

**FORMAT OF APPLICATION FORM FOR  
SETTING UP OF INCUBATION CENTRE**

**Applicant Details**

1. Name of the Private Institution / College:
  - a. Address :
  - b. Telephone :
  - c. Email :
  - d. Fax :
  - e. Website :
2. Year of establishment:
3. Number of employees:
4. Track record
  - a) List top five R&D projects and consultancy ongoing/completed, if any (Last 3 years).

Name of the project	Sponsoring agency	Amount Sanctioned (Rs. In Lakhs)	Amount Released (Rs. In Lakhs)	Duration (in years)		Awards (if any)
				From	To	

- b) Experience of host institution in entrepreneurship, start-up facilitation & innovation, if any (last 3 years)
5. Number of patents, if any (Last 5 Years)
  - a. **Filed:**
  - b. **Granted:**

**Details of Proposed Incubation Center (IC)**

6. Mode of setting up the IC
 

<input type="checkbox"/> <input type="checkbox"/> Public	<input type="checkbox"/> <input type="checkbox"/> Private	<input type="checkbox"/> <input type="checkbox"/> Public-private partnership
<input type="checkbox"/> <input type="checkbox"/> Section-8	<input type="checkbox"/> <input type="checkbox"/> Any other	

7. Are you partnering with an educational/ research institute/ industry (if any)?

Yes  No

8. If yes, then provide number of educational/ research institutes/ industry:

9. List the names of the educational/ research institutes/ industry (100 words):

10. Proposed investment commitment in the Incubator (Rs. Lakhs):

11. Select the area of specialization (R&D Strength):

- Automobile & Sustainable Transportation Technologies
- Biotechnology
- Communication technology (publishing, printing, media, design etc)
- Medical devices & implants
- Nanotechnology
- Water & Environmental Technologies
- Smart cities Technologies
- Smart/Advanced manufacturing Technologies
- Life Sciences
- Renewable Energy
- If there is any other sector (not in industrial IoT, organic agro-processing, agribusiness, forestry, veterinary & horticulture) which is significant and the applicant has the resources to do it then they are welcome

12. Proposed floor area for setting up of the Incubator (in sq. ft.):

13. Total manpower proposed for O&M of the incubator:

14. Do you have yearly networking events?

Yes  No

If yes, please provide details

15. Details of Existing Resources of the Institute that will be made available to the incubates Library, computing, communication, conferencing, etc.

**Contact details**

- a. Name :
- b. Designation :
- c. Telephone :
- d. Fax :
- e. Email :

**P.S:** The application form should be annexed with budget plan (Annex-2) and a business plan proposal (Annex-3) for evaluation

## TNMBIIDP- BUDGET PLAN

S.No	Items	Amount (Rs. In Lakhs)		
		Year 1	Year 2	Year 3
A.	Item-wise Capital expenditure			
1				
2				
3				
4				
	<b>TOTAL- A</b>			
B.	Operating/ Recurring expenditure			
1	Manpower and staff			
2	Pre-incubation costs*			
3	Utility and maintenance			
4	Workshops & seminars			
5	Consultation & training			
6	Licensing			
7	Miscellaneous expenses			
	<b>TOTAL- B</b>			
	<b>Total Cost-(A+B)</b>			
C.	Projected Income			
1.	Grant proposed from TNMBIIDP			
2.	Donors/Contribution from Applicant			
3.	Any other source of income			
	<b>Total Income-C</b>			

Note: This is not an exhaustive list and can be extended as per suitability

- This includes screening/assessment of innovation including expert committee empanelment and other related costs, training, business plan modeling etc.

## COMPONENTS OF THE PROPOSED BUSINESS PLAN

### A. Executive Summary

### B. Incubation strategy and business model

1. List focus areas / sectors for project (Annex II)
2. List organizational strengths
3. Provide a proposed PERT chart of operational programme year wise for 3 years
4. List infrastructure (incubation space, conference/meeting room, cafeteria, lab space, furniture, computers, utilities etc) and services (IT, technical, legal, financial) to be provided
5. Provide details of marketing strategy and support
6. Provide action plan to meet business support service
7. Outline mentoring, counselling and training efforts
8. Mention geographical region covered (if any)
9. Provide details of previous products/innovations developed (if any)

### C. Legal status of the entity and its governance policies

1. Legal status of the entity
2. Describe the composition of the Board of directors: government representatives, policy makers, academicians, entrepreneurs, industry, professionals, investors and consultants. Multi-stakeholder board with adequate representation on a permanent basis as well as available on consultation.
3. Plans to appoint the CEO and management team to ensure smooth running of the incubator.

### D. Tabulate year wise composition of attainable targets (3 years)

1. Number of incubatees (individual/group) to be admitted
2. Number of incubatees expected to be graduated year wise
3. Number of new products/technologies developed/innovations to be commercialized
4. Number of events (training programs/workshops/seminar/conference) related to entrepreneurship

### E. Selection and exit policy for incubates Provide selection criteria of the incubatee and the mechanism for the same. Also specify the type of incubatee:

1. Local entrepreneurs
2. Start-up companies
3. Branch of Existing Firm
4. Spin-off from University or R&D Centre
5. Bottom of the Pyramid- Grass Root and Inclusive Growth

Describe the Exit strategy:

1. Setting a maximum time limit of 3 years
2. Incentives to exit
3. Non-performance of the incubates

Note: Please give specific information in respect of each item rather than a generalized account/write up.

## SELECTION MATRIX

The following factors would be considered in selecting the Applicant:

Sl.No	Element
1.	<p><b>Incubator Site and support system</b></p> <ul style="list-style-type: none"> <li>• Location &amp; Incubation space (sq ft)</li> <li>• Proximity to business centers</li> </ul> <p>Availability of Resources (library, computing &amp; communication facilities, conferencing facilities etc.)</p> <ul style="list-style-type: none"> <li>• Sector &amp; Area Focus (More points to underserved, backward sectors and areas)</li> </ul>
2.	<p><b>Business Consulting</b></p> <ul style="list-style-type: none"> <li>• Linkages to improve the efficacy</li> <li>• Advisory and support services</li> <li>• Number of incubatees to be admitted</li> <li>• Number of incubatees expected to graduate</li> <li>• Number of new products/technologies/innovations to be commercialized</li> <li>• Number of events related to entrepreneurship</li> </ul>
3.	Experience / Credentials of Full-time Managing Team (Board, CEO and other officials), the proposed SPV Board composition with names and background may be provided
4.	Experience of the host institution in entrepreneurship startup facilitation and innovation in last 3 years
5.	Any other, Presentation and Discussion with EDII in line with the Programme Objective

For further details, please refer scoring criteria <http://www.editn.in/pages/view/scoring-criteria>

**MEMORANDUM OF UNDERSTANDING (MOU) BETWEEN EDII AND (HOST INSTITUTION)  
FOR SETTING UP INCUBATION CENTER UNDER.TAMIL NADU MANUFACTURING  
BUSINESS INCUBATION INFRASTRUCTURE DEVELOPMENT PROJECT**

The Tamil Nadu Manufacturing Business Incubation Infrastructure Development Project (hereinafter called as 'TNMBIIDP') implemented by EDII -TN and the \_\_\_\_\_, Location (hereinafter called as **Host Institution**'), which is an academic / technical / company implemented through a special purpose vehicle, \_\_\_\_\_ (hereinafter called as '**IC**') with its registered office at \_\_\_\_\_ hereby agree to enter in a MOU on \*\* day of month, 20\*\* subject to the term and conditions stated in the MOU.

**Whereas,**

- i) 'TNMBIIDP' is a programme of the Government of Tamil Nadu implemented by EDII-TN.
- ii) The Host Institution is a recognised body under the \*\*\*\* Act.
- iii) The Host Institution has been allotted the \*\*\*\*\* (place / location) to set up the AIC and carry out its operation with a lease period of \*\* years and rental rate of Rs. \*\*\*\*\* on a monthly/quarterly basis.

**Objectives**

- i) The role of EDII-TN is to promote a culture of innovation and entrepreneurship in Tamil Nadu and that of the 'TNMBIIDP' is to Create an entrepreneurial ecosystem in the manufacturing sector through a network of business incubators in Tamil Nadu and to Create a entrepreneurship node in higher education institutions for MSME/Start-up growth has therefore, decided to establish an IC and provide the grant-in-aid for the same.
- ii) The role of the Host Institution is to provide pre-incubation and incubation facilities which include physical capital, human capital, technical/legal/financial facilities, etc., as necessary to achieve objectives of the TNMBIIDP.

**Terms and Conditions:**

**1.0 Funding**

- 1.1 The IC would be provided a total financial support in the form of Grant-in-aid of Rs. \_\_\_\_\_ crore till \_\_\_\_\_, 20\_\_\_\_\_ which would be exclusively spent on the specified purpose for which it has been sanctioned within the stipulated time.
- 1.1 The grant-in-aid would be adequately divided to cover the capital and operational expenditure of the IC and will be agreed to in consultation between EDII- TN and the Host Institution.
- 1.2 The IC shall maintain a separate interest bearing bank account for the funds to be disbursed by EDII -TN under the ENMBIIDP. The interest earned on the grant money, would be reported to the EDII-TN and the same will be treated as a credit to the EDII- TN to be adjusted towards further instalments of the grant .
- 1.3 The amount sanctioned during the first tranche will depend on the proposed and agreed expenditure as per the budget plan submitted by the Host Institution.
- 1.5 The IC will be required to submit Utilisation Certificates (UCs) of the grant at the end of each financial year as well as at the time of seeking further instalments of the grant, if any. Any unspent balance amount sanctioned would be either adjusted towards the grants-in-aid payable during the next year or refunded to EDII-TN by means of an Accounts Payee Demand Draft drawn in favour of Director, EDII-TN, Chennai.

- 1.6 EDII-TN 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. The entire amount will be treated as a sunk investment and the assets will be written-off by EDII-TN.

## **2.0 Infrastructure**

- 2.1 At least 5,000 sq. ft of built up space (land and building) would be provided to set up the IC.
- 2.2 In case of rental, the lease period would be a minimum of 3 years for academic/ R&D institutions with the requisite lease deed.
- 2.3 All the assets acquired or created out of the grant will be the property of the EDII-TN, Govt. of Tamil Nadu and should not be disposed-off or encumbered or utilised for purpose other than those for which the grant has been sanctioned .
- 2.4 The IC would fully support incubation facilities through resources such as physical infrastructure (shared/specific), laboratory and workshop facilities, utilities, support services, pre-incubation services, networking, mentoring etc., and create the necessary ecosystem.

## **3.0 Obligations of IC**

- 3.1 For setting up the SPV, the IC will put in place a dedicated full time CEO with the desired domain and management expertise and other core team/supporting staff for its successful operations within six months from the date of release of funds.
- 3.2 The Manpower employed by the IC will be the liability of the IC. EDII-TN, government of Tamil Nadu will not have any liability towards them.
- 3.3 The IC will have full freedom to decide the composition, recruitment and compensation of the CEO as well as the management team.
- 3.4 Evolve a transparent system for selection of incubatees in line with area of specialisation chosen. The incubatees would be admitted subject to fulfilling the admission criteria and the IC would enter into an appropriate agreement with the incubatees within a defined period of time.
- 3.5 Provide high quality assistance and guidance to start-ups such as legal, accounting, business including industry interaction, national and international linkages, etc.

## **4.0 Monitoring**

- 4.1 The operations of the IC will be reviewed on a quarterly basis in person and monthly over skype based on a comparison of the proposed budget plan versus the actual physical and financial performance. It will also include inspection of audited annual accounts.
- 4.2 The release of grants after the first year and each subsequent year will be based on satisfactory implementation and performance.
- 4.3 Concerned officers of EDII-TN its authorized representatives may visit the IC periodically for ascertaining the progress of work and resolving any difficulties that might be encountered in the course of implementation.

## **5.0 General Conditions**

- 5.1 The specialization of the IC will be based in the sector / area(s) of as in para 9.0 of the scheme document.
- 5.2 The IC will have its own website, which should be updated on continuous basis.
- 5.3 EDII-TN will have no responsibility in case of any loss caused to life or property due to accident, fire or any other reasons.
- 5.4 The MOU will be valid for 3 years from the date of signing.

5.5 The MOU can be modified or revised from time to time with mutual consent of the parties.

5.6 The MOU has to be supported with the following documents:

- a) Registration Certificate of the AIC.
- b) Proof of availability of at least 5,000 sq. ft built up space along with lease deed in favour of the IC.
- c) Bond (in prescribed pro-forma) on a non-judicial stamp paper.
- d) Names of the Industries that would be associated with the IC along with their letter of intent.
- e) Experience / Credentials of Full-time Managing Team (Board, CEO and other officials)
- f) List of key mentors along with their CVs.

Each of the undersigned signatories represent and warrant that he/ she is authorised to execute this arrangement on behalf of the party for whom he/ she signs and that no further authority or execution by any other person for such party is necessary

To be signed by Representative of IC

To be signed by Representative of EDII-TN

Name:

Name:

Date:

Date:

Signature:

Signature:

Witness:

Witness:

1.

1.

2.

2.

**UTILISATION CERTIFICATE**

Certified that out of Rs.\_\_\_\_\_ of Grants-in-aid sanctioned during the year (s) in favour of by EDII-TN under the TNMBIIDP vide letter No. \_\_\_\_\_ dated \_\_\_\_\_ and Rs.\_\_\_\_\_ on account of unspent balance of the previous year, a sum of Rs.\_\_\_\_\_ has been utilised for the purpose of for which it was sanctioned and that the balance of Rs. \_\_\_\_\_ remaining unutilised at the end of the year has been surrendered to Government (vide letter No. \_\_\_\_\_ dated) / or will be adjusted towards the grants-in-aid Payable during the next year \_\_\_\_\_ .

Certified that I have satisfied myself that the conditions on which the grants-in-aid was sanctioned have been duly fulfilled / are being fulfilled and that I have exercised that following checks to see that the money was actually utilised for the purpose for which it was sanctioned.

Kinds of checks exercised

1.

2.

Signature :

Seal :

Date :