IMPLEMENT THE PROJECT AND CONTINUE IT AFTER DST SUPPORT IS WITHDRAWN**

*This is to certify that*

1. The grants-in aid as may be available from the Department of Science & Technology (DST), Government of India, will be used to meet the expenditure against establishment of NewGen IEDC in this College/University/Institute for the period of one year. The renewal of sanction of recurring grant for subsequent years will be at the discretion of the DST for which fresh request will be submitted to DST.
2. The proposed NewGen IEDC to be established in this College/University/Institute will be under the administrative control of the undersigned.
3. No administrative, financial or any other liability will be attached to DST after expiry of the period for which the grant will be sanctioned
4. It will be the responsibility of the College/University/Institute to continue the NewGen IEDC activities after expiry of the period of assistance from DST, without any further recurring financial assistance from DST.
5. The institution also agrees to meet the shortfall in the budget of the NewGen IEDC in case the project cost exceeds the amount sanctioned by DST. In addition, if there is a shortfall and NewGen IEDC is not able to generate the desired level of revenue, Host Institution will provided adequate financial support.
6. The College/University/Institute will provide office space, classrooms, furniture, secretarial assistance etc. and other administrative facilities for smooth operation of the NewGen IEDC.
7. The College/University/Institute will take into its books all equipment and assets purchased under the sanction given by DST for which a separate asset register shall be maintained.
8. The contents of the guidelines have been read and understood and the College/University/Institute agree to abide by it.
9. All recruitment will be made for NewGen IEDC on the basis of the guidelines supplied by NSTEDB secretariat and as per usual procedure followed in the College/University/Institute and will be on a contractual basis and co-terminus with the Project. Under no circumstances, the College/University/Institute will hold EDII, Ahmedabad and/or DST liable for any legal issues arising because of Manpower related issues.
10. An advisory Committee on NewGen IEDC will be constituted immediately after receipt of approval of DST on the proposal. A representative of the Secretariat of NSTEDB will be included in the Committee.
11. Six monthly reports on the performance of the NewGen IEDC will be submitted to EDII regularly in the prescribed proforma.

Signature & Seal of Head of the Institution

## **ANNEXURE –III**

### **TERMS & CONDITION OF THE GRANTS-IN-AID**

1. The grant being released should be exclusively spent for the specified purpose for which it has been sanctioned and within the stipulated time. Any unspent balance out of the amount sanctioned would be surrendered to the Govt. of India. Carry forward of the unspent funds to the next financial year for utilization for the same purpose may be considered only with the specific approval of the Department of Science & Technology.
2. For permanent, semi-permanent assets acquired solely or mainly out of the grant, audited record in the form of register shall be maintained by the Institute. The term “Assets” means (i) immovable property and (ii) movable property of a capital nature, where the value exceeds Rs.1,000/-. The grant will not be utilized for construction of any buildings.
3. All the assets acquired from the grant will be the property of the Govt. of India and should not without the prior sanction of Department of Science and Technology be disposed off or encumbered or utilized for purpose other than those for which the grant has been sanctioned.
4. 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. of India. The institution shall tender to Government necessary facilities for arranging the sale of these assets.
5. The Institute will furnish three copies of the half- yearly progress report of the work on the project. In addition, appropriate persons may visit the Institute periodically for ascertaining the progress of work and resolve any difficulties that might be encountered in the course of implementation. During the progress of the project the institute will provide all facilities to the Scientists/specialists by way of accommodation etc. On completion of the project 03 copies of consolidated report of the work done on the subject in a bound form shall be sent to EDII, Ahmedabad.
6. The Institute is required to send to EDII, Ahmedabad at end of each financial year as well as at the time of seeking further installments of the grant, if any, a list of assets referred to in point 2 above and a statement of accounts relating to be amount sanctioned.
7. The institute shall furnish to EDII, Ahmedabad utilization certificates and an audited statement of Accounts pertaining to the grant at the end of each financial year.

8. The Controller and Audited General of India, at his discretion, shall have the right of access to the book and accounts of the Institute for the grant received from the Government.
9. The Institute will maintain separate audited accounts for this project. If it is found expedient to keep a part or whole of the grant in a bank account earning interest, the interest earned should be reported to the EDII, Ahmedabad. The interest thus earned will be treated as a credit to the institute to be adjusted towards further installments of the grant, if any.
10. Sale proceeds, if any, as a result of the development of the project arising directly from funds granted shall be remitted to the Government of India through EDII. The Government of India, may at its discretion allow a portion of such receipts to be retained by the Host Institute.
11. The Institute may not entrust the implementation of the work for which the grant is being sanctioned to another institution and to divert the grant received as assistance to the latter institution. In case the institute itself is not in a position to execute or complete the project, it may be required to refund forthwith to the Govt. of India, the entire amount of grant-in-aid received by it, along with the interest accrued thereon.

Signature & Seal of Head of the Institution

## **ANNEXURE - IV**

### **GUIDELINES FOR SUBMISSION OF STUDENT PROJECT DETAILS**

The proposal should carry complete details about the student projects including financial requirement and the possible market for the product. The project information may cover the following aspects:

#### **THE BUSINESS**

- The product/service/idea
- The technology behind the product/service
- Possible innovation at a later stage
- Scalability
- The market (the size of the market and its growth potential)

#### **THE TEAM**

- Brief description of each member of the team stating qualification and other details
- Name and qualification of mentor
- Whether any preliminary discussion has been done with the mentor
- Whether any of the team members participated in program related to entrepreneurship

#### **THE SUPPORT SYSTEM**

- Is the host institution capable of supporting the student?
- Does the host institution have necessary equipment/hardware for product development and subsequent testing?

#### **THE FINANCIAL REQUIREMENT (may not be restricted to DST support)**

- The cost of purchase of raw materials
- The cost of contingencies
- Product development cost/ Consultancy cost and
- Any other expenditure