

**NATIONAL INITIATIVE FOR DEVELOPING
AND HARNESSING INNOVATIONS (NIDHI)**

**ENTREPRENEUR-IN-RESIDENCE
(NIDHI-EIR)**

GUIDELINES



सत्यमेव जयते

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National Initiative for Developing and Harnessing Innovations (NIDHI)

Background

National Initiative for Developing and Harnessing Innovations (NIDHI) is an umbrella programme conceived and developed by the Innovation & Entrepreneurship division, Department of Science & Technology, Government of India, for nurturing ideas and innovations (knowledge-based and technology-driven) into successful startups. The programme would work in line with the national priorities and goals and its focus would be to build an innovation driven entrepreneurial ecosystem with an objective of socio-economic development through wealth and job creation.

NIDHI aims to nurture start-ups through scouting, supporting and scaling of innovations. The key stakeholders of NIDHI includes various departments and ministries of the central government, state governments, academic and R & D institutions, mentors, financial institutions, angel investors, venture capitalists and private sectors. NIDHI is developed keeping in line the new national aspirations and on the basis of DST's experience of three decades, in promoting innovative start-ups.

The key components of NIDHI are –

1. NIDHI-GCC - **Grand Challenges and Competitions** for scouting innovations;
2. NIDHI-**PR**omotion and **A**cceleration of **Y**oung and **A**spiring technology entrepreneurs (NIDHI-PRAYAS) - Support from Idea to Prototype;
3. **NIDHI-Entrepreneur In Residence (NIDHI-EIR) - Support system to reduce risk;**
4. Startup-NIDHI through Innovation and Entrepreneurship Development Centres (IEDCs) in academic institutions; encouraging Students to promote start-ups;
5. Start-up Centre in collaboration with MHRD; Inculcating a spirit of entrepreneurship in National Institutions of Higher Learning;
6. NIDHI-**T**echnology **B**usiness **I**ncubator (TBI) - Converting Innovations to start-ups;
7. NIDHI-Accelerator - Fast tracking a start-up through focused intervention;
8. NIDHI-**S**eed **S**upport **S**ystem (NIDHI-SSS)- Providing early stage investment;
9. NIDHI **C**entres of **E**xcellence (NIDHI-CoE) - A World class facility to help startups go global;

NIDHI-Entrepreneur-In-Residence (NIDHI-EIR)

National Science and Technology Entrepreneurship Development Board (NSTEDB), Government of India supporting Technology Business Incubators is mainly associated with academic and research institutions to leverage technologies and innovations for venture creation. Converting technologies and research into start-up ventures has a long product development and revenue generation time. To inspire the best talents to be entrepreneurs, minimise the risk involved in pursuing start-ups, and to partially set off their opportunity costs of high paying jobs, NSTEDB has introduced NIDHI-Entrepreneurs-in-Residence (EIR) Programme. The NIDHI-EIR programme provides tremendous opportunities for innovative entrepreneurs to expand their networks and get critical feedback on their ventures in order to promote their entrepreneurial career goals and aspirations.

The opportunities under NIDHI-EIR Programme includes:

- Guidance from experienced, innovative and highly successful entrepreneurs on the business concept, strategy or venture and insight into specific industries or markets.
- Best practices for starting a business and broaden the professional network.
- Co-working spaces for developing the idea into a marketable product.

Objectives of NIDHI-EIR Support Programme

The Programme aims:

- To encourage graduating student to take to entrepreneurship by providing support as a fellowship.
- To provide a prestigious forum for deserving and budding entrepreneurs to pursue their ventures without any additional risks involved in technology based businesses.
- To create, nurture and strengthen a pipeline of entrepreneurs for incubators
- To make pursuing entrepreneurship related to a technology business idea more attractive among options available career options.
- To enable creation of new start-ups by entrepreneurs and significant progress towards raising funding or investment.

Proposed model for NIDHI-EIR

The Programme is meant for potential innovative entrepreneurs at selected NSTEDB approved Technology Business Incubators. The NIDHI-EIR Programme would provide subsistence grant to an aspiring or budding entrepreneur of considerable potential for pursuing a promising technology business idea. The support to early-stage, product-focused young entrepreneurs working on the innovative big ideas would be for a maximum period of 12 months. As an NIDHI-EIR an entrepreneur gets office space, administrative support and a stipend to establish/make the most of their ideas and turn innovative breakthroughs into viable businesses.

The Programme thus encourages enterprising individuals to venture out and pursue daring entrepreneurial ideas as well as enhances the quantity and quality of startups.

Expected Outcome of the NIDHI-EIR

- Conversion of at least 30 % of the support recipients ideas into start-up companies.
- At least 10% support recipient raising funds or investment for his or her company within 18 months of NIDHI-EIR support.

Funding Mechanism:

a. Support Grant

The NIDHI-EIR support recipient will be eligible for grant maximum of Rs.30,000/-per month with a minimum level of Rs.10,000/- per month for a period of 12 months.

Eligibility for an NIDHI-EIR support:

- NIDHI-EIR recipients are expected to be committed to exploring a business idea. Typical NIDHI-EIR needing the support is a first generation innovative entrepreneur, who has no prior source of income. NIDHI-EIR support recipient should not treat this support as a stop gap arrangement to support them in their academic pursuits or transition between jobs.
- NIDHI-EIR seeking the support should demonstrate his ability to build a scalable technology business startup. The background of the NIDHI-EIR needs to be provided in a prescribed format.
- The NIDHI-EIR support recipient should propose one technology business idea in a prescribed format.
- NIDHI-EIR support recipient are expected to pursue their entrepreneurial aspirations full time. NIDHI-EIR cannot be concurrent with any other remuneration or fellowship.
- NIDHI-EIR support recipient cannot be the promoter or significant (>10%) share holder / beneficiary of another company at the time of applying for and receiving the grant approval
- The NIDHI-EIR should be registered for the pre-incubation or incubation program at the TBI for the entire duration of NIDHI-EIR support.
- Preference shall be given for a) technology business ideas with larger technology uncertainties and/ or long gestation periods, b) technology business ideas leveraging technology or IP from publicly funded research or academic organizations, c) technology business ideas with considerable potential for social impact.
- Entrepreneurs pursuing business ideas with no or marginal technology innovation or those with very short journey (i.e less than 6 months) to commercialization are discouraged to apply.
- NIDHI-EIR seeking support should have a formal business plan for the idea they intend to pursue and a business presentation including the investment proposal.
- Once the NIDHI-EIR raise funding or investments for their business ideas/ potential start ups, the grant support shall be discontinued from the date of receipt of the first tranche of funds.