Grants, Incubators and Accelerators - Session I

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Grants

- Funding for Startups
- TRL Definition with Examples
- Government of India Grants and Funding
  - Department of Science and Technology
  - Department for Promotion of Industry and Internal Trade (DPIIT)
  - Atal Innovation Mission (AIM)
  - Ministry of Electronics and Information Technology (MeitY)
  - Ministry of Communications and Information Technology (MCIT)
  - Small Industries Development Bank of India (SIDBI)
  - Department of Biotechnology (DBT)
- Genesis of Global Innovation and Technology Alliance (GITA)
- Driving Innovation led competitiveness
  - Financial Structure of Bilateral Programs
  - GITAs Role in Project Management
  - Timeline of Evaluation to Funding
- Specific criteria for eligible applicants

Why Funding is Required by Startups?

- A startup might require funding for one, a few, or all of the following purposes. An entrepreneur must be clear about why they are raising funds.
- Founders should have a detailed financial and business plan before approaching investors.

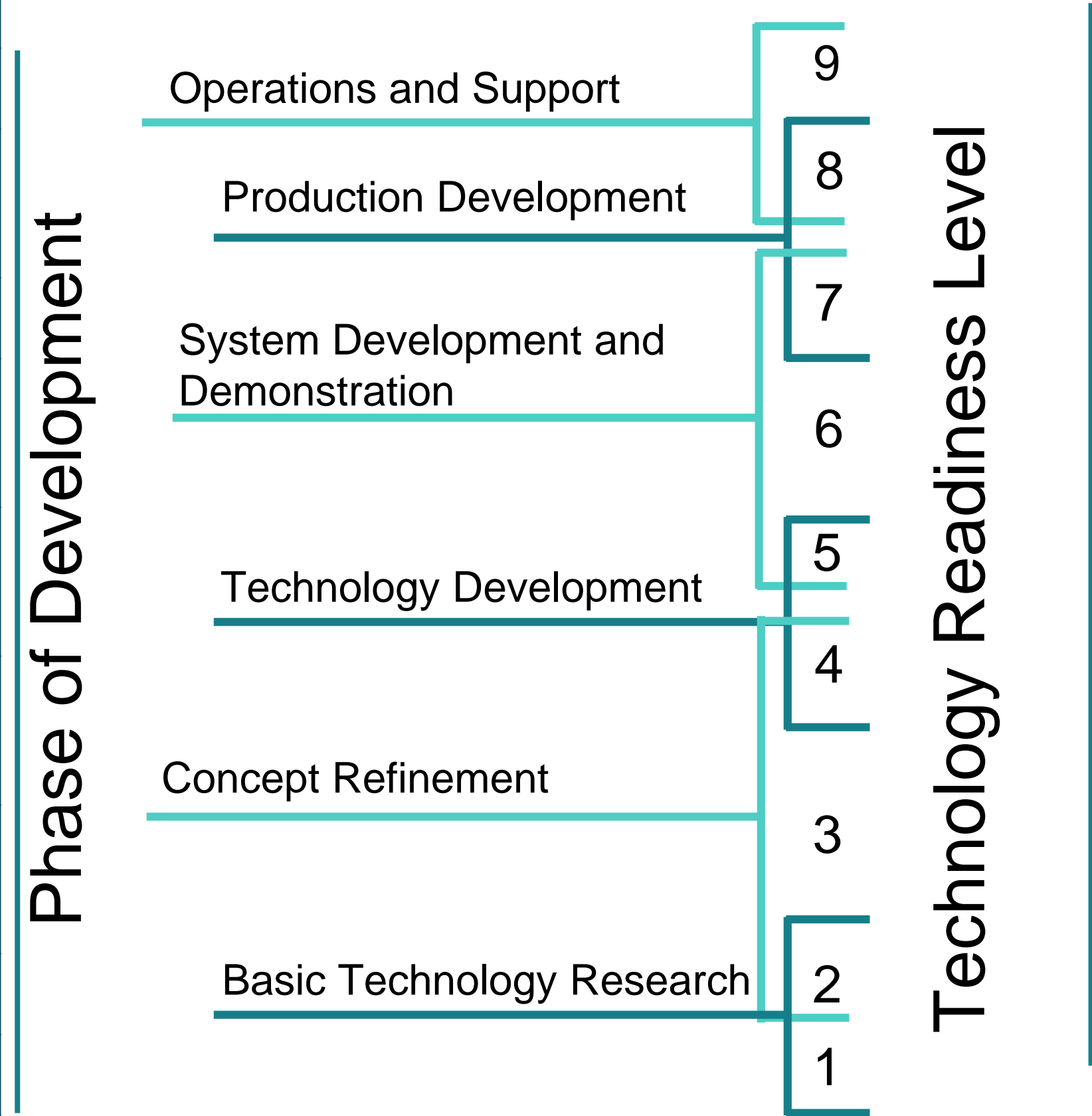|		
Prototype Creation	Product Development	Team Hiring
Working Capital	Legal and Consulting Services	Raw Material and Equipment
Licenses and Certifications	Marketing and Sales	Office Space and Admin Expenses

Types of Startup Funding

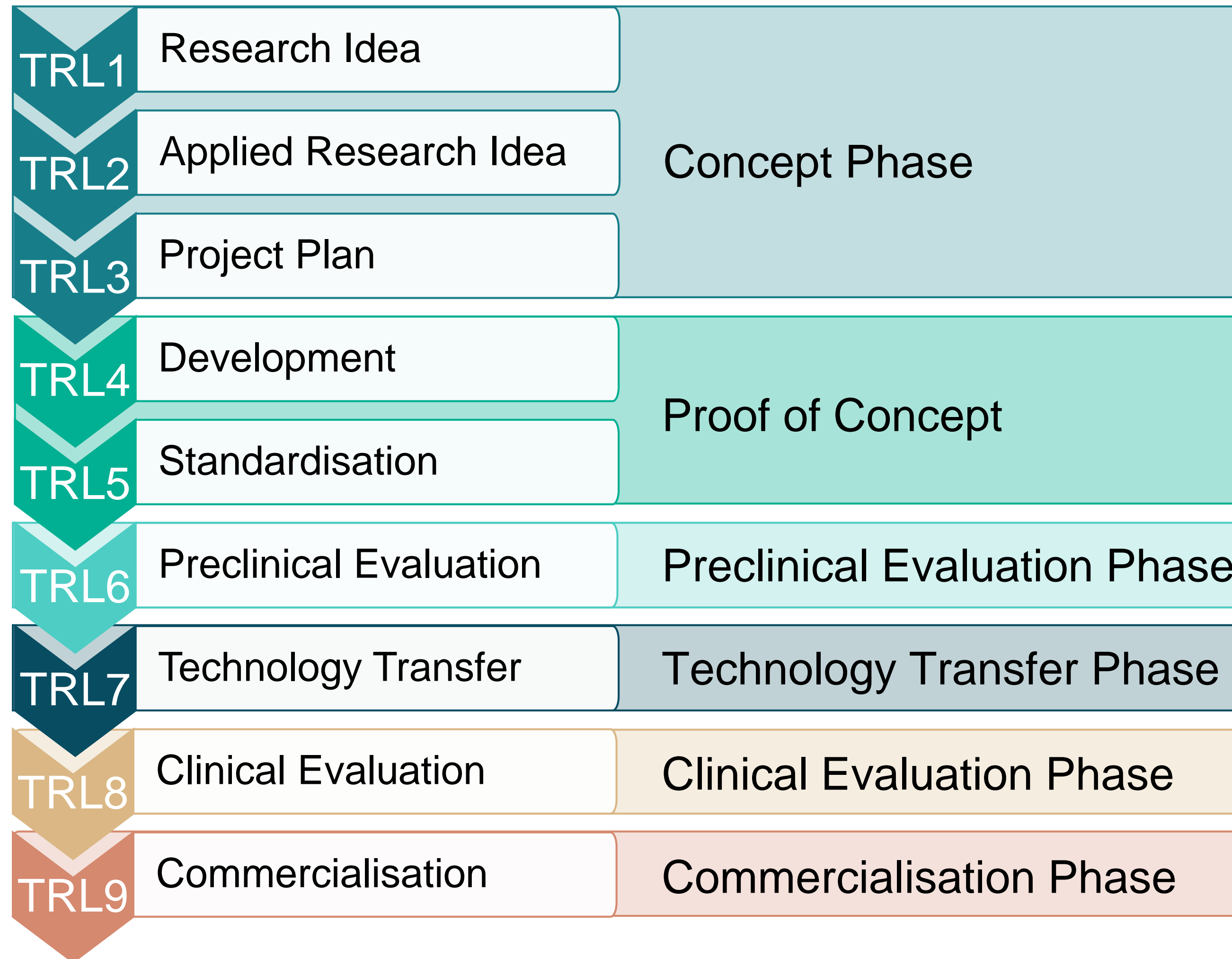| Working Capital	Equity Financing	Debt Financing	Grants
Brief	Equity financing involves selling a portion of a company's equity in return for capital.	Debt financing involves the borrowing of money and paying it back with interest.	A grant is an award, usually financial, given by an entity to a company to facilitate a goal or incentivise performance.
Nature	There is no component of repayment of the invested funds.	Invested funds to be repaid within a stipulated time frame with interest.	There is no component of repayment of the invested funds.
Risk	**Financer:** There is no guarantee against his investment. **Startup:** Startups need to give up a portion of their ownership to shareholders.	**Financer:** The lender has no control over the business's operations. **Startup:** You may need to provide a business asset as collateral.	**Financer:** There is a risk of the startup not meeting the goal or objective for which the grant has been provided. **Startup:** There is a risk of the startup not receiving a portion of the grant due to several reasons.
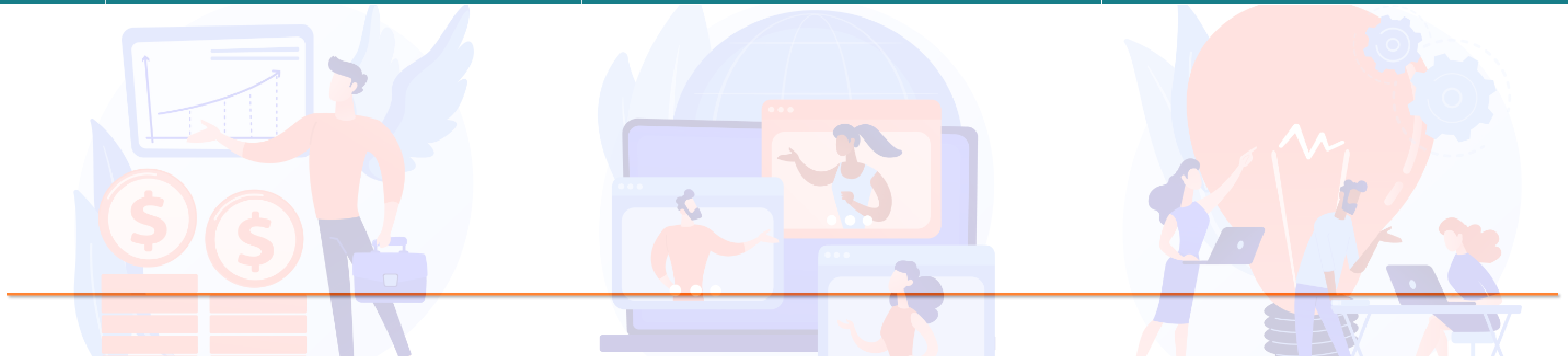
TRL Definition

TRL	Definition
9	Actual System Proven Through Successful Mission Operations
8	Actual System Completed and Qualified Through Test and Demonstration
7	System Prototype Demonstration in Relevant Environment
6	System/Subsystem Model or Prototype Demonstration in Relevant Environment
5	Component and/or Breadboard Validation in Relevant Environment
4	Component and/or Breadboard Validation in Laboratory Environment
3	Analytical and Experimental Critical Function and/or Characteristic Proof-of-Concept
2	Technology Concept and/or Application Formulated
1	Basic Principles Observed and Reported

Phase of Development

Operations and Support — 9

Production Development — 8

System Development and Demonstration — 7, 6

Technology Development — 5, 4

Concept Refinement — 3

Basic Technology Research — 2, 1

Technology Readiness Level

TRL for MedTech

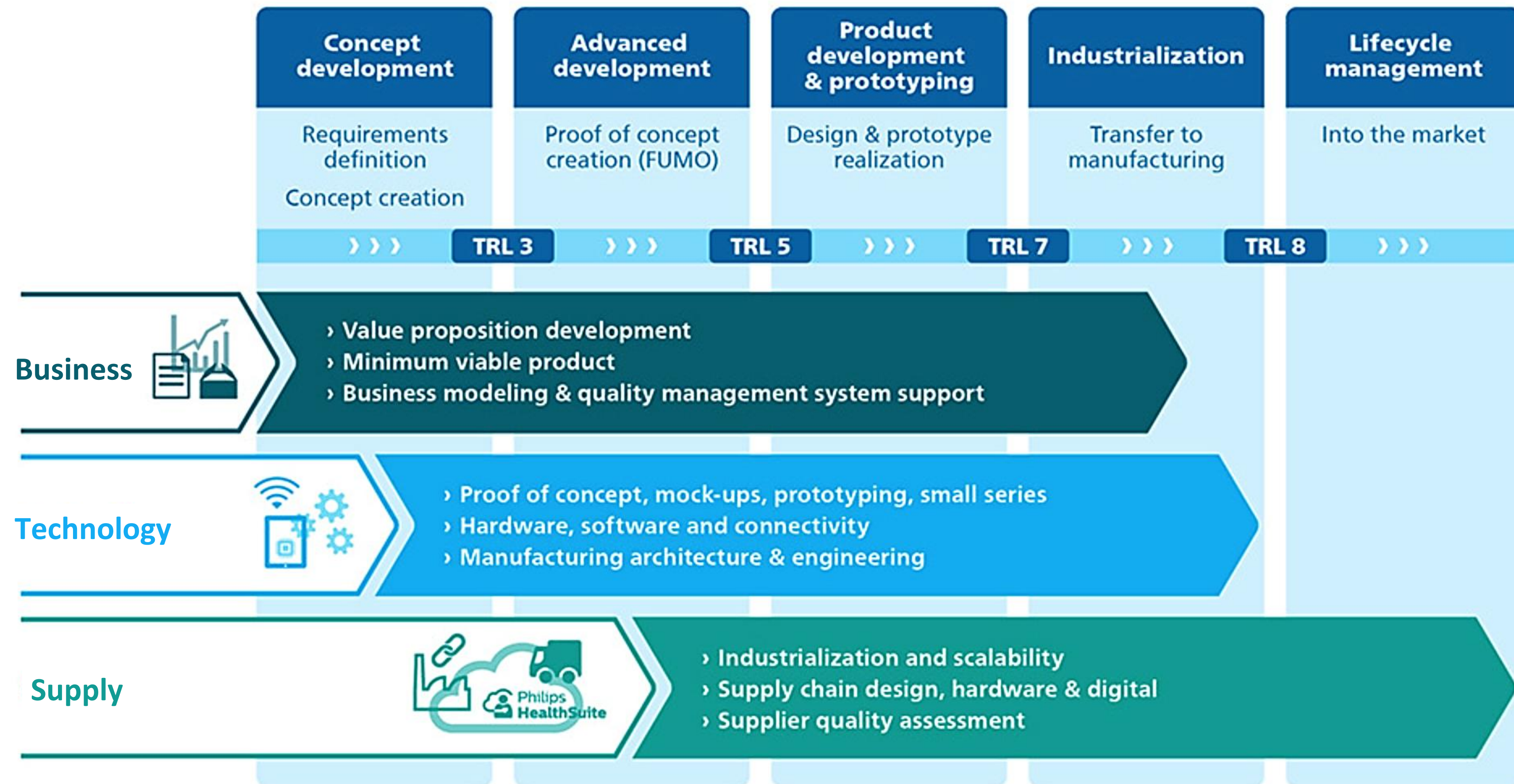| TRL	Stage	Phase
TRL1	Research Idea	Concept Phase
TRL2	Applied Research Idea	
TRL3	Project Plan	
TRL4	Development	Proof of Concept
TRL5	Standardisation	
TRL6	Preclinical Evaluation	Preclinical Evaluation Phase
TRL7	Technology Transfer	Technology Transfer Phase
TRL8	Clinical Evaluation	Clinical Evaluation Phase
TRL9	Commercialisation	Commercialisation Phase

➢ Seed stage, covered by State Government grants or Incubation centres(12.5 Lakhs)

➢ Proof of concept stage, grants available at this stage(50 Lakhs)

➢ Development and regulatory stage, need VC funding or TDB/BIPP funding
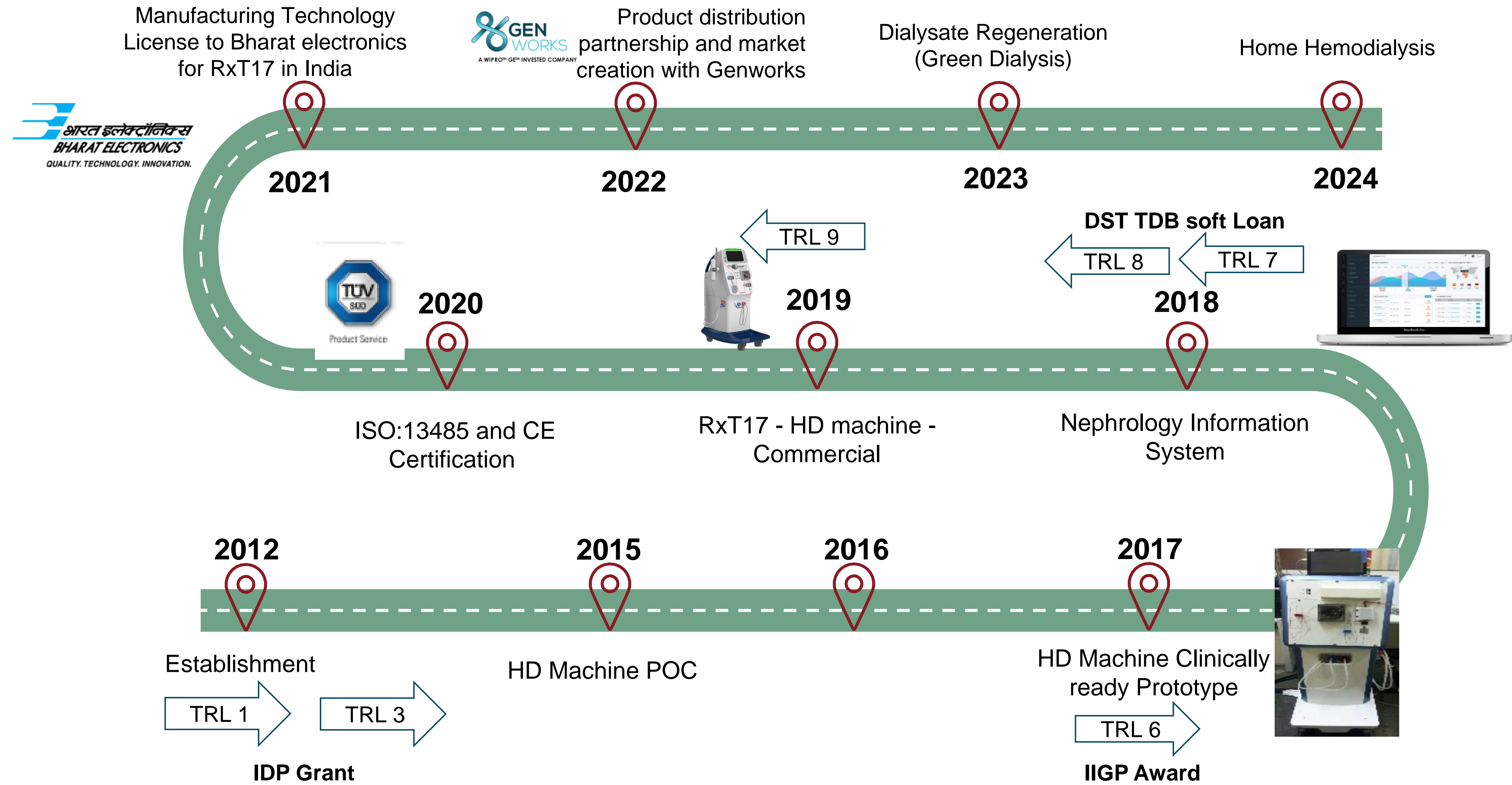
➢ Scale-up/Commercialisation stage

TRL Example A

Government of India Grants and Funding

- Department of Science & Technology (DST)

- Department for Promotion of Industry and Internal Trade (DPIIT)

- Council of Scientific & Industrial Research (CSIR)

- Atal Innovation Mission

- Ministry of Electronics and Information Technology (MeitY)

- Department of Electronics and Information Technology (DeiTY)

- Department of Biotechnology (DBT)

- Small Industries Development Bank of India (SIDBI)

Government of India Grants and Funding

Ministry of Micro, Small and Medium Enterprises (MSME)

Ministry of Communications and Information Technology (MCIT)

Software Technology Parks of India (STPI)

National Skill Development Corporation (NSDC)

National Bank for Agriculture and Rural Development (NABARD)

Micro Units Development and Refinance Agency Ltd. (MUDRA)

Science and Engineering Research Board (SERB)

Biotechnology Industry Research Assistance Council (BIRAC)

Department of Science and Technology

- ➢ Science and Technology of Yoga and Meditation (SATYAM)

- ➢ NIDHI-PRomoting And Accelerating Young and ASpiring Innovators and Startups (NIDHI- PRAYAS)

- ➢ National Science & Technology Management Information System (NSTMIS) Centre For Augmenting WAR with COVID-19 Health Crisis (CAWACH)

- ➢ NIDHI-Accelerator - Fast Tracking a Start-Up Through Focused Intervention NIDHI- Seed Support System (NIDHI-SSS)
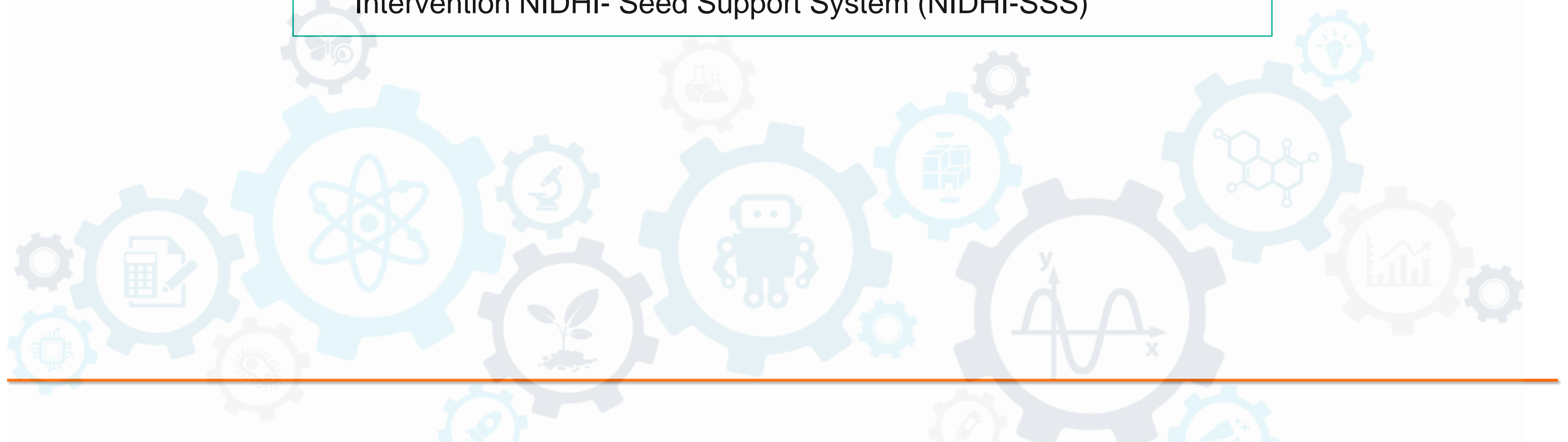
Council of Scientific and Industrial Research (CSIR)

> ➤ Promoting Innovations In Individuals, Startups And MSMEs (PRISM)

Department for Promotion of Industry and Internal Trade (DPIIT)

- ➢ Startup India

- ➢ Invest India

- ➢ AGNI

- ➢ Startup India Seed Fund Scheme (SISFS)

Atal Innovation Mission

➢ Atal Incubation Center

➢ Atal Tinkering Laboratories

➢ Atal Research and Innovation for Small Enterprises (ARISE)

➢ Atal New India Challenge (ANIC)

Ministry of Electronics and Information Technology (MeitY)

- ➢ Scheme To Support IPR Awareness Seminars/Workshops In E&IT Sector

- ➢ Technology Incubation And Development Of Entrepreneurs (TIDE) 2.0

- ➢ Department of Telecommunication

Department of Electronics and Information Technology (DeiTY)

➢ Multiplier Grants Scheme (MGS)

➢ Support for International Patent Protection in Electronics and Information Technology (SIP-EIT)

➢ Electronic Development Fund (EDF) Policy

➢ Modified Special Incentive Package Scheme (M-SIPS)

➢ Scheme to Support IPR Awareness Seminars/Workshops in E&IT Sector

# Ministry of Communications and Information Technology (MCIT)

> ➢ Support For International Patent Protection In Electronics and Information Technology (SIPEIT)
>
> ➢ Aspire - Scheme for promotion of innovation, entrepreneurship and agro-industry

Small Industries Development Bank of India (SIDBI)

➢ Stand Up India

➢ 4E (End to End Energy Efficiency)

➢ COVID-19 STARTUP ASSISTANCE SCHEME (CSAS)

➢ Sustainable Finance Scheme

➢ SIDBI Make in India Soft Loan Fund for Micro Small and Medium Enterprises (SMILE)

➢ Startup assistance Scheme
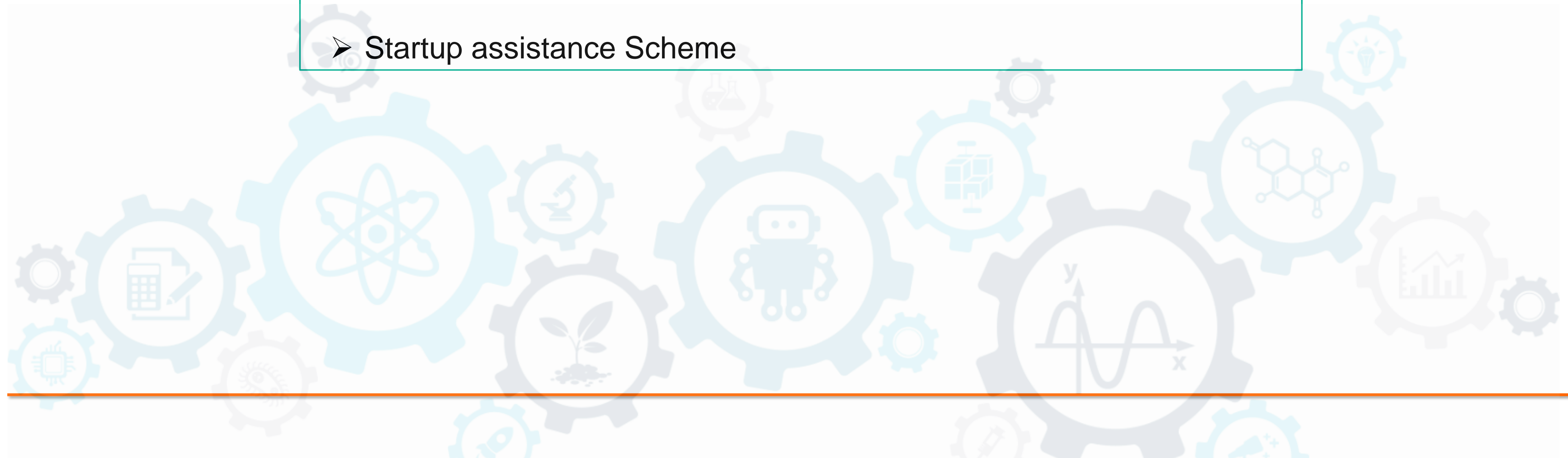
Department of Biotechnology (DBT)

- ➢ E-YUVA

- ➢ Biotechnology Ignition Grant Scheme (BIG)

- ➢ Small Business Innovation Research Initiative (SBIRI) BIRAC Incubators SEED Fund

- ➢ Rapid Grant for Young Investigator (RGYI)

Biotechnology Industry Research Assistance Council (BIRAC)

➢ SPARSH (Social Innovation programme for Products: Affordable and Relevant to Societal Health)

➢ Industry Innovation Programme on Medical Electronics (IIPME) Biotechnology Industry Partnership Programme (BIPP)

➢ Biotechnology Ignition Grant (BIG)

Genesis of Global Innovation and Technology Alliance (GITA)

➢ Poor investment by industry in R&D

➢ Direct incentives through flexible funding support for industrial R&D missing

➢ Poor collaboration between Indian and global companies in joint R&D and technology partnerships.

➢ Prime Minister's Council on Trade & Industry recommended incorporation of a Government's arm's length entity under PPP mode to professionally manage Government funds for flexibly providing to industry for doing R&D including with global partners.

➢ Global Innovation and Technology Alliance (GITA) was incorporated as a not-for-profit (Section 8) company jointly by the Technology Development Board (TDB) of Department of Science and Technology (DST), Government of India and the Confederation of Indian Industry (CII).

Genesis of Global Innovation and Technology Alliance (GITA)

> To provide sufficient flexibility to GITA and its operations, the majority (51%) share of GITA's capital has been invested by key member companies of CII and the balance (49%) has been invested by Government of India.

> GITA is an innovative platform of Government of India (GoI) and Indian Industry/ R&D Institutions to encourage industrial investments in innovative technology solutions through Mapping technology gaps, Evaluating technologies available across the Globe, Forgingtechno–strategic collaborative partnerships appropriate for Indian economy.

Program Portfolio

BILATERAL PROGRAMS

CANADA · FINLAND · ISRAEL · ITALY · REPUBLIC OF KOREA · SPAIN · SWEDEN · UNITED KINGDOM

Departments of Science & Technology and Commerce, Ministry of Electronics & IT (Meity)

GITA INNOVATION XCHANGE
connect to create

MULTILATERAL PARTNERSHIPS

The Commonwealth

enterprise europe network | INNO INDIGO POLICY

NATIONAL PROGRAMS (under revival)

सत्यमेव जयते
Goverment Of India

Technology Development Fund (TDF)
Defence Research & Development Organisation (DRDO)

Technology Acquisition Fund Program (TAFP)
Department of Heavy Industry (DHI)

Technology Acquisition & Development Fund (TADF)
Ministry of Micro, Small, & Medium Enterprises /
Department of Industrial Policy and Promotion (DIPP)

SCIENTIST EXCHANGE PROGRAMME

Sectors of Engagement

Driving Innovation Led Competitiveness

Funding Support

TECHNOLOGY READINESS LEVELS (TRL)*

TECHNOLOGY READINESS LEVEL (TRL)	1	2	3	4	5	6	7	8	9
Activity	DISCOVERY AND RESEARCH		INNOVATION					COMMERCIALISATION	
TRL DESCRIPTION	Basic principles observed and reported	Concept or application formulated	Experimental proof of concept	Concept or process validated in laboratory	System or component validated in relevant environment	System model or demonstrator in relevant environment	System prototyping demonstrator in an operational environment	Actual system completed and qualified test and demo operational environment	Actual system mission-proven in successful mission operations

Funding Criteria

*As defined by the National Aeronautics and Space Administration (NASA)

- Industry-Led
- In partnership with Academia/ R&D labs (encouraged)
- 24 months Project Duration
- Novel product/ process/ prototype
- Commercialisable
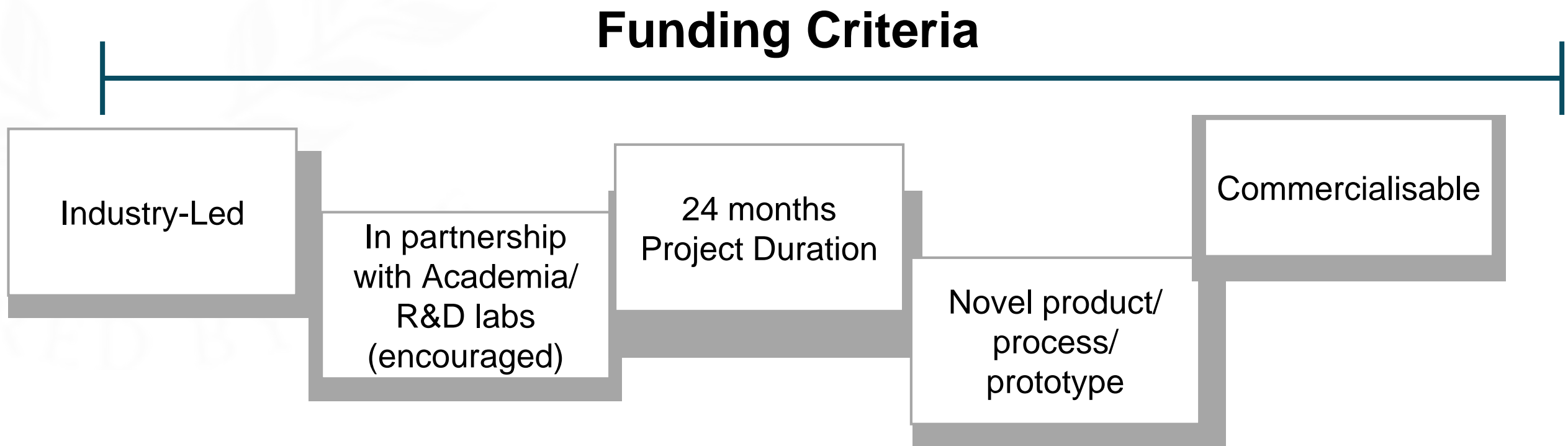
Typical Construct

Financial Structure of Bilateral Programs

	Partner Country	Live CFP opening/closing date	Funding Support for IPL (INR)	Funding from Counterpart Country
1	Israel	18.01.21 / 03.05.21	50% or max 8 cr	50% or USD1.25 million
2	Spain		50% or max INR 1.5 cr	Up to 75% of Spanish project cost
3	Canada		50% or max INR 1.5 cr	50% or max. CAD 600,000
4	UK		50% or max INR 1.5 cr	50% or max. GBP 350,000
5	Korea	01.03.21 / 01.06.21	50% or max INR 3.2 cr	50% or max. KRW 900 mn
6	Italy		50% or max INR 1.5 cr	50% or max. Euro 200,000
7	Finland		50% or max INR 1.5 cr	Up to 50% of Finnish Project Cost
8	Sweden	27.11.20 / 20.05.21 (Smart Grid) 05.03.21 / 06.05.21	18 Cr allotted for Smart Grid Projects 50% or max INR 1.5 Cr	Up to 50% of Swedish Project Cost

GITAs Role in Project Management

Launch - Call for Proposals

- Formulation of programme construct and guidelines
- Promotion of call
- Partnership development activities

Project Submission to Approval

- Fair and transparent evaluation by pool of independent technical and financial experts
- Legal framing and sign-off of award contract

Fund Release to Project Closure

- Release of sanction orders
- Release of funds
- Ensuring timely completion of project

Timeline of Evaluation to Funding

Bilateral MoU, Programme Guidelines, Focus Areas

For ongoing programmes, dates are finalised during Governing Council Meetings

Launch of RFP

Promotions, Webinars, B2B Meeting, Match Making, Handholding Applicants

4-5 months

RFP Closure, Applications Submitted

Evaluation in both Countries and Joint Evaluations

3 months

Results Announcement

Due-Diligence

2-3 months

Signing of Agreement

Project Mentoring and Monitoring, Milestone Based Fund Release

24 months

Closure of Technical Development Stage

Total Cycle Duration: 30-36 months

Specific Criteria for Eligible Applicants

➢ The Indian Project Lead (INPL) (i.e. lead company) must be a commercial company under the Indian Company Act 1956, which operates in and is headquartered in India.

➢ At least 51% stake of the INPL Company must be owned by Indian citizens.

➢ The INPL should have the required expertise and team capacity to manage the proposed project.

➢ Sole proprietors and partnership firms are not eligible for support under this programme.

➢ Companies headquartered and owned outside India and their subsidiaries in India, or vice versa, are not eligible to receive funding from DST/GITA under this programme.

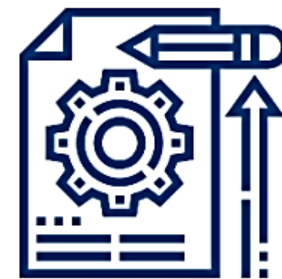➢ Detailed guidelines/criteria on www.gita.org.in/ApplyForFunding.

GITA at a Glance

100
Bilateral Approved Projects

27
National Approved Projects

8
Country Partners

14
States where projects are operational

~975 cr
Govt Funds under Management

28
Success Stories

~300 cr
Investment Attracted

52
Call launches

HAPPY LEARNING!

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