

Idea Challenge – Frequently Asked Questions (FAQs)

1. Who are eligible to apply under idea challenge under incubation scheme?

Any person as individual, MSMEs, Indian start ups, Indian Companies, Entrepreneurs, Students/Developers/Professionals/Community members having the innovative ideas are eligible to avail the benefits of this scheme. The person (called Incubatee) should have innovative ideas which can be converted into prototypes to be able to convert into business activity.

2. Is there any Age limit to become incubatee?

Incubatee must at least eighteen (18) years of age; and a citizen of India

3. Is there any qualification to become Incubatee?

There is no qualification bar to become incubatee.

4. How to take benefit of the incubation scheme of M/o MSME?

The person (incubatee) should get attached with any Host Institute (HI) for nurturing of his idea in the Business incubator (BI) set up by the HI.

5. What is the difference between Host Institute (HI) and Business Incubator (BI)

Host Institute (HI) : Institute which sets up Business Incubator and provides the infrastructural and technical facilities for nurturing of new innovative ideas is called Host Institute (HI).

Business Incubator (BI): An independent entity located in HI having facilities and mandate for nurturing of idea of Incubatees called Business Incubator.

6. Who can become Host Institute (HI)?

Under the scheme of Support for Entrepreneurial and Managerial Development of MSMEs through Incubators scheme of M/o MSME, Institutions such as Technical colleges, universities, other professional colleges/institutes, R&D institutes, NGOs involved in relevant activities, EDCs of O/o DC (MSME), MSME-DIs/Technology Centers (TCs), DICs or any institute/organization of Central/State Govt. are eligible to apply for HI and set up a Business Incubator (BI). They get support for infrastructure, for promoting ideas of their students/members and for seed capital.

7. What is the Role of BI ?

- Host Institutes will set up the Business Incubator (BI) and provide the space, equipments, lab and all the auxiliary support to the incubatee for nurturing of his ideas for the business activities.
- BI will be independent entities
- Funding will be given directly to BIs.
- Bank details/ PAN details of BIs are mandatory to get funds

8. How does incubatee select the Incubation Centre?

While filling the idea form, after selecting the state and the district, the automatic drop down options will show the HIs name under that particular state and district selected. If the HI list in your state or district is not found then any HI of choice may be selected in any state and district.

9. Which type of assistance /support can a incubatee get from BI?

Incubatee can get support from BI on all issues related to technology,innovation,and mentoring. Plant & machinery grant will also be will be provided after approval of the ideas of the BI under the scheme. No grant for Plant & Machinery shall be released to any BI till at least 2 ideas are approved for the BI.

10. Can incubatee take any technical support outside the BI?

Yes. There is no bar under the scheme.

11. What are the documents required to be uploaded with the idea ?

UdyogAaddhar Number,Aaddhar number, PAN details,Business plan, Design or Drawing if any & Video link

12. What are the Terms & Conditions for the Incubatee under the idea challenge?

The T & C for the incubatees can found in this link: <https://innovate.mygov.in/ideas-2020/>

13. What are the Terms & Conditions for the HI under the idea challenge?

The T&C for the Incubation Centre may be found in the Incubator's log in.

Fund availability for idea and plant & machinery:-

14. How can financial assistance be availed under the scheme?

The person (incubatee) should get attached with any Host Institute (HI) for nurturing of his idea in the Business incubator (BI) being set up by HI. Gol Grant in Aid support will be provided to approved BI for incubation related defined activities after atleast 2 ideas are approved for that BI.

15. What is the max amount of Grant in Aid for developing and nurturing the ideas?

Financial support uptoRs. 15.00 lakh to BI for nurturing of an idea is provided under the scheme. This support will be given in two instatements as below:

- i. 70% of the approved project cost after approval of the idea by committee and signing of agreement between Host Institute and Incubatee. [1]
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- ii. 30% of the approved project cost after utilization of 80 % of 1st installment utilized and submission of physical verification report.

16. What happens if the incubatee leaves the idea/project unfinished?

In case, an Incubatee leaves the idea / project unfinished, then the work / development done by the incubatee can be progressed by BI by engaging other deserving incubate(s) to further completing the idea / project, if considered worthy by the BI.

17. What is the maximum seed capital support fund?

Assistance of up to Rs.1.00 cr as grants in aid for the seed capital support to appropriate incubatees shall be provided. Financial assistance may be given in the form of soft loan, interest free loan, equity participation, grant or combination of these etc.

18. What is the max amount of Grant in Aid for Plant & Machinery?

BIs shall be provided grant of up to Rs. 1.00 Cr. for procurement and installation of relevant plant and machines including hardware and software etc. in BI in order to strengthen the technology related R&D activities and common facilities for incubatees of BI. This grant will be provided in two equal installments of Rs. 50.00 lakh each. The list of plant, machines and all other items may be finalized as per the need of BI and will be released subject to approval by Ministry based on review of DPR. No grant for Plant & Machinery shall be released to any BI till at least 2 ideas are approved for the BI.

19. Is Grant in Aid provided for land and building?

Cost towards land, building is not covered under this grant.

20. When can BIs get Plant and Machinery fund?

No grant for Plant & Machinery shall be released to any BI till at least 2 ideas are approved for that BI.

21. Can BIs produce Trust Account for Funding?

No, a separate bank account shall be opened in the name of the BI only. Separate accounts are also to be maintained by BIs for the grant amount which needs to be audited as per GFR.

22. Can funds be given to Incubatee directly?

Financial support for all activities will be given to BIs only and no funds can be transferred to incubatee's account.

23. Who is the approving authority for proposals seeking financial assistance?

Project Monitoring and Advisory Committee(PMAC)headed by DC(MSME) is the final authority for approving the proposals as per the guidelines of the scheme.

24. Can ideas submitted and approved by old scheme be submitted here again?

Yes, they can submit the same if not funded already but fresh approval would need to be sought

25. What about the ideas that have been submitted already in the mymsme MIS portal?

Those will also be considered separately as long as there is no duplication.

26. Can Ideas funded by any other ministry be submitted here again?

No. Declaration of no funding under any other schemes, is to be given while submitting the idea.

27. Why is a Business plan required?

A business plan is required to establish the viability and long term sustainability of the idea so that it can attract further funding.

28. Is there any confidentiality clause?

Non disclosure agreement (NDA) will be signed with evaluating agency for not plagiarizing the ideas. All BIs are also directed not to plagiarize the idea submitted by outside enterprises. Any complaint received to this effect will lead to cancellation of the approval.

29. Who will examine the proposals initially and what will be the flow of proposals?

Under the idea challenge, the Incubatee will submit its proposals on the innovate portal of mygov at for selection of HI of his choice and also for submission of ideas. Last date of the challenge is 20th February. All ideas received under the challenge shall be scrutinized by the HI/BI on daily basis and by 20th February, BI will recommend top 10 ideas on the portal. Out of these 10 ideas, maximum 5 ideas shall be of their students/members and minimum 5 ideas shall be of the outsiders i.e. entrepreneurs, unemployed youth who have selected that HI/BI as her mentor organization. These 10 ideas per BI shall be evaluated at the level of expert committee/ authority appointed by DCMSME (PMAC) and accordingly ideas will be approved/ rejected.

30. Is there any limit of selecting the ideas at the HIs end?

Yes, BIs may evaluate and recommend 10 ideas only i.e. 5 ideas from students and 5 ideas from outsiders.

31. Who is responsible for protecting the copyright of the idea?

The incubatee is responsible for taking all necessary safeguards towards this.

32. What is the maximum time period to get hosted and seeded from Incubators?

The selected Incubatee will be hosted and seeded in the incubator for a period of 1 year, for which a part of the grant will be utilized. Two further extensions can be granted for 6 months each at a time, at the sole discretion of incubation centre, at an overhead cost which shall be directly borne by the Incubatee.

33. Whether giving URL for uploaded video in you tube is mandatory, if it so what is the time limit of the video?

Yes it is mandatory, maximum time limit of uploaded video should be 2 minutes.

34. How do I prevent video on YouTube being downloaded from a 3rd party software?

The Privacy settings of Youtube account needs to be checked. The uploaded video should be kept "Private", and the video will only be viewed and downloaded by the person with whom the link is shared with.

35. What is the timeline for the challenge?

The tentative timelines for the challenge are as below:

- Release of Registration Link: 30th January 2020
- Sensitization / Consultative Workshop for HI/BI : 30th January 2020
- Campaign : 30th January 2020 – 20th Feb 2020
- Scrutiny and Shortlisting of Applications by BI: 5th Feb 2020-22nd Feb 2020
- Selection &Announcement : 22nd Feb 2020 – 29th Feb 2020
