

## **NEW GENERATION INNOVATION AND ENTREPRENEURSHIP DEVELOPMENT CENTRE (NewGen IEDC)**

### **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”***

In view of this, the National Science & Technology Entrepreneurship Development (NSTEDB), Department of Science & Technology (DST), has taken an initiative of introducing this scheme for setting up “New Generation Innovation & Entrepreneurship Development Centers (NewGen IEDCs)” being implemented by Entrepreneurship Development Institute of India (EDII), Ahmedabad. In the year, 2017-18 and 2018-19 i.e. first year and second year of this project, the program received an overwhelming response and through robust screening and selection process, 14 NewGen IEDCs (2017-18) and 12 NewGen IEDCs (2018-19) have established in various parts of the country.

### **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 and implemented by EDII, Ahmedabad.

NewGen IEDC aims to inculcate the spirit of innovation and entrepreneurship amongst the young S&T students, encourage and support start-up creation through guidance, mentorship & support. NewGen IEDCs would be established in academic institutions where 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.

### **3.0 Objectives of NewGen IEDC:**

1. To channelize the knowledge and 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.

### **4.0 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 per Institution would be supported in a year
3. The projects should be students' projects with a high degree of innovation and commercial viability to lead to possible startup by students
4. As far as possible, the projects should be multi-disciplinary in nature and to be executed by teams consisting of students drawn from various levels

### **5.0 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, technologies information, 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

### **6.0 Project Coordinating & Managing Agency:**

Under the aegis of the NSTEDB, DST, NewGen IEDC programme will be coordinated and managed by the Entrepreneurship Development Institute of India (EDII), Ahmedabad. The role of EDII will be to;

1. invite and receive proposals for setting up NewGen IEDCs
2. initial scrutiny of proposals
3. convening of experts advisory committee (constituted by DST) meeting to consider the proposals for funding support
4. release of funds to selected institutions
5. convening progress 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 reports to be submitted to DST from time to time

## **7.0 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 at least two faculty members trained in Entrepreneurship through DST sponsored Faculty Development Programme.
4. Minimum dedicated space of about 5000 square feet for housing the NewGen IEDC with basic amenities like electricity, water, telephone and internet connectivity.
5. Availability of workshops, laboratories and computational facilities
6. Library with good collection of books and journals
7. Experience in Entrepreneurship Development, Promotion and Industry related activities such as Consultancy, Product Development, Testing, Calibration etc

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

1. NewGen IEDC should maintain separate books of account and saving 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. NewGen IEDC should enjoy flexible administrative and financial status for ensuring effective and speedy implementation of programmes and activities.
3. It should have effective linkages with different Departments, Centers and other facilities of the institution to spread entrepreneurial culture for optimal utilization of expertise, resources and know-how available. It should network with other agencies involved in entrepreneurship development.

## **9.0 Budget & Funding:**

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

For setting up of NewGen IEDC, eligible Institutions shall submit online proposals to EDII, Ahmedabad as per the prescribed proforma. Financial assistance to the selected institutions 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.

### **9.2 Non-Recurring Grant:**

NSTEDB will provide limited onetime non-recurring financial assistance, up to a maximum of Rs. 25.00 lakh. The non-recurring grant would be provided towards 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 etc. The grant should NOT be used for 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.

### 9.3 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
No. of Student Projects	10	15	20	20	20	85

Sl. No.	Budget Head	Amount in Rs. Lakh Per Year (Max Projects)				
		Year 1	Year 2	Year 3	Year 4	Year 5
1	No. of Student Projects	(10)	(15)	(20)	(20)	(20)
2	Prototype Development Grant (@ Rs 2.50 lakh per project)	25	37.5	50	50	50
3	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 maximum amount of Rs. 25,000/- to the mentor for providing guidance to the project team
- A maximum amount Rs. 25,000/- per student group as stipend
- 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/host 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 annually, duly approved by their Local Advisory Committees, to EDII, Ahmedabad.

### 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 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 refunded to NSTEDB, DST on yearly basis.

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 uploaded in the Public Financial Management System (formerly Central Plan Scheme Monitoring System CPSMS) website [www.pfms.nic.in](http://www.pfms.nic.in) and also to be submitted to the coordinating and managing agency i.e. EDII, Ahmedabad, who would, in turn submit a consolidated UC to NSTEDB, DST as per the prescribed format.

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

The coordinating and managing agency EDII, Ahmedabad will submit Utilization Certificate and Statement of Audited Expenditure annually in the prescribed proforma of NSTEDB, 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 IEDC. He will appoint the NewGen IEDC Coordinator for day to day functioning of the NewGen IEDC. An Advisory Board will monitor its activities.

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

For effective implementation of the programmes, Host Institution would constitute an Advisory Board immediately after the sanction of the NewGen IEDCs by NSTEDB, 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. 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. Member Secretary, NewGen IEDC Project, NSTEDB, DST	Member
3. Project Director & Co-Member Secretary-NewGen IEDC, EDII, Ahmedabad	Member
4. Two senior faculty members from Host Institution preferably with Relevant entrepreneurial / industry experience	Member
5. Representative of a nearby Technology Business Incubator	Member
6. Representatives of SIDBI / NABARD / Lead Bank or Local bank	Member
7. Representative from Local Industry Association	Member
8. Two Alumni Entrepreneurs from the Host Institution	Member
9. NewGen IEDC Coordinator	Member Secretary

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

Appointment of all the staff of NewGen IEDC would be on contractual basis. Their appointments are co-terminus with the project. There will be no liability of any sort whether direct or indirect on the coordinating and managing agency i.e. EDII, Ahmedabad and / or Department of Science and Technology, Government of India.

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

NewGen IEDCs would prepare an Action Plan for each year and fix physical and financial targets to be achieved during the year for submission to EDII, Ahmedabad. The Advisory Board of the NewGen IEDCs would meet, discuss and approve these plans and targets. The HI will also submit a report on the progress made by NewGen IEDC to EDII, Ahmedabad as per the schedule. Participation of the NewGen IEDC coordinators in the Annual Review Meeting is mandatory, when invited. Adequate travel grants have been provided for this in the annual budget.

## 17.0 Submission of Online Proposals:

On announcement of the programme, online proposals link available at; [www.newgeniedc-edii.in](http://www.newgeniedc-edii.in) and [www.nstedb.com](http://www.nstedb.com) along with the necessary enclosures including consent for Terms & Conditions should be submitted. For any other details and information related to the project, all institutions may contact;

### **Mr. S. B. Sareen**

Project Director & Co-member Secretary-NewGen IEDC

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

- |   |                 |
|---|-----------------|
| 1. <i>Registration Certificate of the Host Institute</i>  | <i>one copy</i> |
| 2. <i>Memorandum of Association of the Host Institute</i> | <i>one copy</i> |
| 3. <i>Copy of AICTE approval</i>                          | <i>one copy</i> |
| 4. <i>Copy of NAAC/NBA accreditation</i>                  | <i>one copy</i> |

**Copy of Audited Statement of Accounts and Annual Reports for last Three years not to be uploaded and to be sent separately through email at; [sareen@ediindia.org](mailto:sareen@ediindia.org)**

## 18.0 Evaluation of Proposals:

Proposals are evaluated based on the merit and the capability of the proposed Host Institution for setting up NewGen IEDC. Evaluation is done in two stages. In the initial stage a Sub-Committee consisting of three experts of whom two members are external to the Department, evaluate the proposals. The shortlisted proposals are then invited for 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, and Entrepreneurship etc. The Department shall take a final decision to support the NewGen IEDC based on the recommendation of the Committee.

Eligible institutions may submit their online proposal to EDII Ahmedabad. The proposal must include a Certificate from Head of the Institution showing willingness of the Institution to continue the NewGen IEDC even 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.