

Operational Guidelines for Karnataka Startup Policy 2022-2027



**Karnataka Startup Cell
Karnataka Innovation and Technology Society (KITS),
Department of Electronics, IT, Bt and S&T, Government of Karnataka**

Helpline Number: 080-22231007
Email: startupcell@karnataka.gov.in
Website: www.startup.karnataka.gov.in

Contents

1.	Introduction.....	3
2.	Incubation and acceleration support for student entrepreneurs.....	5
3.	Incubation and acceleration support for startups	22
4.	Funding support to startups	35
5.	Setting up infrastructure to build a startup ecosystem	68
6.	Preferential Market Access for Startups in Public Procurement	74
7.	Other support to drive innovation in startups	74

1. Introduction

Government of Karnataka (GoK), through Karnataka Innovation and Technology Society (KITS), vide Government Order No. ITBT 6 PRM 2022 Bengaluru, dt:28.12.2022 has notified the Karnataka Startup Policy 2022. This Policy will remain in force for a period of five years with effect from 28th December 2022 or till the time a new policy is announced.

The overarching aim of the policy is to position Karnataka as a 'Champion State' for startups by adopting a holistic approach towards strengthening the startup ecosystem through compendious and equitable strategic interventions across key pillars of support, viz. funding, incubation, infrastructure, mentoring, acceleration, R&D and industry linkages.

Incentives and offerings provided to startups under the Karnataka Startup Policy 2022-2027 shall be administered as mentioned in this document. Definitions, formats and procedures for claiming and sanctioning of incentives and offerings have been explained herewith to guide applicants as well as the administration. Revised Standard Operating Procedures might be issued by the Government from time to time to evolve programs/initiatives under the policy for effective implementation and desired outcomes.

1.1 Definition of a startup

The Karnataka Startup Policy shall be applicable to startups as defined below:

1. An entity will be considered as a Startup on fulfilling the below mentioned conditions defined by Government of Karnataka which is in line with the definition of Government of India (GoI) notification (G.S.R. notification 127 (E) dated 19.02.2019). However, the policy will adopt the amendments and changes made to the definition by GoI from time to time.
 - a. The Startup should be incorporated as a private limited company (as defined in the Companies Act, 2013) or registered as a partnership firm (registered under Section 59 of the Partnership Act, 1932) or a limited liability partnership (under the Limited Liability Partnership Act, 2008) in Karnataka.
 - b. **Turnover:** Turnover of the entity for any of the financial years since incorporation/registration should not have exceeded INR 100 Crores.
 - c. **Tenure for startups:** An entity shall be considered as a startup up to 10 years from the date of its incorporation.
 - d. The entity should be working towards innovation, development or improvement of products or processes or services, or if it is a scalable business model with a high potential of employment generation or wealth creation.
2. **Exclusions:** A company, in order to qualify as a startup under this policy, **should not** have been:
 - a. Formed by demerger or reconstitution of a business already in existence
 - b. A Section 8 company or Trust/Association/Society
 - c. Public-private partnership company/firm
 - d. A franchisee of an existing business or promoted/sponsored/related to an industrial group in the state
 - e. A subsidiary of a firm in the state other than the startup itself
3. **Inclusions:** A company **shall qualify** as a startup if it is a:
 - a. Subsidiary of a startup
 - b. Combined entity formed by merger of startups/subsidiaries of a startup
4. **Exit Clause:** A startup will cease to receive benefits under this policy on completion of ten

years from the date of its incorporation/ registration or if its turnover for any previous year exceeds INR 100 Crore.

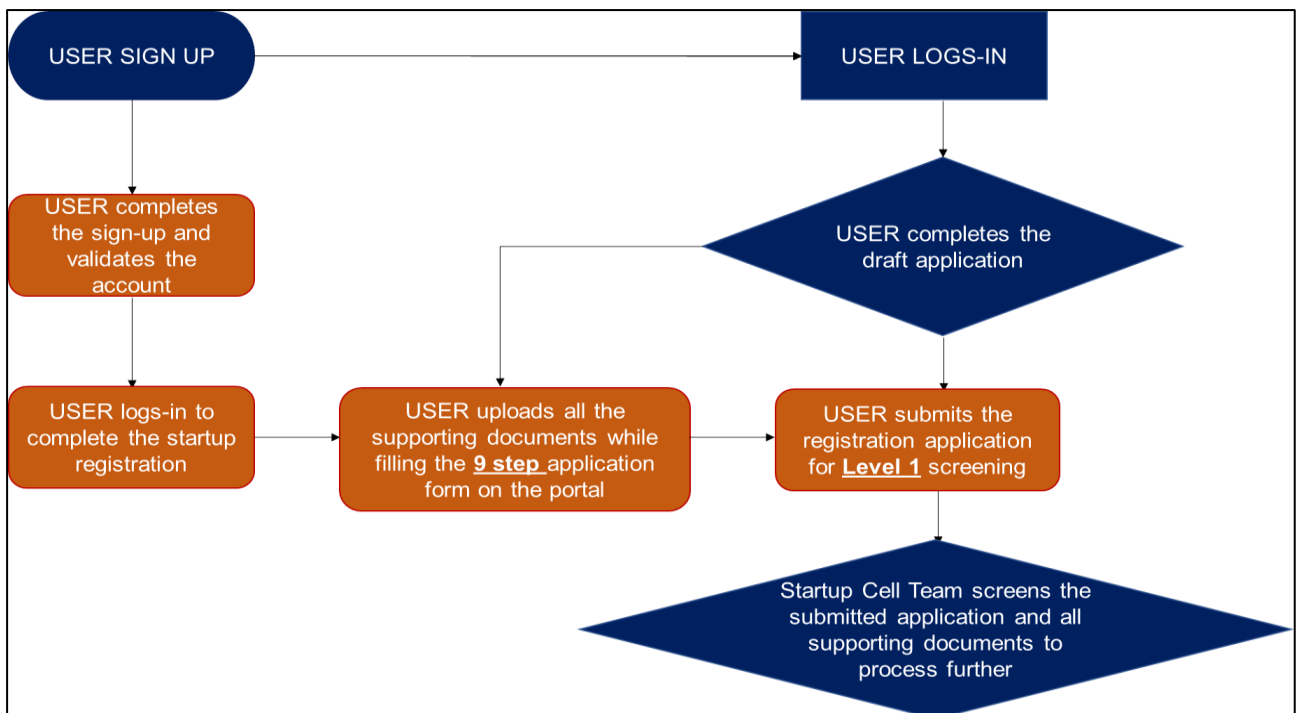
1.2 Startup registration process on Karnataka Startup portal

1. Instructions

Startups shall register in the Karnataka Startup portal (www.startup.karnataka.gov.in) to avail incentives and concessions outlined in the Karnataka Startup Policy 2022-2027. For new registrations:

- a. Click on 'Register/Login' to sign up as a startup
- b. Fill in the requested details
- c. After successful registration, login to the portal using user credentials
- d. Fill in the online application form and submit

Fig 1: Startup registration process



NOTE: Startups registered and funded under the Karnataka Startup Policy 2022-2027 shall not be eligible for claiming incentives under other policies of the department.

2. Mandatory Documents

- a. Incorporation Certificate/ Statutory Registration Certificate to be attached. Incorporation certificate (in case of PVT LTD,PVT LTD(OPC) & LLP), Firm registration certificate & Partnership deed (in case of Partnership firm)
- b. Annual Reports/Balance Sheet/Profit and Loss Account Statement for last 3 years duly certified by a registered Chartered Accountant/statutory auditor/ "NIL Revenue" certified by a registered Chartered Accountant in case of new Startups.
- c. Power of Attorney/Board Resolution/Any other relevant document for appointment of Authorized Person who would be coordinating with the Department of Electronics, IT, Bt and S&T, Government of Karnataka (hereafter referred to Department) and KITS on behalf of the company/entity, to be attached if applicable.

- d. Post submission of correct documentations in all respect, the startup registration certificate will be generated in ten working days. A declaration as given in annexure 11.4.8 will need to be provided during the registration.
- e. Startups that avail grants from the Department need to open a separate bank account in order to accept such grants. This shall be valid for all schemes and benefits under the Karnataka Startup Policy.

2. Incubation and acceleration support for student entrepreneurs

2.1 Student entrepreneurship-New Age Innovation Network (NAIN)

2.1.1 Background

The New Age Innovation Network (NAIN) Scheme of GoK is implemented to create an ecosystem that promotes innovation in educational institutions. Under this scheme, students are encouraged to identify local problems, address them using concepts of frugal innovation and also develop appropriate technology-based solutions and working prototypes. For this, mentors are assigned to students to help them formulate a business model and encourage them to think like entrepreneurs.

The following initiatives have been proposed in the Karnataka Startup Policy of 2022-2027:

1. **Establishment of NAIN 2.0 centers in Technology Institutions of Higher Education:** 50 new NAIN centers will be established in technology institutions of higher learning located outside Bengaluru Urban District, prioritizing government engineering colleges of the state. 35 NAIN 2.0 centers for IT/ Electronics and 15 NAIN 2.0 centers in the field of Biotechnology will be set up during the policy period.
2. Total cost shall include cost incurred towards student projects, maintenance of labs or incubation space and other operational expenses.
3. **Collaboration with Ecosystem Partners:** Government aims to facilitate region wise connect between NAIN centers and External Incubators/ Accelerators (herein after referred to as Project Monitoring Unit (PMU) or an 'Anchor Institute' close to the NAIN centers). Each NAIN center shall be mapped to a selected PMU which shall ensure that all NAIN centers are handheld by the PMU and provided with support in terms of implementation, mentoring, guidance and industry connect for the student projects to help convert proposed ideas to technology-based solutions/working prototypes/entities.

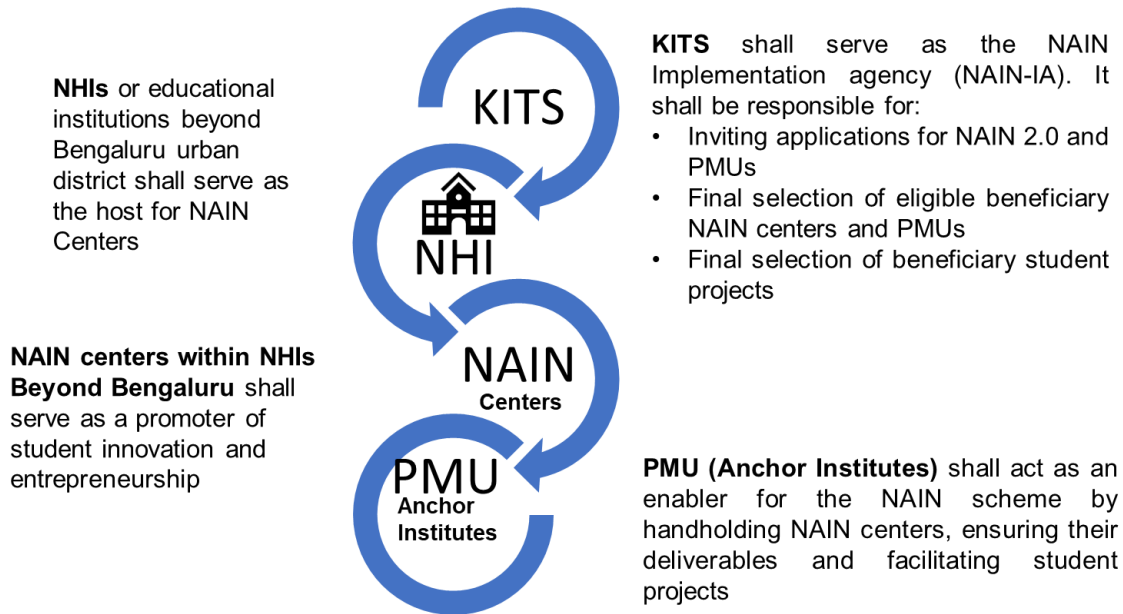
2.1.2 NAIN Stakeholders

The NAIN ecosystem includes:

1. NAIN Host Institutions (NHIs): Applicant educational institutions located outside Bengaluru urban district that qualify to host a NAIN center.
2. NAIN Centers (District Innovation Hub/DIH): NAIN 2.0 centers established at the NHIs.
3. PMU: Anchor institutes in Bangalore and Beyond Bangalore regions mapped to specific NAIN centers for handholding and support. These anchor institutes will be considered from areas inclusive of but not limited to Bangalore Urban, Belagavi, Kalaburagi, Mysuru, Tumkur, Hubli-Dharwad, Mangalore and Raichur.

4. KITS: NAIN Implementing agency (NAIN-IA)

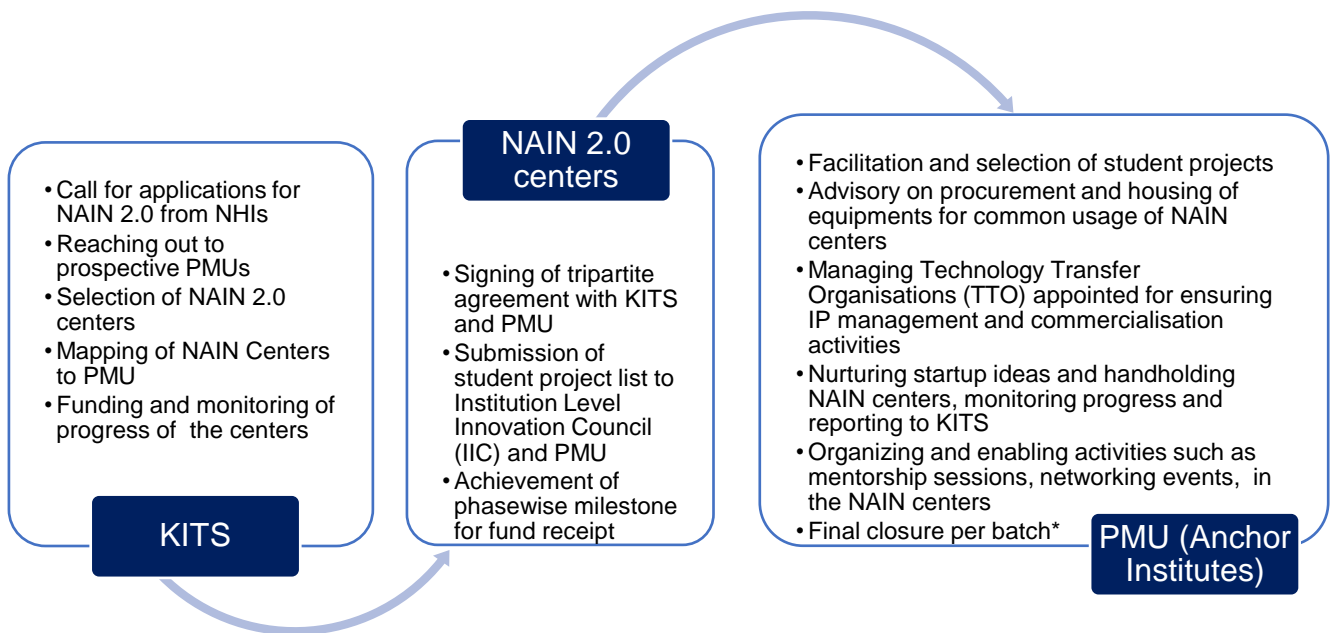
Fig 2.1: NAIN Stakeholders



2.1.3 Activities undertaken by NAIN stakeholders

The following image demonstrates major activities involved in the NAIN program process undertaken by each of the stakeholders defined in section 2.1.2.

Fig 2.2: Activities by NAIN stakeholders



**Each batch shall have upto 10 student projects per NAIN 2.0 center per year for a duration of 3 years with 30 projects per center. The start date of each batch shall be the date of approval of student projects.*

2.1.4 NAIN Fund disbursement summary

The funding support provided to NAIN 2.0 centers and PMU along with timelines for disbursement has been summarized in the table below. Funding support for the NAIN ecosystem players shall be provided on a yearly basis as indicated below:

Table 2.1: Summary of funding support under NAIN

Entity	Funding Support	Tranche Release
NAIN 2.0	Operational expense: INR 12 Lakh per annum per batch of project per NAIN 2.0 center (Total 36 Lakhs for 3 years)	<ul style="list-style-type: none"> 100% upon signing of tripartite agreement between NHI, KITS and PMU along with the approval from KITS. For the consecutive years, opex release upon submission of project completion report.
	Student Project Fund (Upto INR 50 Lakhs per batch of project): INR 5 Lakhs per project upto 10 projects per NAIN center (Total outlay: INR 1.5 Crore for 3 years)	<ul style="list-style-type: none"> Tranche 1: 50% of total budget reserved for one year (Upto INR 25 lakhs per batch of projects for all NAIN centers) upon signing of tripartite agreement between NHI, KITS and PMU along with the approval from KITS and selection of student projects. Tranche 2: 50% upon recommendation by the PMU based on review and 50% progress of student projects. Submission of 60% utilization of Tranche 1 necessary.
PMU (External incubator/ accelerator)	Financial support of INR 10 Lakhs per year per NAIN 2.0 center	<ul style="list-style-type: none"> Tranche 1: 50% post selection of student projects and signing of tripartite agreement with KITS and NHI. Tranche 2: 50% post 50% progress of project as per project milestones submitted by NHI and approval by Monitoring Committee. Submission of action plan for project closure along with remaining deliverables and milestone-based outcomes, along with 60% utilization of Tranche 1 necessary.

2.1.5 NAIN Program process

Following image demonstrates the stepwise process involved in the NAIN program comprising of each of the ecosystem partner defined in section 2.1.3

Fig 2.3: Steps involved in the NAIN Program process

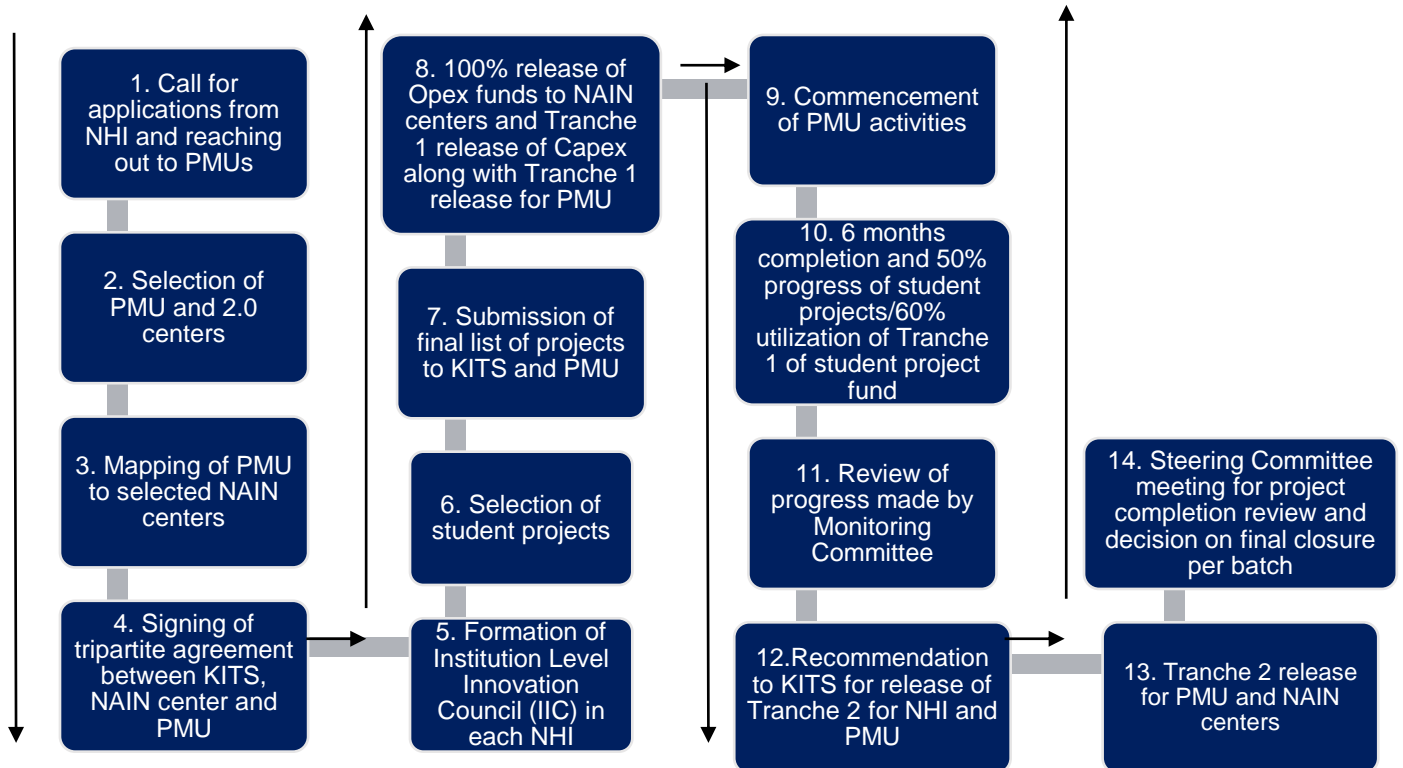
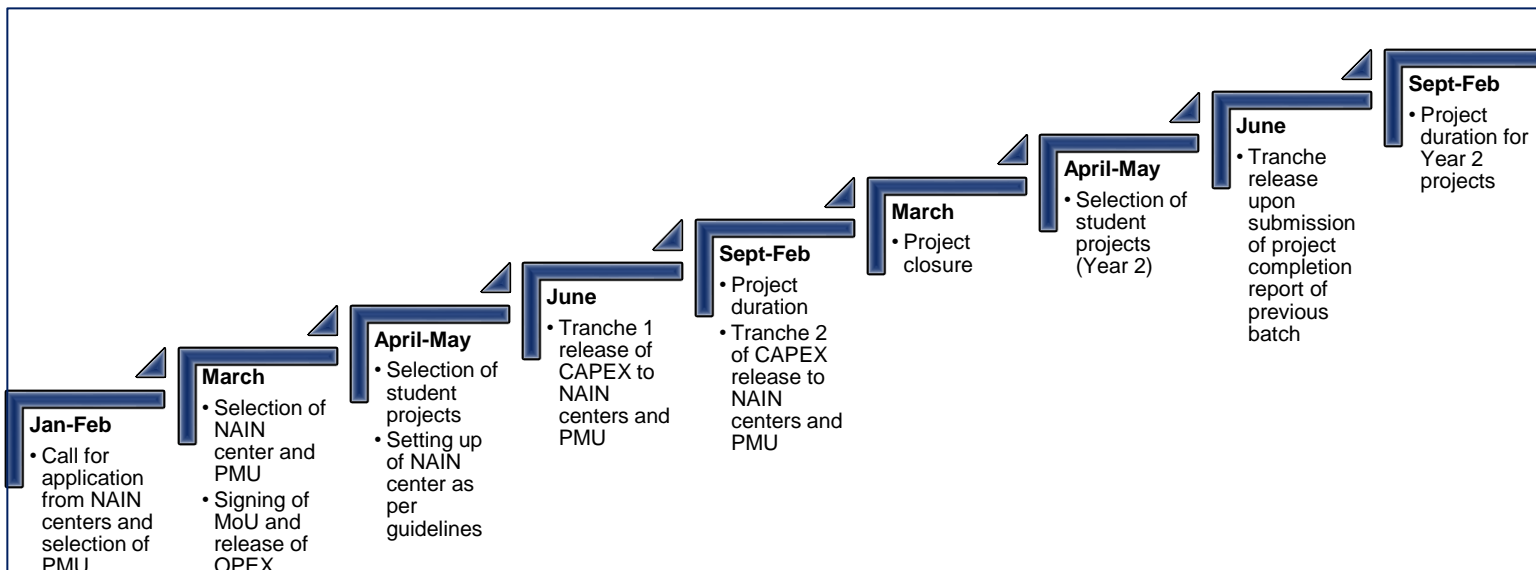


Fig 2.4: Indicative calendar of events for NAIN Program process



2.1.6 New Age Innovation Network (NAIN 2.0)

2.1.6.1 Application process

A notification for “Call for Proposal” shall be issued. Applicants intending to become a NAIN 2.0 center shall apply online through the Department portal and support their application with necessary documents. Applicant institution must satisfy the following conditions to become a NAIN 2.0 Host Institution (NHI). Once selected, it shall continue as a NAIN center for atleast 3 years.

1. **Eligibility:** Host Institution (NAIN Host Institution or NHI) must be affiliated to a State University in Karnataka or must be a deemed University located in Karnataka. Additionally, the NHI must be at least 10 years old since its inception.
2. **Mandatory documents:**
Documents in support of the following data must be provided in year-wise manner for past 5 years:
 - a. Number of students passing the final year Graduating class with First Class in University exam
 - b. Total number of students in the graduating class
 - c. Number of full-time faculty with PhD/M.Phil./M.Tech
 - d. Total number of full-time faculty members on rolls
 - e. Number of research publications in peer reviewed journals (please do not include publications in conference proceedings and paid publications in journals)
 - f. Number of patents awarded, if any (originating from the respective department in case of Deemed Univ. / State Univ.)
 - g. Number of Elevate winners in past 5 years
 - h. Number of student startups formed in past 5 years and space provided for the LLPs within the college campus
3. **Infrastructure requirement for NHI:** The following list of infrastructure requirements shall need to be fulfilled by prospective NHIs for startup categories incubated by them.

Table 2.2: Minimum specified infrastructure to be made available by the NAIN Host Institution (NHI)

Infrastructure requirement for host institutions	IT/ Electronics Startups	BT Startups	Med Tech Startups	Agri Tech Startups	Genomics Startups
Minimum 2000 sq ft carpet area in a location which is appropriate to host an incubation center on college / institution campus	✓	✓	✓	✓	✓
15 computers of latest configuration. (Minimum configurations as on Jan 2022: Core i5, 11th Gen, 1TB SSD hard disk, 8 GB Ram, 3.4 GHz. Monitor at least 19 inches). These	✓	✓	✓	✓	✓

Infrastructure requirement for host institutions	IT/ Electronics Startups	BT Startups	Med Tech Startups	Agri Tech Startups	Genomics Startups
configurations could be revised from time to time					
Workspaces to accommodate up to 15 startup project / team / start-ups simultaneously	✓	✓	✓	✓	✓
Independent high-speed dedicated internet connection for the K-tech New Age Innovation Network center (Minimum speed: Plan comparable to BSNL's 16Mbps line with unlimited data limit). These configurations could be revised from time to time.	✓	✓	✓	✓	✓
Uninterrupted power backup for K-tech New Age Innovation Network center	✓	✓	✓	✓	✓
On campus projection facility, discussion & meeting room. The NHI should have enough infrastructure and capacity to conduct mentoring and networking events accommodating up to 125-150 participants	✓	✓	✓	✓	✓
Infrastructure facilities including scientific equipment, laboratory rooms and expert faculty members in the relevant domain	x	✓	✓	✓	✓
Testing facility and instruments	x	✓	✓	✓	✓
Access to journals, books, whitepapers, reports and other knowledge output	x	✓	✓	✓	✓

Institutions shall be selected based on their infrastructure, quality of faculty and excellence in education. Notwithstanding the parameters defined in Table 2.2, Steering Committee may give preference to Government institutions and institutions located in backward regions of the State.

2.1.6.2 Funding support

Government may provide operational support for three years from date of selection in the form of grant support. The grant will be provided to the NHI for the K-tech New Age Innovation Network (NAIN) center facility. The principal shall be the custodian of NAIN Funds under the following two heads:

1. NAIN- Operational Expenses (OPEX)
2. NAIN- Student Project Fund

NOTE: The disbursement of these funds will happen through the principal's NAIN account to both District Innovation Associate (DIA), in case of salary from OPEX, and student innovator groups, in case of Student Project Fund.

2.1.6.2.1 NAIN - Operational Expenses (OPEX)

NAIN 2.0 Operational Expenses of INR 12 lakh per annum per batch of project shall be provided to each NAIN 2.0 center.

Table 2.3: Payment milestones for OPEX per NAIN center

Details	Amount in INR
100% upon signing of tripartite agreement between NHI, KITS and PMU along with the approval from KITS.	12,00,000

2.1.6.2.2 OPEX procurement and expenditure details

The OPEX grant will include expenses as mentioned below. CA certified utilization certificate will need to be submitted for the expenses incurred.

Table 2.4: Utilization of OPEX grants

S. No.	Details	Amount in INR
1	Two Full time Manpower as mentioned below: a. District Innovation Associate b. MIS Executive	5,00,000
2	Miscellaneous Expenses	1,30,000
3	Towards the Events conducted by the NHI	3,00,000
4	Mentor expenditure / Honorarium	1,00,000
5	One Time Remuneration for college coordinator (for each batch of projects)	50,000
6	Reserve Funds (which can be spent based on further order from GoK i.e. 10% total OPEX)	1,20,000
	Total	12,00,000

1. Principal should follow financial propriety while disbursing the funds.
2. For points 2,3,4 in table 2.4:
 - a. The college shall follow transparency in procedures. The college Principal shall be authorized to take the decision on expenses. Documentation/ proof for expenses will need to be provided to KITS which shall be ratified/ approved by the Institution Level Innovation Council (IIC).
3. **DIA salary** shall be provided per batch of projects
4. **Event expenses include:**
 - a. Budgeting for ideathons and hackathons
 - b. Invited talks by successful entrepreneurs
 - c. Tech workshops on upcoming areas like IoT, Big Data Analytics, Cloud Computing, ESDM, Bioinformatics, etc.

- d. Participation in any event conducted by KITS (Travelling, Food, Accommodation etc.)
5. **Miscellaneous expenses include** participation and conduct of official meetings in the college and KITS (like Demo of Prototypes etc.)

2.1.6.2.3 NAIN - Student Project Fund

1. A seed fund of up to INR 5 lakh per project shall be awarded to every selected team. Up to 10 projects shall be funded in each NHI (total fund granted to NHI is upto INR 50 lakhs per batch of projects).
2. Out of 10 student projects, atleast 4 should be led by women and atleast 2 should be in areas related to Deep Tech, Assistive Technology and Sustainable Development Goals (SDGs) including Circular Economy, Renewable Energy / Sustainability / Climate Change. Any deviation from this will need to be approved by the Institution Level Innovation Council (IIC) and then shall be notified to the Department and the Steering Committee.
3. Each NAIN Startup Student Project must be led by a project leader. The team must agree on deliverables and milestones as proposed in the project proposal submitted by the team.
4. The fund shall be released to student innovators after selection of student projects and recommendations by the PMU. Any unutilized grant shall need to be refunded to KITS along with the proof of grant utilization.
5. Each batch of project should be completed within the project duration of 6 months in a calendar year as illustrated in Fig. 2.4. A decision on grace period for student project completion shall be taken by the Steering Committee based on the progress made and review.

2.1.6.2.4 Student Project Fund procurement and expenditure details

The following are the list of Do's and Don'ts pertaining to fund usage for Student Projects in each NAIN 2.0 center which is to the tune of INR 5 Lakhs per student project.

Do's:

1. Procurement of raw materials will be allowed to develop a prototype or working model that can demonstrate the technology solution being suggested. The individual project costs must be estimated at the time of application.
2. Grant specifications will need to be maintained and any changes in the same will only be permitted upon recommendation from IIC and approval on the same from KITS by the concerned GM or MD.
3. All raw material procurement to be done through GeM Portal (Government e Marketplace <https://gem.gov.in/>). In case of unavailability of raw materials on the portal or inaccessibility to the portal, a quotation process might be opted by inviting a minimum of 3 quotations from local vendors or online suppliers from which the lowest bidder shall be considered. All raw material procurement should be vetted and approved by IIC.
4. It will be the responsibility of the NHI to ensure that appropriate procurement procedures and supporting documents are maintained and produced when asked for.
5. All the financial transactions shall mandatorily be made through NAIN account to vendor/supplier only. Transfer of funds through individual account holders such as mentor, representative from college management, principal, college coordinator (A senior professor-

level faculty member nominated as part of the Institution Level Innovation Council) etc. shall not be allowed.

6. Each student innovator team must constitute at least 3 members (upto 5 members). The primary applicant must be an on-roll full time student of the college. Alumni and local entrepreneurs are eligible to join the teams but cannot be the primary applicants of NAIN. The teams must be well-rounded and could consider having members from diverse disciplines and various departments of NHI to support collaborative projects.
7. If there is a critical need for an equipment which is not present in the inventory of the host institution, the same may be hired on rental basis at an acceptable rate such that, total rental cost of the equipment does not exceed 20% of the individual project cost.

Don'ts:

1. These funds cannot be used for procurement of hardware like computers/laptops, pen-drives, printers, scanner, calculators, cell phones, cameras, UPS etc. The hardware is expected to be provided by the host institution.
2. Advance payments to vendors shall not be allowed. All invoices will need to be settled against the supply of raw materials.

2.1.6.3 General terms and conditions

1. KITS shall serve as the NAIN-Implementing Agency (NAIN-IA) for rolling out the NAIN project under this Startup Policy. All the assets acquired or created from the grant shall be installed in the premises of the NAIN center only and will not be placed in any other department/division of the host institute, unless specifically approved by Implementing Agency (IA). All equipment, hardware and prototypes of the NAIN center will be the property of the NHI and must always be retained in the NAIN center.
2. KITS shall review the progress of each PMU periodically. Non performing PMUs and NAIN centers shall be terminated based on the decision from the steering committee.
3. Grant provided shall only be spent on the earmarked purposes of its sanction within stipulated time. Any and all amounts from the grant fund that remains unutilized or unapplied will need to be refunded to KITS.
4. NAIN center would maintain a record of all the equipment procured. Assets acquired wholly or partially out of government grant, shall not be disposed off without the prior approval of the Government.
5. PMUs/Anchor institutes may house large equipment/machineries that could be used by NAIN centers for project purposes.
6. Should there be a need to dispose any equipment within three years of its procurement, a written permission with reasons to do so must be submitted to the Institution-Level Innovation Council (IIC) and a concurrence/clearance/permission must be obtained from Steering Committee for the same.
7. Concerned officers of the Government or its authorized representatives may visit the NAIN center/NHI for ascertaining the progress of work and attempt to resolve any difficulties that might be encountered by the students. NHI should produce all projects and NAIN center related documents for inspection to the inspection committee/officers/agency assigned by the Government.
8. Department will have no responsibility in case of any loss (life or property), caused due to accident, fire or any other reasons. It will have no liability on account of any omission or

commission of regulatory/statutory requirement by the NAIN center/ PMU or its incubatees and their companies.

9. The host institute is required to take appropriate safety and insurance measures to safeguard against any loss of human life and property related to NAIN center.
10. NHI shall also submit an indemnity bond.
11. NAIN center and PMU may be subject to third party audit of accounts as per discretion of the Steering Committee. Book of accounts, cash books and related ledgers must be maintained and submitted to KITS for inspection, as and when required.
12. The expenditure should not prima facie be more than the occasion demands, and vigilance must be exercised with respect to expenditure incurred using NAIN fund.
13. Allowance amounts granted to meet expenditure of a particular type (eg travel allowances), should be regulated.
14. Intellectual Property Rights:
15. The ownership of any Intellectual Property (IP) generated at the NAIN center will be shared in the following manner:
 - a. **Student / Inventor – 90%**
 - b. **NHI – 10%**The NHI will reverse the royalty earned from 10% stake back into its own NAIN fund i.e. to the account meant for receiving the grants.
16. All funded and completed prototypes (Software Based or Physical Product) will need to be showcased at the NHI. Physical product prototypes will need to remain within the premises of the NHI.
17. Existing NAIN institutions shall continue under the terms and conditions of the previous startup policy until their respective projects attain closure and achieve the milestones.

2.1.6.4 Monitoring and evaluation

1. Applications from NAIN centers shall be reviewed along with the documents received. Required assessment and scrutiny shall be conducted against the eligibility criteria and terms and conditions, to ensure the veracity and credibility of the applicants.
2. Applications from NAIN centers meeting the criteria shall be placed before the Steering Committee for evaluation on technological, commercial and financial parameters.
3. The committee shall review applications based on the fulfilment of incentive objectives and provide its approval/rejection for the applications post which the applicants shall be notified of the decision.
4. Selected applicants shall enter an MoA with KITS/Department and PMU with detailed timelines for achievement of the phase-wise milestone for fund disbursement.
5. Selected NAIN 2.0 centers shall be provided with a proposal format by KITS for student projects. IIC shall shortlist potential beneficiary student projects from at least 15 projects per year per center. The proposals that are screened by IIC shall be uploaded on the NAIN portal (<http://nain.karnataka.gov.in/>) by the respective NAIN 2.0 centers. These proposals shall be evaluated further to select the top 10 student beneficiaries eligible for funding, by a jury panel formed by KITS.
6. **Student project evaluation parameters:** The student projects shall be evaluated on the following parameters:
 - a. Technology
 - b. Innovation

- c. Commercialization potential
 - d. Social impact
7. **NHI and NAIN center performance evaluation parameters:** Performance of each NHI and its NAIN center shall be evaluated based on parameters described below. These will be evaluated each year:
- a. Number of projects which have reached prototype stage
 - b. Number of IPs generated
 - c. Number of companies incorporated
 - d. Number of independent events conducted (excluding the events mandated by NAIN SOPs and funded by GoK)

2.1.6.5 Role of NAIN Host Institution (NHI)

1. Host Institution should open a separate savings bank account in any nationalized bank to receive grants. Accounts must be maintained well with all supporting documents including balance sheets and submitted to KITS as and when required for auditing purposes.
2. Recruitment of DIA and MIS Executive.
3. NHI has to submit the project completion report after every batch completion, the template of which shall be shared by KITS.
4. Following minimum activities are expected to be conducted by the institution in addition to the programs conducted by the N-IA:
 - a. Invited talks by successful entrepreneurs – Minimum 2 per annum
 - b. Tech workshops on areas like IoT, Big Data Analytics, Cloud Computing, ESDM, Bioinformatics, etc. – 2 per annum
 - c. Hackathons or Ideathons – 2 per annum
 - d. Institutions should offer elective courses on Entrepreneurship/Specific Technology with focus on commercialization which may be audited by students. In case of autonomous institutions, these courses could enable students to earn academic credits or marks depending on the evaluation system being followed by NHI

2.1.6.5.1 Role of District Innovation Associate (DIA) and MIS executive of K-tech NAIN center

DIA and MIS executives shall be appointed once the infrastructure has been set up at the host institution and the students have been identified by IIC and approved by KITS. The DIA must promote innovation in the academic setting and bring in a flavour of industry to the academic campus. The innovation could be in social enterprise, technical or non-technical domain.

The DIA will be onboarded on a contractual basis only during the project duration and will report to/work with Head of the Host institution and the College Coordinator.

2.1.6.5.2 Roles & responsibilities of DIA include:

1. Coordinating with the PMU and NHI to schedule workshops and events as per calendar in consultation with the PMU
2. Coordinating with KITS for scheduling Monitoring Committee meetings
3. Coordinating with students regarding student project progress reports
4. Coordinating for the Institution Level Innovation Council (IIC) meeting

5. Coordinating with NHI to ensure timely submission of documents to KITS and status to PMU
6. Ensuring that the projects are completed as per prescribed timelines per batch of students (within 6 months)
7. Additionally, duties will also include basic marketing of NAIN program such as regular social media posts, event participation, material distribution, website updates, development and maintenance of collaborations with partnering agencies and NGOs relevant to the student innovator groups, scheduling regular meetings and reviews, ensuring physical and financial compliance and any other work assigned by either KITS or the Head of Host institution.

2.1.6.5.3 Roles & responsibilities of MIS Executive include:

1. Ensuring the submission of the following:
 - a. Utilization Certificate/audited expenditure statement (Signed by CA on CA letter head)
 - b. Justification for deviations if any (Provide detailed justification of deviations)
 - c. Proof of approval from KITS on deviations/exceptions (if any)
 - d. Self-Declaration of milestone completion or project completion
 - e. All the supporting documents, invoices, bills etc. as per the Bank Statement
2. Preparation of event report (post completion of events conducted) and project progress report (prepared yearly and half yearly covering details of recognition and rewards, appreciation, awards and accolades, certification, national and international participation in events and workshops, patents granted, merger and acquisition, sponsorships, etc)

2.1.6.6 Format for application for NAIN 2.0

Applications from eligible and interested host institutes that shall house NAIN centers will be invited through a call for proposal. The application form must be filled online by the Head of the Institution through the Startup Karnataka portal (<https://www.missionstartupkarnataka.org/>) and supported with necessary documents. Format for application is provided in Annexure 11.1.1

2.1.7 Connecting NAIN centers with external incubators/accelerators

Government aims to facilitate region wise connect between NAIN centers and a PMU which shall essentially be anchor institutes/institute of repute that shall support NAIN centers mapped to them. These institutes will be chosen by the Department to partner with KITS in enabling NAIN centers. Upon selection, they would be expected to ensure handholding, mentoring, implementation, and industry connect support for student projects which can help convert their ideas to technology-based solutions/working prototypes/entities.

2.1.7.1 Role of PMU

PMU shall be responsible for handholding the NAIN centers. Once a tripartite agreement has been signed between the NHI, PMU and KITS; the PMU shall be responsible for the following activities:

1. Facilitation and selection of student projects.
2. Advisory on procurement of raw materials.
3. Ensure that appropriate procurement procedures and supporting documents be

maintained and produced when asked for.

4. Handholding NAIN centers and ensuring the deliverables and milestones are met such that fund disbursements can be initiated based on the same.
5. Request KITS for release of Tranche 1 student project fund once the student projects have been finalized.
6. Scheduling review meetings on a quarterly basis with the Monitoring Committee headed by the General Manager, KITS.
7. Presenting recommendations for release of Tranche 2 student project fund.
8. Placing deliverables before the Steering Committee for the final closure per batch.
9. Ensuring timely closure of projects as per timelines and milestones.
10. Organizing and enabling the following activities in the NAIN centers
 - a. Corporate connects
 - b. Knowledge sessions
 - c. Mentoring sessions
 - d. Business growth planning
 - e. Networking events
 - f. Investors connect
 - g. Demo day
 - h. Hackathons/Ideathons
 - i. Tech workshops
 - j. Invited talks by successful entrepreneurs
11. Monitor student projects and report the progress to KITS: The selected PMU will be required to submit monthly progress reports. These would be used by the Monitoring Committee to track their progress. The following broad parameters shall be assessed for monitoring performance of NAIN centers.

Table 2.6: Performance monitoring parameters of NAIN centers

Activities	Parameters
Student projects	1) Number of student project/ ideas evaluated and validated 2) Number of student projects converted to entities/startups 3) Number of student project/ ideas provided with mentoring support 4) Number of student projects/ideas supported in securing funding/capital
Mentoring support	1) Number of Mentorship Sessions (focused group workshops on Product Management, Go-to-Market Strategy. Etc.) 2) Number of hours invested in one-to-one mentoring sessions
Funding/capital	1) Number of investor connect sessions
Events and workshops	1) Number of Workshop/Webinar on Pitch Deck Preparation and Presentations, Story Telling, Structured Design Thinking Program by industry stalwarts, Managed program on creating sustainable growth plans 2) Demo day/showcase of projects 3) Hackathons/ideathons 4) Tech focused workshops 5) Invited talks by successful entrepreneurs

Activities	Parameters
Networking and industry connects	1) Number of industry/enterprises connect sessions 2) Number of networking events 3) Number of Focused Sessions and Meetups covering Entrepreneurial Development Program topics such as future challenges, risks and prospects, entrepreneurial behaviour, finance and management skills 4) Number of International connect/exposure facilitated

12. The selected PMU/ Anchor institute shall also help establish and manage a Technology Transfer Organisation (TTO) for their respective NHIs, which shall act as an academic and commercial entity that facilitates intellectual property rights management and technology transfer by bridging the gap between research and practice. The PMU shall ensure that the TTO undertakes the following responsibilities:

- Increase the number of patents filed by students and researchers.
- Assist students and researchers in commercializing their products
- Raise awareness of intellectual property rights among students and researchers
- Build stronger relationships between universities, research institutions, and industry

Monthly progress reports submitted by the PMU should cover all parameters as explained in table 2.6 along with the following pointers provided for assessment of TTO performance:

1. Number of patents filed by students and researchers.
2. Activities undertaken to assist students and researchers in commercializing their products
3. Activities undertaken for ensuring intellectual property rights among students and researchers
4. Activities undertaken to build stronger relationships between universities, research institutions, and industry.

2.1.7.2 Funding support

1. Funding support of INR 10 lakhs per year per NAIN 2.0 center shall be provided to PMU.
2. The tranches shall be released post approval from the Steering Committee. The payment milestones shall be as indicated in the table below:

Table 2.7: Payment milestones

Tranche amount	Project status
Tranche 1: 50%	50% post selection of student projects and signing of tripartite agreement with KITS and NHI
Tranche 2: 50%	50% post 50% progress of project as per project milestones submitted by NHI and approval by Monitoring Committee. Submission of action plan for project closure along with remaining deliverables and milestone-based outcomes. Submission of 60% utilization of Tranche 1 necessary.

2.1.7.3 Process and implementation

Collaboration with ecosystem partners shall be initiated with selection of PMU by the Department for availing the funding support.

This dedicated program shall be divided into 2 phases:

Phase 1-Outreach: During this phase, the Department shall reach out to prospective institutions that might be considered to become a PMU.

Phase 2-Mapping and Implementation: During this phase the following activities shall take place:

1. Selected PMU shall be mapped to NAIN centers by the Steering Committee.
2. The mapping exercise shall be done based on the following parameters:
 - a. Geographical location of the selected PMU and the NAIN center
 - b. Sectoral strengths of the selected PMU and the NAIN center
3. Post mapping, the PMU shall cater to the activities such as mentoring sessions, knowledge sharing sessions, business growth planning sessions, networking events, investor connects, hackathons, invited talks by successful entrepreneurs, tech workshops, amongst others that would enable student entrepreneurship and innovation at their respective NAIN centers.

2.1.7.4 Eligibility criteria

1. The PMU should be an academic institution with a strong R&D focus. A pure R&D proposal for academic pursuits and industrial consultancy shall however, not be eligible for support. A call shall be issued to invite applications. Incomplete proposals shall not be considered.
2. The institution must have adequate expertise and infrastructure to support incubation.
3. The institution must either be a Government Institution or a not-for-profit legal entity registered as a Society/Trust/Section 8 company.
4. The institution should be in existence for at least 10 years (only for private institutions) and should be incorporated or registered in Karnataka.

2.1.7.5 Monitoring and evaluation

- a. The Department shall select Anchor Institutes who have expertise in running/handling acceleration/incubation programs for Startups. These institutions shall be selected based on the following broad parameters: Design of the program preparedness and experience of the PMU and its team to help student projects.
- b. Quality of the mentors associated with running the program.
- c. Ability to achieve the overall objectives and targets.
- d. Experience to provide prototyping grants and seed-support, help students get external funding.
- e. Case studies supporting conversion of projects to entities.
- f. Any other notable activities in innovation and entrepreneurship.
- g. Selected PMUs shall be placed before the Steering Committee for mapping to respective NAIN centers and shall be provided with the eligible grant.

2.1.8 Institutional framework for NAIN

NAIN Committees involved and their roles

Three committees will be constituted to execute the NAIN program: (a) Steering Committee (b) Monitoring Committee and (c) Institution Level Innovation Council.

1. Steering Committee

This committee will be headed by Additional Chief Secretary/Principal Secretary/Secretary, Department of Electronics, IT, Bt and S&T with members from Industry, Academia and Industry associations. The structure of the committee is given below:

Table 2.8: Members of Steering Committee

S. No.	Designation	Role
1	The Additional Chief Secretary/Principal Secretary/Secretary to the Government, Department of Electronics, Information Technology, Biotechnology and Science & Technology, Government of Karnataka	Chairperson
2	Representative/Nominees from Industry Body (IESA/NASSCOM/TIE/ABLE and such other associations)	Member
3	Industry experts (Investors/Corporates)	Member
4	Representative from Academia	Member
5	Managing Director, Karnataka Innovation and Technology Society Department of Electronics, Information Technology, Biotechnology and Science and Technology	Convenor

2. Roles and responsibilities of the Steering Committee

The committee shall perform the following functions for the effective implementation of the Policy:

- The Steering Committee shall accord approval to invited applications for NAIN and select beneficiaries for the grant.
- This committee shall meet atleast twice a year.
- Mapping of PMU to NAIN centers based on geography and sector.

3. Monitoring Committee:

This committee will be headed by MD, KITS with members from Industry associations and academia.

Table 2.9: Members of Monitoring Committee

S. No	Designation	Role
1	Managing Director, Karnataka Innovation and Technology Society Department of	Chairperson

S. No	Designation	Role
	Electronics, Information Technology, Biotechnology and Science and Technology	
2	Representatives from KITS	Member
3	Representative from K-tech innovation hubs	Member
4	Representative/Nominees from Industry Body (IESA/ NASSCOM/TIE/ABLE and such other associations)	Member
5	Representative from Academia	Member
6	General Manager, Karnataka Innovation and Technology Society Department of Electronics, Information Technology, Biotechnology and Science and Technology	Convenor

4. Roles and responsibilities of the Monitoring Committee

The Committee shall perform the following functions for the effective implementation of the Policy:

- Monitor the selected NHIs and PMU. Meetings concerning decisions and review of NHIs and NAIN centers mapped to a particular PMU should have a representation from that PMU.
- Evaluate progress of NHIs and PMU based on a report prepared covering the parameters mentioned for evaluating performance as defined in Table 2.6.
- Disbursal of grant-in-aid to beneficiaries: Recommend and facilitate release of grant as per payment milestones defined in section 2.1.4. Managing Director, KITS shall approve the disbursal based on committee recommendations.
- This committee shall meet atleast twice a year.

5. Institution-Level Innovation Council (IIC)

The Institution Level Innovation Council should have a minimum of 12 members as indicated below, including representatives from academia, industry and Government.

Table 2.10: Institution-Level Innovation Council members

S. No	Designation	Role
1	Principal	Chairperson
2	College Coordinator (Senior Professor-Level faculty member)	Member
3	Local successful entrepreneurs (Min 3)	Member
4	Academia Principals of local colleges (Min 2)	Member

S. No	Designation	Role
5	Head / Convener of Alumni cell	Member
6	Local representative of the Collegiate education department	Member
7	Local mentors in specific areas of technology/ specialization (Min 3)	Member
8	All heads of Departments (Invited members)	Member
9	Any other member as deemed fit	Member
10	Representative from PMU	Member
11	DIA	Convener

6. Roles and responsibilities of the Institution Level Innovation Council

The committee shall perform the following functions for the effective implementation of the Policy:

- a. Initiate all steps, including but not limited to implementation of NAIN, for promoting innovation in education and for developing an ecosystem where students are given the necessary resources and support to convert their ideas into proof of concept and create IPs.
- b. Meet once a quarter and maintain the proceedings of each meeting. These proceedings might be requested and shared with Implementing Agency (IA) – KITS, incase required.
- c. IIC shall shortlist potential beneficiary student projects through a first level screening (atleast 10 projects per year per center). These project proposals shall further be evaluated by a jury panel formed by KITS to select the top 10 student beneficiaries eligible for funding.
- d. Send recommendation reports to KITS on selection of student projects and fund disbursal.
- e. Approve the required procurement list and expenditure details for student projects as mentioned in section 2.1.6.2.4.
- f. Facilitate showcasing of prototypes and new technologies in appropriate forum to generate revenue.

3. Incubation and acceleration support for startups

3.1 Technology Business Incubators (TBIs)

3.1.1 Background

Technology Business Incubators (TBIs) are encouraged by GoK as an effort towards establishing an ecosystem that aids innovation and entrepreneurship by assisting technology startups/individuals in moving from ideation to the proof of concept (PoC) stage and allow for the creation of scalable technological solutions. The following

initiatives have been proposed in the Karnataka Startup Policy of 2022-2027:

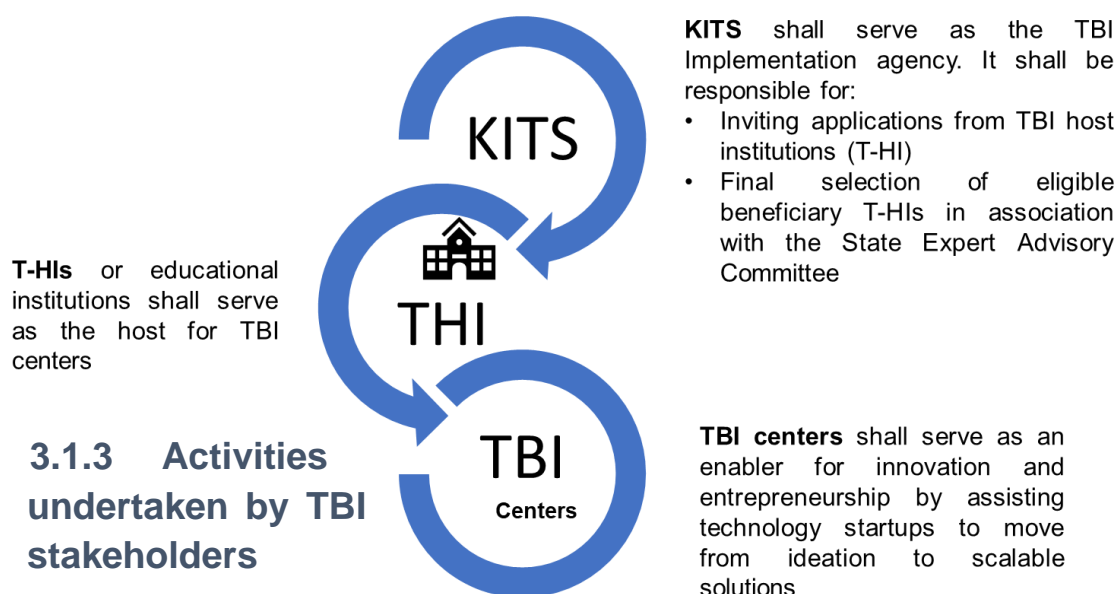
- 1. Establishment of TBI 2.0 centers:** The government shall set up incubation centers to help startups with services such as infrastructure, equipment, mentoring, branding, networking, legal, financial, technical and intellectual property related services. Preference for this shall be given to regions Beyond Bengaluru. In the next 5 years, the government shall assist in setting up 6 Technology Business Incubators (TBIs) in IT/Electronics and 3 TBIs in Biotechnology, with a funding support of upto INR 10 Crore per TBI. These TBIs shall be encouraged in emerging areas like Additive Manufacturing, AI/ML, Digital Twin Technology, Language Technologies, Computer Vision, AR/VR, Blockchain, Quantum Technologies and Web 3.0, Clean Energy Solutions, Agriculture and allied fields, Education etc. Institutions with strong R&D focus and having a strong sense of commercialization of these technologies are encouraged to engage with the government to deliver such incubation centers.

3.1.2 TBI Stakeholders

The TBI stakeholders include:

1. TBI Host Institutions (T-HIs): Applicant educational institutions that qualify to become a TBI center
2. TBI Centers: TBI centers established at the T-HIs
3. KITS: TBI Implementation agency

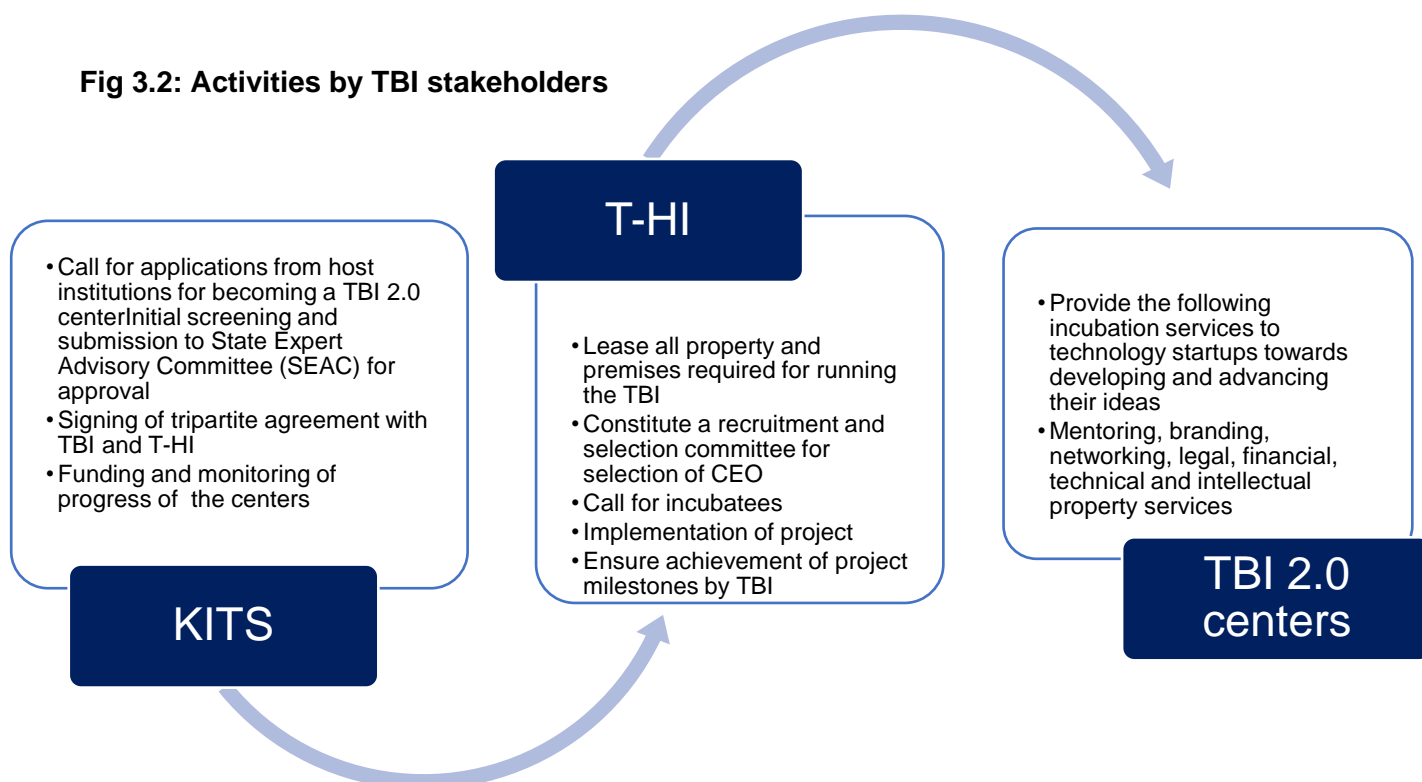
Fig 3.1: TBI Stakeholders



3.1.3 Activities undertaken by TBI stakeholders

The following image demonstrates major activities involved in the TBI program process undertaken by each of the stakeholders defined in section 3.1.2.

Fig 3.2: Activities by TBI stakeholders



3.1.4 Technology Business Incubators (TBIs) 2.0

3.1.4.1 Application process

Applications/proposals are invited by issuing a call for applications from eligible institutions. In order to qualify as an applicant, the institution must satisfy the following conditions to become a TBI 2.0 center.

1. Eligibility:

- Institutions with strong R&D focus can submit their proposals. A pure R&D proposal for academic pursuits and industrial consultancy will not be eligible for support.
- A call shall be issued to invite applications. Incomplete proposals shall not be considered.
- The host institution must have adequate expertise and infrastructure to support incubation. The selected applicants will be required to form a TBI 2.0 registered as a Section 8 Company/Society.
- Only the TBIs incorporated during the policy period shall be considered as beneficiaries for TBI 2.0 scheme.
- The host institution should be in existence for at least 10 years.

2. Mandatory documents:

- Proposal in the prescribed format as provided in annexure 11.1.2 will need to be supported with necessary enclosures including consent for terms and conditions. These will need to be submitted by the Head of the TBI Host Institute (T-HI)/Incubator.
- The proposal should be accompanied with forwarding letter from the TBI Host Institute (T-HI) and endorsement from the Head of the Institution (annexure 11.3.1 and 11.4.1).
- A copy of Bye Laws/Memorandum of Association/AoA between T-HI and the TBI.
- The audited annual accounts/balance sheet of TBI/T-HI along with the annual report

should be made available to the Department incase requested for inspection.

3. Infrastructure requirement for host institutions:

- a. A minimum of 5000 sq. ft. of furnished space should be earmarked for hosting the TBI. The State Expert Advisory Committee (SEAC) may examine higher or lower requirements of space on a case-to-case basis.
- b. Host Institute must provide land and building on lease to TBI 2.0 center for a minimum of 15 years. Support by the Host Institute beyond the initial lease period is expected and a commitment letter will need to be submitted for the same.

3.1.4.2 Funding support

Once the proposal for TBI is agreed in-principle by SEAC, the process for sanctioning of TBI and subsequent release of funds would be taken up after ensuring the following preliminary actions are taken by the Host Institution and the infrastructure requirements, as stated in section 3.1.4.1, are met.

1. Registration of TBI/Host Institute as a not-for-profit society/trust or a Section 8 company.
2. Creation of a separate interest-bearing savings bank account under the name of the registered TBI.

Funding pattern: Total support of upto INR 10 crore per TBI shall be provided over 5 years. **The indicative Capital Expenditure** to Operational Expenditure ratio shall be as follows, however this shall change depending on the proposal presented by the host institution.

Table 3.1: Capex to Opex ratio

Capital Expenditure	Operational Expenditure
67% (INR 67 Lakhs)	33% (INR 33 Lakhs)

Capital Expenditure (Non- Recurring grant): The total capital expenditure shall be incurred by the TBI against which, the approved grant shall be disbursed in the first two years as indicated below:

Table 3.2: Capex disbursement for initial 2 years

1st year		2nd year		3rd year	4th year	5th year
50%		50%		0	0	0
KITS	HI	KITS	HI			
90%	10%	90%	10%			

Note: The contribution from HI could be in cash or kind (rent, electricity, housekeeping services, security, water charges, amongst others)

Operational Expenditure: Out of the total recurring expenditure incurred by the TBI against the approved amount, below mentioned indicative mode of funding would be followed on actual recurring expenditure.

Table 3.3: Opex disbursement over 5 years

1st year		2nd year		3rd year		4th year		5th year	
20% *		20%*		20%*		20%*		20%*	
KITS	HI	KITS	HI	KITS	HI	KITS	HI	KITS	HI
70%**	30%**	70%**	30%**	70%**	30%**	70%**	30%**	70%**	30%**

* Total Opex of 33% evenly distributed over a period of 5 years

** The applicant shall adhere to the ratio while filling in the table titled '(5) Means of Financing' in the proforma for submission of proposal for TBI 2.0 as provided in annexure 11.1.2.

The contribution from HI could be in cash or kind (rent, electricity, housekeeping services, security, water charges, amongst others)

Out of the total grant approved, the contribution of Host Institute to TBI should be clearly mentioned in the MoA.

The Host Institution and the Governing Body of TBI are expected to ensure a smooth continuation of activities post completion of 5 yrs. The government, however, will continue to support existing TBIs through funding and assistance towards operational expenditure of the TBI on a case-to-case basis.

3.1.4.3 General terms and conditions

1. Furnished space provided to TBI by HI must be in the name of the not-for-profit entity created for TBI. HI to provide this lease for land & building for a minimum 15 years and continue to provide support beyond this period. HI to enclose a commitment letter for the same.
2. Grant provided shall only be spent on the earmarked purposes of its sanction within stipulated time. Any and all amounts from the grant fund that remains unutilized or unapplied will need to be refunded to KITS.
3. As per financial rules of GoK, the grantee is required to upload a copy of each of the following documents to their individual TBI login accounts at the end of each financial year as well as at the time of seeking further installments of the grant, if any.
 - a. Progress report
 - b. Audited statement of accounts related to the amount sanctioned
 - c. Utilization certificate, in the prescribed pro forma
4. Assets acquired or created from the grant will be installed in the premises of the TBI (within the allotted space) and not in any other department/division of the T-HI.
5. Assets acquired wholly or substantially out of government grant, will not be disposed off without prior approval from the Department.
6. TBI would maintain a record of all the capital equipment procured and when these get unserviceable/obsolete/unusable, they should be disposed with a prior permission from the Department (if disposed within 3 years of purchase). This shall be applicable for assets worth more than INR 5.0 lakh. The fund thus generated from disposal of capital equipment should be used for TBI activities.
7. Grantee shall not outsource/entrust implementation of work for which grant is being

issued to another institution or divert any amount from the grant to another institution. In case the grantee is rendered incapable of executing the project, the entire amount received as grant shall be returned/refunded forthwith to the Department.

8. In case grantee fails to adhere to specific conditions of the grant as prescribed by the Department, it will be liable to return/refund the grant amount to the Department in the prescribed manner. No further grant shall be permitted to the said grantee in future. The Department shall not be responsible/liable for manpower recruited by the grantee for implementation.
9. The Department shall bear no responsibility in case of damage to life/property due to any accident/fire, etc. HI shall ensure appropriate safety and insurance measures for safeguarding such life/property related to TBI.
10. The Department will have no liability on account of any omission or commission of regulatory/statutory requirement by the TBI or its incubatees and their companies.
11. The grantee will indemnify, defend and hold harmless the Department from and against, and in respect to, any and all losses, expenses, costs, obligations, liabilities and damages, including interest, penalties and attorney’s fees and expenses, that may be incurred as a result of any negligent or willful acts or omissions of the grantee.

3.1.4.4 Monitoring and evaluation

1. The State Expert Advisory Committee (SEAC) will meet at least once a year to review the proposals/applications received.
2. Proposals shall be evaluated on merit and capability of T-HI or TBI in promoting technology-based startups.
3. The following broad parameters are used for evaluation of the proposals from T-HI
 - a. Preparedness of Host Institute (HI)/TBI
 - b. Team proposing TBI at the T-HI and capability of HI for promoting startups and innovations
 - c. Approach and methodology to be adopted for successful implementation of TBI
 - d. Assessment of TBI reaching projected milestones, co-funding and sustainability of TBI
4. **TBI center monitoring and evaluation**
 - a. The following documents shall be submitted by the Project Management Committee to KITS for assessing the progress of TBI:
 - i. Proposal progress report (hard and soft copy)
 - ii. The audited statement of accounts relating to each tranche of the grant
 - iii. Utilization certificates with respect to each tranche of the grant
 - iv. Financial reports
 - v. Audited annual accounts
 - b. Milestones to be achieved by TBI centers: The following broad parameters are used for evaluation of the proposals from TBI

Table 3.4: TBI center milestones to be achieved each year

Milestone activities to be achieved each year	Number
Minimum number of technology startups to be incubated each year	5

Milestone activities to be achieved each year	Number
Minimum number of technology startups to be successfully incubated and graduated from the incubation program each year	2
Minimum number of new products or technologies commercialized	1
Minimum number of technology startups to be incubated off the TBI premises	2
Minimum number of extra services not specified under the proposal to be provided by TBI to technology startups	3
Minimum number of TBI relevant events to promote the facility conducted every year	3

As and when it is felt necessary, a team constituted by GoK may be sent for monitoring the progress of the TBI

3.1.4.5 Role of TBI Host Institution (T-HI)

1. Recruitment of CEO and team: Competent manpower shall be recruited by the T-HI for proper day to day operations and management of the TBI center. Each TBI would have a dedicated Chief Executive Officer (CEO) & a compact team with domain knowledge and management expertise, who work full time for the TBI only. T-HI would constitute a recruitment and selection committee with a nominee from the Department as a member for selection of the CEO. A suitable incentive would be finalised by the committee for the CEO and his team.
2. T-HI shall provide adequate autonomy and flexibility to the CEO of the TBI to make speedy & transparent decisions.
3. T-HI shall ensure that the operations of the TBI are in line with the sanctioned proposal and activities are tailored to attain projected milestones.

3.1.4.6 Role of TBI centers

TBIs shall help startups with services such as infrastructure, equipment, mentoring, branding, networking, legal, financial, technical, intellectual property related services. These, in turn, would enable job creation and economic development to promote and nurture novel technology/innovation-based startups. They shall be responsible for the following:

1. The TBI center would evolve a transparent system for selection of incubatees through its project management committee. This selection shall be based on the evaluation of business and project model, plans and goals and the project plan's novelty, technical viability, financial feasibility, sustainability, scalability and ability to address and solve local issues, problems and bottlenecks in the technology sector.
2. The TBI shall execute appropriate agreement with incubatees. The residency period and the exit policy shall also be defined clearly in the agreement.
3. Each TBI will update its website on a quarterly update with details of the selected startups, information about activities undertaken and progress made. This website will need to be connected to the Startup Karnataka portal.

4. The TBI center or the grantee, shall maintain separate audited accounts for the grant. The funds released should be kept in a separate savings bank account earning interest and the interest earned should be reported to the Department. The interest thus earned will be treated as a credit to the organization to be adjusted towards further installments of the grant, if any.
5. The TBI and/or the Governing body will monitor the progress of each incubatee startup and maintain all reports in respect to the progress in execution of the proposal.
6. TBI shall maintain all receipts, vouchers, documents and other forms of records as are necessary for the purpose of accounting for the manner in which the grant and any portion thereof has been utilized.
7. TBI will, within 90 days of expiry of each year during the term, submit a financial report and audited annual accounts prepared duly and certified by a registered accountant. This shall be made available to KITS and should account for the entirety of the grant that has been provided over the course of the concerned year.
8. It shall ensure the following activities are conducted each year and tracked:
 - a. Selection of technology startups for incubated (atleast 5)
 - b. Successful incubation and graduation of technology startups from the incubation program (atleast 2)
 - c. Successful incubation of technology startups off the TBI premises (atleast 2)
 - d. Extra services not specified under the proposal, yet provided by the TBI to technology startups (atleast 3 services)
 - e. Relevant events conducted to promote the facility (atleast 3)
9. TBIs will have to take an approval from KITS regarding projections of outcomes in terms of number of new ventures to be admitted, graduated, new products/innovations/technologies to be commercialized, number of incubates etc.

3.1.4.7 Format for application

Applications from eligible and interested institutes will be called during the policy period. The application form must be as in annexure 11.1.2 be filled by the Head of the Institution and will need to be submitted by Head of the Host Institute/Incubator along with endorsements as per annexure 11.3.1, 11.3.2, 11.4.1 and presentation format as in annexure 11.5.1.

3.1.5 Institutional framework

TBI Committees involved and their roles

Project governance and monitoring shall be conducted by the following committees:

1. **State Expert Advisory Committee (SEAC):** The SEAC is chaired by Additional Chief Secretary/ Principal Secretary/ Secretary, Department of Electronics, IT, Bt and S&T, Govt of Karnataka and consist of experts on R&D, technology & commercialization, entrepreneurship etc.

Table 3.6: Members of SEAC

S. No	Designation	Role
1	The Additional Chief Secretary / Principal	Chairperson

S. No	Designation	Role
	Secretary / Secretary to the Government, Department of Electronics, Information Technology, Biotechnology and Science & Technology, Government of Karnataka	
2	Representatives from academia and R&D	Member
3	Technology and commercialization experts	Member
4	Entrepreneurs and business leaders/ Representatives from Industry Associations	Member
5	Managing Director, Karnataka Innovation and Technology Society Department of Electronics, Information Technology, Biotechnology and Science and Technology	Convenor

2. Roles and responsibilities of SEAC

- Screening and selection of institutions to establish TBI: The SEAC shall evaluate proposals on Innovation, Incubation and Technology Entrepreneurship.
- Providing recommendations to the Department to enable final decision to support the TBI.
- SEAC shall meet atleast twice a year.
- Performance review of TBIs: The continuation of support and annual funding to the TBI is entirely performance based and will be reviewed by the SEAC every year. The performance is monitored both in quantitative and qualitative manner by the SEAC.
- Based on the recommendations from the SEAC, fund shall be disbursed yearly for 5 years.
- In case of significant shortfall in the progress, the support may also be terminated mid-term upon the recommendation of SEAC.

3. Governing Body: The TBI will be administered by an apex body called Governing Body.

Table 3.7: Members of Governing Body

S. No	Designation	Role
1	Head of Host Institution (1)	Chairperson
2	Representatives of Karnataka Innovation and Technology Society Department of Electronics, Information Technology, Biotechnology and Science and Technology (2)	Member

S. No	Designation	Role
3	Mentors, entrepreneurs and individuals that possess qualifications and expertise that is pertinent to the programme and proposal (2)	Member
4	CEO of TBI (1)	Convenor

4. Roles and responsibilities of Governing Body

- Governing Body of the TBI shall convene atleast twice a year to review progress of TBI.
- Provide policy guidelines and milestones in respect to the activities and operations pursuant to the proposal.
- HI and TBI Governing Body shall develop a mechanism to ensure proper implementation and functioning of TBI. This mechanism shall be administered by a Project Management Committee, which shall consist of representatives from Department of Electronics, IT, Bt and S&T, GoK and technical and financial experts.
- The governing body shall report to KITS/SEAC on a periodic basis as and when requested by them with respect to the status of development of any project plan/implementation and execution of proposal.

5. Project Management Committee: The TBI will be administered by a project management committee that shall ensure proper implementation, execution and success of the proposal.

Table 3.8: Members of Project Management Committee

S. No	Designation	Role
1	Head of Host Institution or representative nominated by Head of Host Institution (1)	Chairperson
2	Representatives of Karnataka Innovation and Technology Society Department of Electronics, Information Technology, Biotechnology and Science and Technology (2)	Member
3	Senior faculties with knowledge in the field of technology (2)	Member
4	Technical experts (1)	Member
5	Financial experts (1)	Member
6	Business experts (1)	Member
7	Special invitee (1)	Member
8	CEO of TBI (1)	Convenor

6. Roles and responsibilities of Project Management Committee

- a. The project management committee will be responsible for overall day-to-day operations, facility management and execution of the incubation center.
- b. The committee will be responsible for the selection of technology startups to which the TBI shall provide incubation services on pay and use basis.
- c. It will provide strategic support to the technology startups by way of ease of access to mentors for support across different challenge areas, access to corporate sector, connects to academia, international and national stakeholders.
- d. It will establish platforms that provide investment readiness support, business validation, technical support, legal and financial services including intellectual property rights support and peer learning to technology startups.
- e. The committee shall meet atleast twice every year.

7. Recruitment and Selection Committee

Table 3.9: Members of Recruitment and Selection Committee

S. No	Designation	Role
1	Representatives of Karnataka Innovation and Technology Society, Department of Electronics, Information Technology, Biotechnology and Science and Technology (2)	Chairperson
2	Representatives of host institute (3)	Member
3	Representatives of TBI (2)	Member
4	Technical and financial experts (2)	Member

8. Roles and responsibilities of Recruitment and Selection Committee

- a. The Recruitment and Selection Committee shall be responsible for recruiting competent manpower for the day-to-day operation and management of the TBI.

3.2 Incubation and Acceleration Program for Women Led Startups

To nurture and accelerate the growth of women entrepreneurs in the State, GoK shall initiate a program for women led startups with the aim of nurturing and growing early-stage women entrepreneurs Beyond Bengaluru and accelerating growth stage women entrepreneurs to scale up their ventures.

Here, the state definition of women entrepreneurship is “Any entity having women as founder or co-founder (individual or group of women) with minimum 51% stake in the entity and qualifying the definition of a startup as per the prevailing Karnataka Startup Policy”.

The Department shall call for proposals from incubators and accelerators that shall be onboarded in a transparent manner to run incubation and acceleration programs, to specifically aid and handhold women led startups.

3.2.1 Institutional framework

Committees involved and their roles

Two committees will be constituted to execute the program: (a) Steering Committee and (b) Monitoring and Evaluation Committee.

1. Steering Committee

This committee will be headed by Additional Chief Secretary/Principal Secretary/Secretary, Department of Electronics, IT, Bt and S&T, Government of Karnataka with members from Industry, Academia and Industry associations. The structure of the committee is given below:

Table 3.9: Members of Steering Committee

S. No	Designation	Role
1	The Additional Chief Secretary / Principal Secretary / Secretary to the Government, Department of Electronics, Information Technology, Biotechnology and Science & Technology, Government of Karnataka	Chairperson
2	Representative/Nominees from Industry Body (IESA/ NASSCOM/TIE/ABLE and others)	Member
3	Industry experts (Investors/Corporates)	Member
4	Representative from Academia	Member
5	Managing Director, Karnataka Innovation and Technology Society Department of Electronics, Information Technology, Biotechnology and Science and Technology	Convenor

2. Roles and responsibilities of the Steering Committee

The Committee shall perform the following functions for the effective implementation of the Policy:

- Accord approval to applications from incubators and accelerators under the Startup Karnataka policy 2022. Select incubators/accelerators that are eligible for the grant under the this program to support women led startups.
- The incubators/accelerators are required to submit monthly progress reports which will be placed before the Steering Committee for evaluation and release of next tranche.

- c. Provide approval/ rejection for the fund's disbursement to the beneficiary incubators/accelerators based on reports and recommendations placed by monitoring and evaluation committee.

3. Monitoring and Evaluation committee

This committee will be headed by MD, KITS with members from Industry associations and Academia.

Table 3.10: Members of Monitoring and Evaluation committee

S. No	Designation	Role
1	Managing Director, Karnataka Innovation and Technology Society Department of Electronics, Information Technology, Biotechnology and Science and Technology	Chairperson
2	General Manager, Karnataka Innovation and Technology Society Department of Electronics, Information Technology, Biotechnology and Science and Technology	Member
3	Representatives from KITS	Member
4	Representative from K-tech innovation hubs	Member
5	Representative/Nominees from Industry Body (IESA/ NASSCOM/TIE/ABLE)	Member
6	Representative from Academia	Member

4. Roles and responsibilities of the Monitoring and Evaluation Committee

The Committee shall perform the following functions for the effective implementation of the Policy:

- a. Monitor the selected incubators/accelerators.
- b. Evaluate progress of incubators/accelerators.
- c. Disburse grant-in-aid.

3.3 Acceleration Network

Government will establish the 'Acceleration Network' in a hub and spoke model in collaboration with Industry partners, where existing accelerators will act as Hub to further augment and develop the network of accelerators across Karnataka and extend the benefit to startups, especially from outside Bengaluru Urban District. This network will assist the startups in their growth journey after the seed funding program by providing strategic support, funding, mentorship, and networking opportunities. Thrust will be given to startups working in areas related to Sustainable Development Goals (SDGs) including Circular

Economy, Renewable Energy/Sustainability/Climate Change. Details of acceleration network shall be available on the Startup Karnataka portal. KITS shall identify an implementation partner for this initiative.

4. Funding support to startups

4.1 Venture Capital Fund

4.1.1 Introduction

The Government will provide funding through a venture capital fund of INR 100 Crores named KITVEN Fund-5 to support emerging, innovative and deep tech startups in Artificial Intelligence, Machine Learning, Electric Vehicles, MedTech, Robotics, Drones, and other such disruptive technologies across all sectors. This fund will be released by Karnataka Information Technology Venture Capital Fund (KITVEN Fund), a Venture Capital Fund (VCF) operating in the State of Karnataka and backed by State & Central Government financial institutions.

The principal objective of this fund is to support companies having innovative products/solutions in the IT/Software/Emerging sectors (like Electric Vehicles, Blockchain, ML, AI etc.) allied and other related businesses and thereby realizing substantial long-term capital appreciation by investing its capital resources in equity, equity related instruments like preference shares/debentures or in any other manner as permitted under SEBI(AIF) Regulations 2012 and amendment from time-to-time.

4.1.2 Funding support

Out of INR 100 Crore fund setup as a Trust under Indian Trust Act, 1882, Government of Karnataka shall invest INR 25 Crore through KITS and the balance amount of INR 75 Crore shall be raised from other sources (contributors) as mentioned below.

1. State / Central Govt financial institutions
2. PSUs
3. Central Govt Ministries
4. Insurance companies
5. NPS managed by private sectors
6. Private IT companies
7. HNIs and NRIs

In the above-mentioned list of sources, (1) to (6) shall be institutional investors and HNIs and NRIs shall be individual investors. The minimum subscription criteria for both shall be as defined in the table below:

Table 4.1: Minimum subscription criteria by external investors

S. No	Investor type	Minimum subscription
1	Institutional investor	Minimum subscription shall be INR 5 crore subject to a maximum of 25% of the corpus
2	Individual	Minimum subscription shall be INR 2 crore subject to a maximum of 25% of the corpus

S. No	Investor type	Minimum subscription
	investor	

Note: Additionally, 25% of the VC fund of INR 100 crores has been earmarked for women entrepreneurs. Details available on Karnataka Information Technology Venture Capital Fund KITVEN portal (<http://kitven.in/>)

4.1.3 Roles of organisations involved

The 3 legal entities defined below operate on arms-length basis with the roles as described

1. Karnataka Innovation and Technology Society (KITS): Sponsor of the fund
2. Karnataka Trustee Company Private Limited (KATCO): Trustee
The Sponsor (KITS) shall appoint Karnataka Trustee Company Pvt Ltd. (KATCO) as Trustee. Major role and responsibilities of the Trustees (KATCO) shall be:
 - a. To act as the sole Trustee of the VC Fund.
 - b. Take into its custody or under its control all assets and properties of the Fund and hold them in the name of the TRUST for the benefit of Unit Holders.
 - c. To appoint Fund Managers who shall manage and negotiate on behalf of the Fund.
 - d. Ensure management fee or any other expenses are paid from the Fund.
 - e. Hold investment (equity & equity related) of the Venture Capital Undertaking (VCU) in its name on behalf of the Fund.
 - f. Represent on behalf of the Fund for various legal and statutory requirement.
 - g. Oversee distribution of profit and returns to unit holders of the Fund.
3. Karnataka Asset Management Company Private Limited (KAMCO): Fund Manager
Major role and responsibilities of Fund Manager (KAMCO) shall be:
 - a. Originating, negotiating and structuring of investments.
 - b. Recommendation of investment, disinvestment.
 - c. Monitoring and supervision of all the investments made in VCU.
 - d. General administration of the trust fund and its liquidation.

4.1.4 Investment Committee

The Fund Manager, in consultation with the Sponsor, shall constitute an Investment Committee (IC) which shall decide on the investment, terms & conditions, strategy, monitoring, divestment and such other aspects of the Fund.

Composition of the Investment Committee

1. IC shall comprise of 10 members of which, 5 members shall be the contributors and 5 members shall be people of eminence in the field of industry, finance, management, science and technology. The number of total members may vary depending on the circumstances.
2. One representation should be from each of the investors subject to a minimum investment of 20% of the corpus. Further, a group of investors having a cumulative investment of 20% of the total corpus, shall be eligible to have one member representing the group.

4.1.5 Eligibility and terms

1. Startups as defined in section 1 of this document.
2. Startups whose products have completed the POC and are generating revenues shall be eligible.
3. Companies having patents/ IP which are commercially viable shall be encouraged.
4. Investment by the Fund in VCUs shall be limited to a maximum stake of 30% in the company.
5. Investment range in a company shall be between 2% to 10% of the investible corpus.

4.1.6 Application process

Startups looking at availing the fund will need to apply through the KITVEN portal (<http://www.kitven.in/>)

1. Login to <http://www.kitven.in/>
2. Click on 'Apply'
3. Choose the fund type
4. Select sub area (Which sector the startup belongs to)
5. Provide company details as requested: Name of the company, Company URL, CIN, Founder's name and email id
6. Provide funding requirement
7. Upload proposal in PPT/PDF/ Word file format (size should be within 5MB)

4.1.7 Proposal format

Companies seeking VC assistance shall forward their executive summary online (not exceeding 4-5 pages), ensuring the investment criteria, objective and the area of operation of the respective fund under management are clearly stated. If the proposal looks viable and interesting, then an initial meeting shall be set up with the prospective company. The executive summary must contain the following information in brief:

1. Company background: Short overview of the company, geographical location, founders background, funding received, if any.
2. Market opportunities: Demand for product/solution, value proposition, size & growth of market.
3. Product/Technology: Differentiation, barrier-to-entry, price & cost.
4. Target Market: Competition, entry strategy, positioning, distribution.
5. Operating Plan: Historical results, profit/loss statement & balance sheet.
6. Funding: Quantum and purpose of funding required along with financial projections that will take the company until next round of funding.

** Fund Manager/KAMCO reserves the right to reject applications seeking VC assistance from all Funds under management without assigning any reasons thereof.*

4.1.8 Investment process

1. Application received
2. Screening & evaluation by fund manager
3. Proposal placed before IC for in-principle approval
4. If approved, detailed appraisal undertaken by the fund manager

5. Detailed appraisal report placed before IC for final approval
6. Issue detailed term sheet which includes amount, instrument, valuation, terms, etc
7. Legal and financial due diligence from third party
8. Agreement execution and release of funds

4.2 Beyond Bengaluru Cluster Seed Fund

4.2.1 Introduction

The primary objective of Beyond Bengaluru Cluster Seed Fund is to make Beyond Bengaluru Clusters such as Mysuru, Hubballi and Mangalore outside Bengaluru Urban District, a hub for innovative, disruptive and emerging startup companies in areas such as IT/ Software / Emerging sectors. With this initiative, the government intends to spur the technology led startup-innovation ecosystem Beyond Bengaluru thereby realizing long-term capital appreciation by investing in equity, and equity related instruments.

4.3 ELEVATE Grant-In-Aid Scheme for startups

4.3.1 Background

With a vision to create a world class startup ecosystem in the state, GoK aims to identify and nurture innovative startups and provide them with the necessary boost at various stages through funding or mentoring. ELEVATE encourages innovators/entrepreneurs who may need early-stage funding to develop their ideas to a proof of concept and scale up their product/solution.

It provides a comprehensive entrepreneurship platform for startups along with giving access to mentors, networking opportunities, funds, idea validation, incubation facilities, and in-depth sessions on accounting, legal, and emerging technologies.

The following initiatives have been proposed in the Karnataka Startup Policy of 2022-2027:

1. One-time Grant-in-Aid, of upto INR 50 Lakhs, will be provided to startups requiring early-stage seed funding support to develop their ideas to a proof-of-concept stage.
2. Government will give greater thrust by allocating 10 percent of ELEVATE Grant-In-Aid Scheme fund to startups working in areas related to Deep Tech, Assistive Technology and Sustainable Development Goals (SDGs) including Circular Economy, Renewable Energy/Sustainability/Climate Change.
3. Startups recognized under this program will be given mentoring and incubation support at subsidized rates at government supported incubation centres to help in product development and validation.

4.3.2 ELEVATE stakeholders

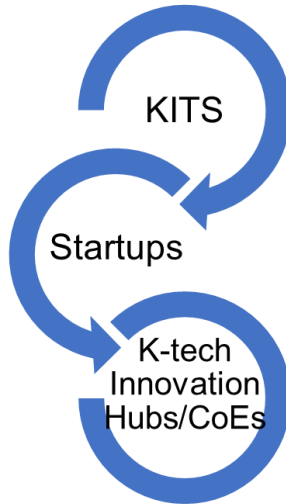
ELEVATE stakeholders include:

1. KITS: Implementation agency
2. Startups: Applicants for the ELEVATE scheme
3. K-tech Innovation Hubs/CoEs: Implementation Partner (IP)

Fig 4.1: ELEVATE stakeholders

KITS shall serve as the implementation agency for the ELEVATE scheme. It shall be responsible for:

- Inviting applications from startups in the calendar year
- Conducting the 4-stage evaluation process under ELEVATE
- Seeking jury nominations from industry, associations, academia etc
- Final selection of beneficiary startups and disbursement of grant as per recommendations from Evaluation Committee under the Chairmanship of the Additional Chief Secretary



Innovative **startups** that want to develop their ideas to a proof of concept and scale up their product/solution

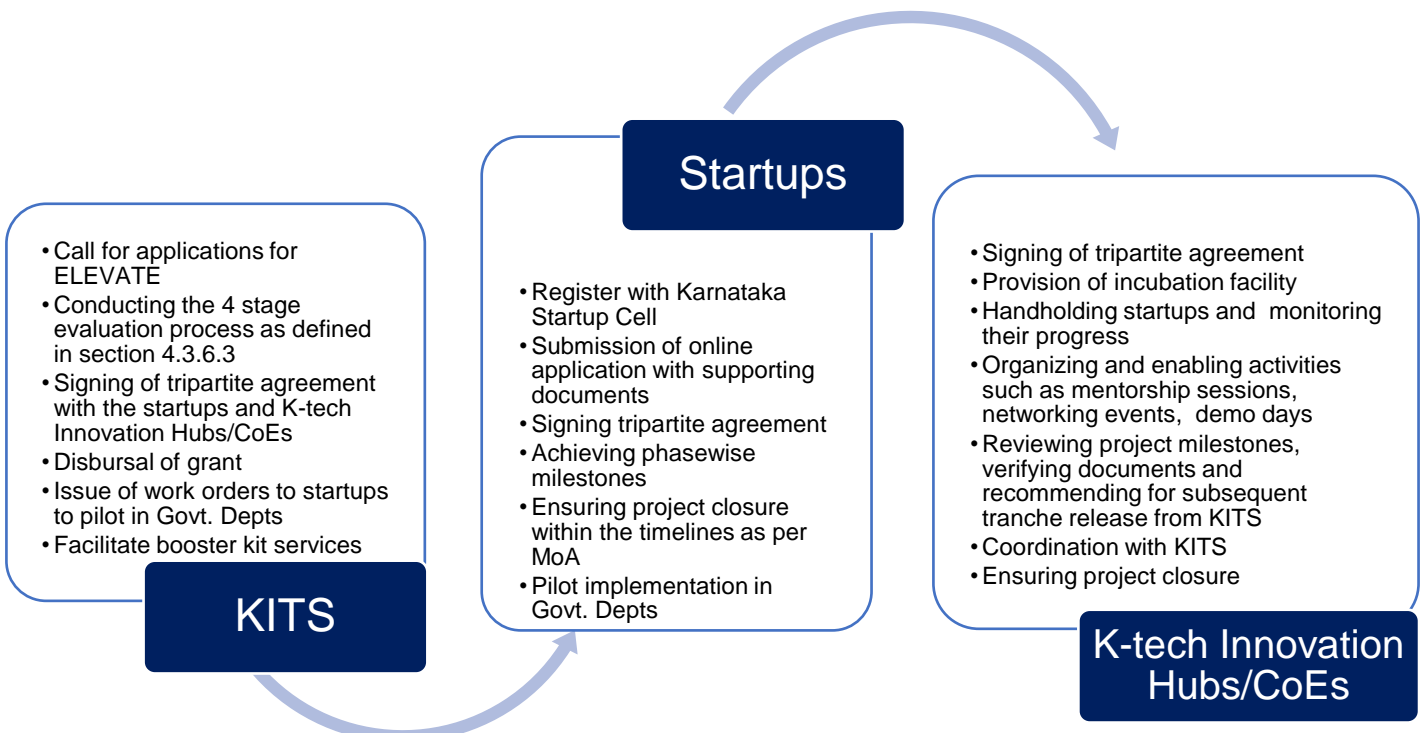
K-tech Innovation Hubs/CoEs shall serve as an implementation partner for the scheme. It shall be responsible for:

- Provision of incubation facility
- Handholding startups and monitoring their progress
- Recommendation of eligible startups for grant disbursement
- Project closure

4.3.3 Activities undertaken by ELEVATE stakeholders

The following image demonstrates major activities involved in the ELEVATE scheme undertaken by each of the stakeholders defined in section 4.3.2.

Fig 4.2: Activities by ELEVATE stakeholders



4.3.4 ELEVATE Funding support

A one-time Grant-in-aid of up to INR 50 lakhs shall be released in tranches as per the Project milestones agreed in the tripartite MoA between the a) Startup b) KITS and c) K-Tech innovation hub/CoE. Based on the recommendations provided by the sub-committee, the funds shall be released as approved in the Review Committee meeting, the funds shall be disbursed as below:

Table 4.3: Summary of funding support under ELEVATE

Entity	Funding Support	Timelines for fund disbursal
ELEVATE winner startups	One-time Grant-in-aid of up to INR 50 lakhs	<p>Tranche 1: 50% of grant amount is released as tranche 1 once the beneficiary has been identified and tripartite agreement has been signed under the ELEVATE grant-in-aid</p> <p>Tranche 2: 2nd tranche is released subject to the completion and review of milestones of tranche 1 as per the recommendation from the ELEVATE Review Committee</p>

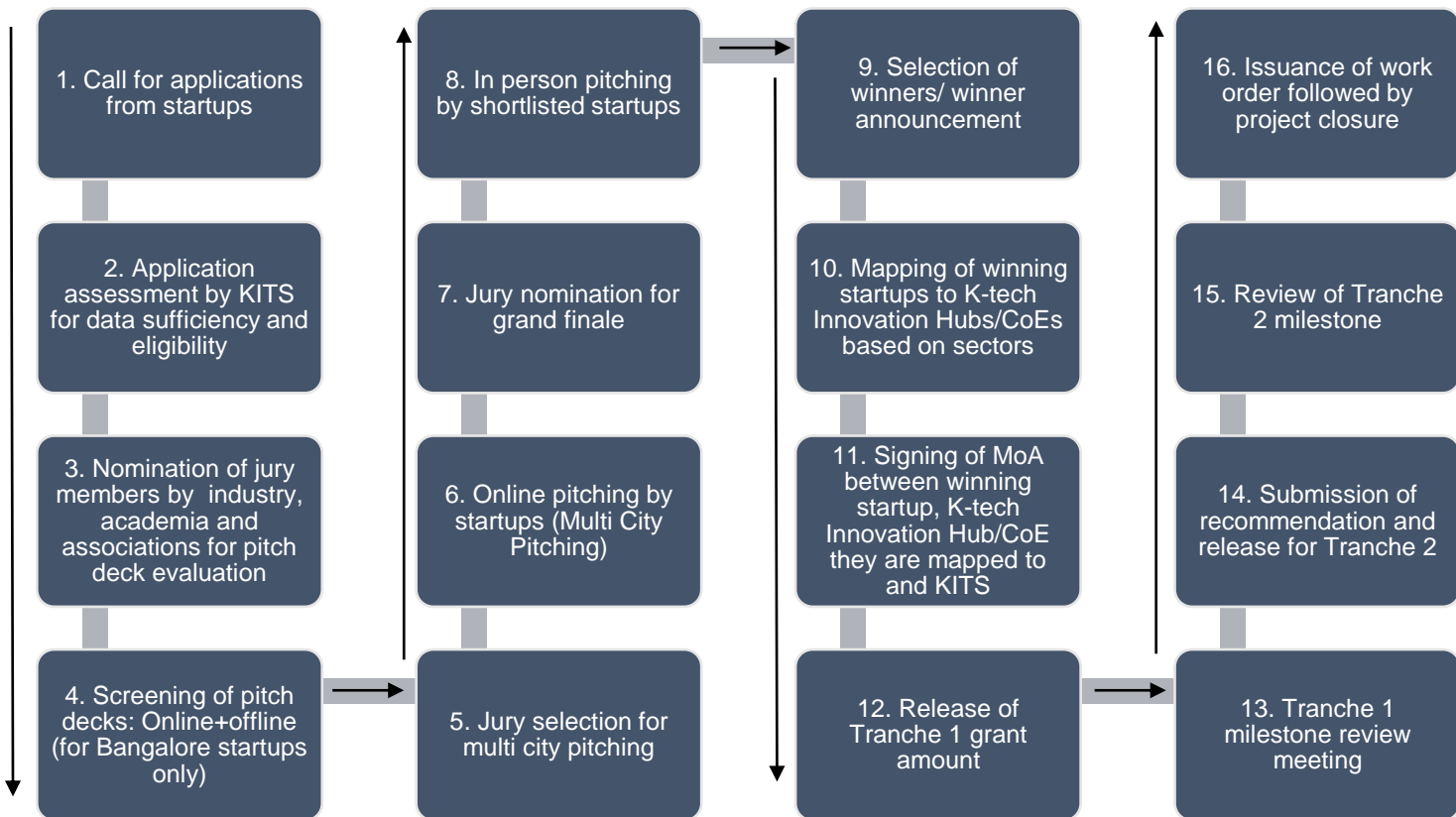
4.3.5 ELEVATE Program process

The following image demonstrates the stages of the ELEVATE Program and the stepwise process involved comprising of each of the ecosystem partners defined in section 4.3.2

Fig 4.3: Phases involved in the ELEVATE program process



Fig 4.4: Steps involved in the Elevate program process



4.3.6 Application process

Applications are invited by notifying startups to apply for the scheme.

4.3.6.1 Call for applications by KITS

In order to be eligible for application, the startup must comply with the definition of a startup as mentioned in section 1 of this document. For submission, it shall be mandatory for the startup to sign up and login to the Startup Karnataka portal.

4.3.6.2 Mandatory documents for submission

The following documents need to be submitted as per the format and file size mentioned through the portal.

1. Incorporation/ Registration Certificate (In PDF Format. File size to be less than 1MB).
NOTE: MSME, Udyog Adhaar, GST, Trade Union, KMF, VAT certificates, etc. shall not be considered as certificates of incorporation as per the Karnataka Startup Policy Government Order. The documents accepted as proof of Incorporation of the company:
Private Limited Company (Pvt Ltd)/One Person Company (OPC)/Limited Liability Partnership (LLP):
 - a. Certificate of Incorporation by Ministry of Corporate Affairs and registered with an incorporation address in Karnataka **OR**
 - b. Partnership deed along with registration certificate under Section 59 of the Partnership Act, 1932 or Limited Liability Partnership Act, 2008 with registration

address in Karnataka. (Please note that Partnership Deed alone will not be accepted as proof for Partnership Firm)

2. Pitch Deck (In PPT/PDF Format. File size to be less than 5MB- available on the website)
3. Affidavit stating that the applicant has not been a beneficiary under ELEVATE Grant-in-Aid scheme in the last 3 years during the time of application.

Note: Non-Eligibility of applicants- Beneficiaries under ELEVATE Grant-in-Aid scheme shall not be eligible to apply for ELEVATE scheme for the next 3 years from the date of receiving the grant amount. In case if they apply and during the any stage of the program they are found to have declared incorrectly, their application shall be summarily rejected and the applicant may be penalized.

4.3.6.3 Selection process

1. Applications received through the Startup Karnataka portal within 30 days of announcement of the call shall be screened for data sufficiency/eligibility criteria by the Karnataka Startup Cell. Applications that do not comply with the mentioned eligibility criteria/supporting documents, will be disqualified at any stage of the selection/ funding process resulting in the cancellation of their Application/Grant.
2. Applications that qualify shall further be screened by independent jury panels on the below mentioned parameters:
 - a. Novelty/Innovation
 - b. Potential Socio-Economic Impact
 - c. Strength of Business Model
 - d. Team Strength
 - e. Budgetary Allocation (grant utilization plan if the applicant becomes a beneficiary)

Every startup that applies under the program undergoes an evaluation process that shall be completed within 3 months. Any change in this timeline due to unforeseen circumstances shall be notified to the startups. The program has a 4-stage process for identifying winners, as illustrated below.

- Stage 1 – Data Sufficiency & Eligibility (Document verification)
- Stage 2 – Screening of pitch decks by jury members for Bengaluru Urban Startups: Offline
- Stage 3 Multi-City Pitching (MCP) – Screening to be conducted by Jury members to shortlist innovative ideas for both Bengaluru Urban (who have cleared stage 2) and beyond Bengaluru Startups.
- Stage 4 – Grand Finale (In person)
(Selection of the winners by the Evaluation Committee)

Note 1: The selected applicants shall further be funded as per the scheme guidelines.

Note 2: If required and deemed necessary by the Department, successive screening stages may be introduced.

Note 3: Every proposal must clearly identify a Project Leader who will take responsibility for the technical and managerial aspects of project execution.

4.3.7 General terms and conditions

1. Startups applying for ELEVATE program should have a no-lien account.
2. The scheme Implementation Partner (IP) will be K-tech Innovation Hubs/CoEs for all

startups.

3. A tripartite MoA between the a) Startup b) KITS and c) K-tech CoE/K-tech Innovation Hubs shall be signed. This will be done post due diligence and submission of mandatory documentation such as collecting ID proofs, proof of opening a no-lien bank account etc. The MoA should include:
 - a. Summary of the project, responsibilities of each of the parties involved, financial arrangements, project duration, milestones and deliverables, monitoring mechanism, terms for closure or foreclosure, compliance and confidentiality along with other governing conditions including force majeure, dispute resolution etc.
 - b. Grant utilization plan with details of grant to be utilized for product development, outsourcing, salaries, admin and marketing.
 - c. Finalized tranche plan with respect to the project milestones and tranche duration will need to be included in the tripartite MoA between the a) Startup b) KITS and c) K-tech CoE/K-Tech Innovation Hubs.
4. Applicant shall ensure that grant utilization is as per the caps for grant spending under each of the expense heads specified in section 4.3.8.1 (capital expenses, marketing expenses, salary expenses etc.). For deviations (if any), a written approval should be taken from the ELEVATE Review Committee.
5. The startup applicant shall ensure that the Founders/Directors/Partner of the entity/firm should and must at all times be associated with the project and the entity/firm for atleast 3 years for which the grant has been sanctioned.
6. Project duration:
 - a. BT startups: The total project duration for BT startups is upto 18 months.
 - b. Non-BT startups: The project duration for non-BT startups is upto 12 months.
7. Startups recognized under this program will be given mentoring and incubation support at subsidized rates at Government supported incubation centers to help in product development and validation.
 - a. The innovator/entrepreneur may get incubated (physical or virtual) with K-tech Centre of Excellence (COE)/K-tech Innovation Hubs supported by GoK and an amount of INR 15,000/- shall be earmarked towards mentoring/incubation support. This expenditure shall be accounted under the admin cost of the grant utilization.
 - b. The innovator/entrepreneur shall pay INR 10,000/- to K-tech Centre of Excellence (CoE)/K-tech Innovation Hubs supported by GoK for document verification submitted for tranche milestone completion, review of tranche milestones, assessing and recommending for releasing the 2nd tranche amount, review of completion of tranche 1 & 2 milestones and closure of project. This expenditure shall be accounted for under the admin cost of the grant utilization. (Shall be added with respect to INR 10,000/- to be paid to K-tech Centre of Excellence (CoE)/K-tech Innovation Hubs)
 - c. These amounts shall be exclusive of GST

Note: The amounts mentioned in 7(a) and 7(b), shall be revised annually based on decisions taken by the Evaluation Committee of the ELEVATE scheme.
8. All project transactions/expenditures should be done from a no-lien bank account which shall act as a dedicated bank account which is opened for the project and no funds other than the grant in aid should be credited to the no-lien account.
9. TDS is deducted from the grant amount disbursed by KITS. For this, KITS issues Form

16A to Startups. Startups may collect form 16A from KITS accounts section. Startups may verify the TDS deduction from their Income Tax account in the IT Portal (Form 26AS). The Expenditure Statement submitted should be for the total grant amount (to the extent of TDS deducted amount, startup may transfer from their other bank account to their no-lien account and show the expenditure for full grant amount).

10. As a part of the grant allocated, a work order of upto INR 1,00,000/- will be given to innovative startups whose products/solutions can be utilized by the Government Department for pilot/adoption at their end. This amount is to be apportioned in the second tranche of the grant release. The grantee shall show the deliverables as per the work order in tranche completion report.
11. Startups will need to inform and get approval from the Karnataka Startup Cell for changes in Incorporation and/or Partners/Directors and provide necessary documentation.
12. Jury members are selected after due diligence and signing of Non-Disclosure Agreement (NDA) and No Conflict of Interest (NCI).
13. In case the beneficiary startup fails to utilize the grant provided by the Department, most often under the following scenarios, the corresponding action shall be taken:
 - a) The startup has not utilized 100% of the grant amount and has expressed willingness to refund the grant in its entirety: The case shall be placed before Review Committee and the entire grant amount shall be recovered.
 - b) The startup has utilized a part of the grant amount and has expressed willingness to recompense the utilized amount and surrender the full grant amount: the case shall be placed before Review Committee and the entire grant amount shall be recovered.
 - c) The startup has utilized a part of the grant amount and has communicated that it will provide a utilization certificate for the expended amount and return the remaining grant amount: utilization certificate shall be obtained and the case shall be placed before the Review Committee post which the unutilized grant amount shall be recovered
 - d) The startup is not traceable despite repeated attempts by the department: the case shall be placed before Review Committee and a legal notice shall be issued to the startup. Legal procedure shall be followed to recover the grant amount.
14. Founders/Co-Founders/Stakeholders of the company should have minimum of 10% stake in the company.
15. Startups having a foreign shareholding- The Indian entity share should be more than 50% and Indian Partner shareholding should have majority stake.

4.3.8 Guidelines for grant utilisation

4.3.8.1 Expenditure specific guidelines

Following are the caps on expenditures for grant spending. Startups can utilize the grant money as per below mentioned percentages for respective category of expenses.

Table 4.4: Caps on expenditure for grant spending

S No.	Overhead	Particulars
1	Product	Minimum 40 % of the

S No.	Overhead	Particulars
	Development/Research & Development	total grant sanctioned
2	Outsourcing	Not exceeding 20 % of the total grant sanctioned
3	Salaries	Not exceeding 20 % of the total grant sanctioned
4	Admin	Not exceeding 10 % of the total grant sanctioned
5	Marketing	Not exceeding 10 % of the total grant sanctioned

4.3.8.2 Do's and Don'ts across cost categories

Table 4.5: Do's and don'ts for product development/R&D

Do's	Don'ts
Startups should procure equipment/software required for the product development/innovation themselves	Amount spent on hardware equipment cannot exceed 60% of the capex amount and should be within INR 3 lakh
	Vehicles cannot be purchased using the grant amount
	Purchasing of assets from sister concerns shall not be allowed

Notes:

1. The declaration submitted by startups should comprise of the procurement list of hardware equipment required to develop the product.
2. All original invoices in the name of the startup will need to be furnished as proof.
3. Receipt of payment for expenditures undertaken will need to be produced as proof.
4. Submission of cash vouchers shall not be accepted as proof of payment.
5. Patent expenses (filing, attorney fees etc.) cannot be reimbursed from the grant amount as these can be reimbursed under the Startup Policy Incentives from the Karnataka Startup Cell).

Table 4.6: Do's and don'ts for outsourcing

Do's	Don'ts
Grant amount should be utilized for	The entire product development cannot be outsourced. Any outsourcing should be

Do's	Don'ts
product development/innovation strictly	informed to KITS for a decision

Notes:

1. Invoice of the consultant/person to whom services are outsourced must have a valid PAN & GSTN number and must be generated in the name of the startup.
2. Submit receipts as proof of payment.
3. Submission of cash vouchers shall not be accepted as proof of payment.
4. The grant amount cannot be used for any civil work, construction, or repair work.

Table 4.7: Do's and don'ts for salaries

Do's	Don'ts
Grant amount shall be used to pay salaries for individuals recruited for product development/ research and development	Grant amount cannot be considered for catering to more than INR 50,000 (Rupees Fifty Thousand) per month for one Director/Founder/Partner, who is heading the project

Notes:

1. Offer letters, acceptance letters and pay slips need to be provided as proof.
2. Submission of cash vouchers shall not be accepted as proof of payment.

Table 4.8: Do's and don'ts for administration

Do's	Don'ts
A prior permission for shared spaces will have to be obtained from the Karnataka Startup Cell	Grant amount cannot be used for rental advance or security deposits
Non incubated startups can be billed for electricity and internet charges	Grant cannot be spent on food/beverages or local travel.
	Grant cannot be spent on purchase of furniture or payment of maintenance expenses like water, phone, etc.
	Grant cannot be used for any civil work, construction or repair work

Notes:

1. During evaluation, a valid rent agreement along with invoices (in case of incubatees) will need to be provided.
2. The rental agreement should be in the name of the startup.

- Submission of cash vouchers shall not be accepted as proof of payment.

Table 4.9: Do's and don'ts for marketing

Do's	Don'ts
Valid receipt of payment along with relevant invoices generated in the name of the startup, will need to be provided	Grant money cannot be used for claiming international trips and visa charges

Notes:

- Submission of cash vouchers shall not be accepted as proof of payment

4.3.8.3 Terms and conditions for grant utilization

- Documents that will need to be submitted at the completion of every tranche milestone is defined in section 4.3.4. Subsequent tranche disbursement will be done on the basis of the evaluation of milestone completion and recommendation by Review Committee.
- The Department of Electronics, IT, Bt and S&T or KITS or the authorized team shall request for additional proofs or evidence wherever necessary. The innovator/entrepreneur shall submit any other document as requested.
- Startups may be inspected by the Department of Electronics, IT, Bt and S&T or KITS or the authorized team for the evaluation of milestones defined in the MoA.
- The Books of Account relating to the grant shall be open to inspection by KITS and/or Accountant General (AG) on prior request.
- During the 2nd tranche, the Department shall withhold INR 1,00,000 until the startup completes its last milestone. The innovator can transfer this INR 1,00,000 from their own account to the no-lien account that has been created to receive grant money and pay for expenses till the milestone has been achieved. Once a proof of expenditure has been provided post completion of the last milestone, a project completion letter shall be issued by KITS to the Innovator and last payment of INR 1 Lakh will be released after the submission of documents. This is to ensure that proper closure of the project happens from both KITS and the Innovator/Startup.
- Startup will have to submit a grant utilization certificate for the 2nd tranche post which a project closure certificate shall be issued by KITS. This shall be based on successful completion of all the project milestones funded under ELEVATE scheme subject to the approval of the Review Committee.

4.3.9 Monitoring and evaluation

Monitoring and evaluation process kicks in post signing of the MoA. A Review Committee is instituted to evaluate and monitor the progress of beneficiary startups and projects.

4.3.9.1 Documents for evaluation and monitoring

The beneficiary startup shall submit the following details/documents and presentation/demo

for review within 5 months from signing the MoA:

1. Tranche Evaluation Template (MS Excel) will be shared with the startup, requesting the following details:
 - a. Technical Details: Milestone Evaluation
 - b. Expenditure Details: Details of Expenses Incurred
 - c. Grant utilization summary
 - d. Document checklist
2. Project Progress Report (MS Word) will be shared with the startup, requesting the following details:
 - a. Company Details
 - b. Statement of Expenditure
 - c. Deviation Justification
 - d. Details of Capital Assets
3. The startup shall submit the following supporting documents:
 - a. Utilization Certificate/Audited Expenditure Statement (Signed by CA on CA letter head)
 - b. All the transactions in the expenditure details tab in MS Excel template (Signed by CA on CA letter head)
 - c. No Lien Account Bank Statement from the time of opening the account (Authorized from Bank)
 - d. Justification for deviations if any (Provide the detailed justification of deviations)
 - e. Self-Declaration of Milestone completion or Project Completion
 - f. All the supporting documents and invoices, bills etc. as per the Bank Statement (rename all the invoices as per the serial number in MS Excel template, Expenditure tabs)
 - g. Project Report
 - h. Progress report (other funding, employee strength, revenues, recognition and rewards, appreciation, awards and accolades, certification, national and international participation (Events and workshops), patents granted, Social Impact and Social cause (sponsorship)
 - i. Proof of approval from the Karnataka Startup Cell, KITS on deviations/exceptions (if any)
4. The startup should demonstrate completion of the approved milestones (as per MoA) through a 5-7 minute video on the product or solution encompassing –
 - a. Brief description of their product or solution
 - b. Details about tranche1 milestone deliverables (if it's an App: share the link and its features)
 - c. The video and YouTube URL should be shared
5. Within 6 months, the beneficiary startup shall submit all the documents including utilization certificate of tranche 1 to sub-committee in concurrence with IP

4.3.9.2 Tranche 1 monitoring and review

The evaluation process post completion of Tranche 1 milestones is as mentioned below:

1. The startup will explain and demonstrate tranche 1 milestones to the sub-committee. The sub-committee will evaluate the project milestones completed and will further recommend the startup to be placed in the Review Committee meeting. In case of any deviations found during the evaluation, the Review Committee will recommend a future date of presentation. Proceedings of the meeting shall be drawn with recommendations for

releasing or rejecting tranche 2 with remarks, if any.

2. Eligibility of tranche 2 shall be decided by end of tranche 1 (6 months in case of non-BT startups and 9 months in case of BT startups)
3. The IP will review all documents submitted by the startup. Only if the documents are complete and correct, they shall be submitted for verification to the KITS Accounts section.
4. The KITS Accounts section shall verify all documents submitted by the startup and shall be responsible for notifying the cases that demand any further clarification/ additional information, to the Karnataka Startup Cell. The Startup Cell shall then coordinate with the IP and request the required information/documents that can be passed on to the KITS Accounts section.
5. The IP will coordinate with the Karnataka Startup Cell for convening Review Committee meeting chaired by MD, KITS.
6. The IP will be responsible for making a presentation featuring all the startups recommended by the sub-committee that are eligible for tranche 2 release.
7. The Review Committee shall review the presentation and approve the recommended startups for tranche 2 release.

4.3.9.3 Tranche 2 monitoring and review

The evaluation process post completion of Tranche 2 milestones is as mentioned below:

1. Beneficiary shall be able to avail tranche 2 of the grant post completion of 50% of the project duration subject to recommendation from the Review Committee.
2. Project completion and progress: Ips will need to ensure closure of the project for which the startups will have to present their tranche 2 utilization, milestone completions and progress with relevant supporting documents as defined for tranche 1, to the Ips for them to present to the Review Committee.

4.3.9.4 Role of Implementation Partner (IP)

1. IPs to provide mentorship to ELEVATE winners for different topics like optimizing growth, scaling up, approaching investors, product improvement, marketing ideas, expanding customer base, understanding legal aspects of the business etc.
2. IP will put in place a periodic reporting mechanism to monitor and review the progress of the startups, which will need to be adhered to.
3. IP will reach out to the startups 1 month prior to the completion of milestone 1 as per MoA.
4. IP will assist the Karnataka Startup Cell in preparing the project milestones after winners are selected.
5. Ips will help in the evaluation of startups during the ELEVATE process based on the sector (Members of the Karnataka Startup Cell shall not be a part of this evaluation process).

4.3.10 Institutional framework

ELEVATE Committees involved and their roles

Project governance and monitoring shall be conducted by the following committees:

1. **ELEVATE Evaluation Committee**

Table 4.10: Members of ELEVATE Evaluation Committee

S. No	Designation	Role
1	The Additional Chief Secretary/Principal Secretary/Secretary to the Government, Department of Electronics, Information Technology, Biotechnology and Science & Technology, Government of Karnataka	Chairperson
2	Representatives from respective Departments	Member
3	Representative from STPI	Member
4	Representative/Nominees from Industry Body (IESA/ NASSCOM/TIE/ABLE and such other associations)	Member
5	Head, Implementation Partner	Member
6	Representative from Academia (IISc/IIM-B/IITB and similar institutions)	Member
7	Representative from BBC (for BT startups only)	Member
8	Managing Director, Karnataka Innovation and Technology Society Department of Electronics, Information Technology, Biotechnology and Science and Technology	Convenor

2. Roles and responsibilities of the Evaluation Committee

The committee shall perform the following functions for the effective implementation of the Policy:

- The Evaluation Committee shall accord approval to applications under the Startup Karnataka policy 2022.
- Select the winners under ELEVATE scheme that are eligible for the grant.
- Approve the grant amount.
- Any other decision regarding the scheme.

3. ELEVATE Review Committee

Table 4.11: Members of ELEVATE Review Committee

S. No	Designation	Role
1	Managing Director, Karnataka Innovation and Technology Society Department of	Chairperson

S. No	Designation	Role
	Electronics, Information Technology, Biotechnology and Science and Technology	
2	General Manager, Karnataka Innovation and Technology Society Department of Electronics, Information Technology, Biotechnology and Science and Technology	Member
3	Representative from Karnataka Startup Cell	Member
4	Representative/Nominees from Industry Body (IESA/ NASSCOM/TIE/ABLE and such other associations)	Member
5	Head- Implementation Partner	Convenor

4. Roles and responsibilities of the Review Committee

The committee shall perform the following functions for the effective implementation of the Policy:

- a. Review project progress.
- b. Recommend the subsequent tranche releases.
- c. Approve reports received from the sub-committee.

5. ELEVATE Sub Committee

The IP will constitute a sub-committee comprising of experts from K-tech Innovation Hubs/ CoEs, representatives from associations like ABLE/IESA/NASSCOM and such other associations/representatives from academia like CHG, IIIT-B and others or any domain/sector expert depending on the product/ solution. Representatives from KITS will also be part of the sub-committee evaluating the project milestones.

Table 4.12: Members of ELEVATE sub-committee

S. No	Designation	Role
1	Representative/Nominees from Industry Body (IESA/NASSCOM/TIE/ABLE and such other associations)	Member
2	Representative from Karnataka Startup Cell	Member
3	Representative from Academia (CHG/IISc/IIM-B/IIITB and similar institutions)	Member

S. No	Designation	Role
4	Any domain / sector expert depending on the product / solution	Member
5	Head of IP (K-tech Innovation Hubs/CoEs)	Convenor

6. Roles and responsibilities of the sub-committee

The committee shall perform the following functions for the effective implementation of the Policy:

- a. Technical review of milestones.
- b. Preparation of project milestone reports and submitting the recommendations to the Review Committee.

4.4 Grand Challenges Karnataka (GCK) – Innovative solutions for societal impact

The Grand Challenges Karnataka (GCK) program is a unique innovation program of the Department of Electronics, IT, Bt and S&T (“the Department”) under the Karnataka Startup Policy. In this program, the Department identifies societal problems (linked to **sustainable development goals**) in consultation with other State government departments. The problem statement is then refined and thrown open for startups, innovators and individuals to propose potential solutions to the problem. The program uses a rigorous selection mechanism to crowd source innovations, fund them in stages and award grant money to the final winner. The program also enables access to the government departments for identifying innovative solutions. Focus sectors include urban development, health care, food security, clean environment, and education for all, etc.

The program envisages partnership with another Government of Karnataka Department (hereinafter “Partner Department”) which will be primarily responsible for defining the challenge and supporting the pilot implementation. Detailed roles and responsibilities of each entity are defined in section 4.4.6.

4.4.1 Operational framework

The program is divided into three Phases

Phase 0 – Design Phase

In the Design Phase, the Department will engage with the relevant line department/partner department to identify the potential problem statements. The Department will conduct 1-2 brainstorming sessions, refine the problem statement, and meet the project anchors from the Partner Department.

Phase 1 – Challenge Roll out

In Phase 1, the Department rolls out the Grand Challenge. The call for application will be open for minimum **15 days** for startups to respond to the Challenge statement (s). This may be extended based on requirement.

1. The applications are processed at two levels.
2. First level shortlisting will be done for data sufficiency/eligibility as per the Startup Karnataka policy guidelines by Karnataka Startup Cell team.

3. Second level shortlisting will be done in consultation with a pool of jury for the relevant sector.
 - a. Jury will be nominated by industry associations/domain experts/Partner Department
 - b. Technical and financial assessment of the proposals will be conducted based on below mentioned criteria:
 - i. Novelty of the proposal
 - ii. Potential scale and magnitude of the impact of the Proposal in relation to the issue it targets
 - iii. Technical viability of the proposal
 - iv. Financial feasibility and affordability of the mechanisms suggested under the proposal
 - v. Sustainability of the solution proposed for implementation on a large scale over an extended period
 - vi. Other factors relevant and pertinent to the success of a proposal
4. Post the second level shortlisting – Department will organize a **Pitch Day** for selection of startups for pilot implementation. The APEX Committee will shortlist upto 5 startups for pilot implementation during the Pitch Day.
5. Winners will be assigned to K-tech partners (K-tech Center of Excellence (CoE)/ K-tech Innovation Hubs), hereon referred to as Implementation Partner (IP).

Phase 2- Implementation monitoring

Phase 2 has two parts – Phase 2A and 2B

Phase 2A will be for a period of 3 to 6 months

1. Shortlisted startups (Awardees) will enter into a tripartite MOA with KITS and the K-tech Center of Excellence (CoE)/ K-tech Innovation Hubs (IP) assigned.
2. The Evaluation Committee shall evaluate milestones and call for Monitoring Committee meeting.
3. Based on the milestones, IP shall follow up with the awardees along with supporting documents such as CA Utilization Certificate, Statement of Expenditure certified by CA, no-lien account Bank Statement and Progress report.
4. The Evaluation Committee shall visit the site of adoption of the technology/solution, wherever it is applicable, to review the project milestone.
5. At the end of the milestones for tranche 1, the awardees are called for presentation before the Monitoring Committee.
6. Based on the milestones and the recommendation of Evaluation Committee, the Monitoring Committee shall approve release of next tranche.

After the successful completion of last milestone of Phase 2, a Demo Day will be organized by the Karnataka Startup Cell. During the Demo Day, all five startups and their Project Anchors will make presentations to the Apex Committee. Each of the five teams/startups will be evaluated based on a pre-decided criterion and feedback from the Partner Department and scalability of solution.

Based on the presentation and the criteria, APEX Committee will select 1 or 2 final winners for Phase 2B.

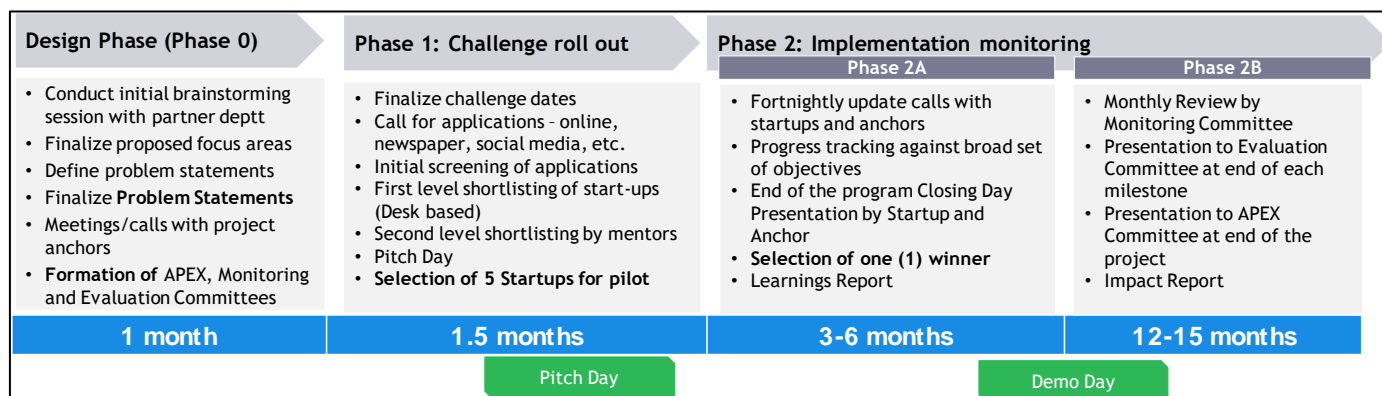
Phase 2B will be for a period of 12-15 months

1. The above-mentioned steps (S. No 1 to 6) are followed for Phase-2B.
2. After the successful completion of the last milestone stipulated for Phase-2B, the Apex Committee based on the recommendation of the Monitoring and Evaluation Committee, shall approve the completion of the pilot deployment and successful implementation of the

product/solution in concerned departments. The Awardees shall make a presentation to the Apex Committee.

3. Formal closure shall be issued.

Fig 4.5: Overall Grand Challenges Framework



4.4.2 Funding support

- The funding support offered by the Department under this scheme is in the form of grant-in-aid.
- Each challenge selects maximum of 5 innovative ideas under Phase 1, which will be funded up to INR 10 lakhs each disbursed in one or two equal tranches (depending on the duration of the pilot).
- They will be monitored for a period of three to six-months under Phase 2. After the completion of the pilot duration, one of the selected innovations will be shortlisted for further funding of up to INR 50 lakhs (incase of 2 awardees the grant will be split based on the committee's recommendation) for a period of 12-15 months for next stage of pilot implementation.

Table 4.13: Funding pattern

Phase	Number of startups	Amount per startup (INR)	Total amount (INR)
Phase 2A	5	10,00,000	50,00,000
Phase 2B	1	50,00,000 (as incentive money to implement a technology/ develop & commission a specific solution for deployment)	50,00,000
Total amount (Indian National Rupee One Crore Only)			1,00,00,000

4.4.3 Fund disbursement

Funding shall be released in tranches as per the Project milestones agreed in the tripartite MoA between the a) Startup b) KITS and c) K-tech innovation hub/CoE.

- Tranche 1: 50% of grant amount is released as tranche 1 once the beneficiary has been identified and tripartite agreement has been signed under the scheme.
- Tranche 2: 2nd tranche is released subject to the completion and review of milestones of

tranche 1 along with recommendation from the Evaluation Committee.

Karnataka Startup Cell, KITS would be monitoring the progress of the awardees as per the calls made.

4.4.4 General terms and conditions

1. Startups that have been winners of ELEVATE/ Grand Challenges earlier will not be eligible to apply.
2. Applications received will be screened for data sufficiency/eligibility criteria by the Karnataka Startup Cell. Applications that do not comply with the mentioned eligibility criteria/ supporting documents, will be disqualified at any stage of the selection/ funding process resulting in the cancellation of their Application/Grant.
3. Scheme Implementation Partner (IP) will be K-tech partners for all startups.
4. A tripartite MoA between the a) Startup b) KITS and c) K-tech Center of Excellence (CoE)/K-tech Innovation Hub shall be signed. This will be done post due diligence and submission of mandatory documentation such as collecting ID proofs, opening no-lien bank account etc. The MoA should include:
 - a. Summary of the project, responsibilities of each of the parties involved, financial arrangements, project duration, milestones and deliverables, monitoring mechanism, terms for closure or foreclosure, compliance and confidentiality along with other governing conditions including force majeure, dispute resolution etc.
 - b. Grant utilization plan during tranche finalization and MoA signing with details of grant utilized for product development, outsourcing, salaries, admin and marketing. Any changes in this during the validity of the MoA will need a written approval from the Review Committee.
 - c. Finalized tranche plan with respect to the project milestones and tranche duration will need to be included in the tripartite MoA between the a) Startup b) KITS and c) K-tech Center of Excellence (CoE)/ K-tech Innovation Hubs.
5. The startup applicant shall ensure that the Founders/Directors/Partners should and must at all times be associated with the project and the Entity/Firm for atleast 3 years for which the grant has been sanctioned.
6. Startups recognized under this program will be given mentoring and incubation support at subsidized rates at Government supported incubation centres to help in product development and validation.
 - a. The beneficiary may get incubated (physical/virtual) with K-tech Center of Excellence (CoE)/K-tech Innovation Hubs supported by Government of Karnataka and an amount of INR 15,000 shall be earmarked towards mentoring/incubation support. This expenditure shall be accounted under admin cost of grant utilization.
 - b. The Innovator shall pay INR 10,000 to K-tech CoE/K-tech Innovation Hubs supported by Government of Karnataka towards documentation and document verification submitted for tranche milestone completion, review of tranche milestones, assessing and recommending for releasing tranche 2 amount, review and completion of tranche 1 and 2 milestones and closure of the project. This expenditure shall be accounted for under the admin cost of the grant utilization and shall be paid to K-tech CoE/K-tech Innovation Hubs supported by Government of Karnataka within 30 days from the release of tranche 1 release.

Note: The aforementioned amounts shall be revised annually based on decisions taken by the Apex Committee of the Grand Challenges Karnataka program

7. All project transactions/expenditures should be done from a no-lien bank account which shall act as a dedicated bank account which is opened for the project and no funds other than the grant in aid should be credited to the no-lien account.
8. As a part of the grant allocated, a work order of upto INR 1,00,000 may be given to innovative startups whose products/ solutions can be utilized by the Government Department for pilot/adoption at their end. This amount is to be apportioned in the second tranche of the grant release.
9. Startups will need to inform and take approval from the Karnataka Startup Cell for changes (if any) in Incorporation and/or partners/Directors and provide necessary documentation.
10. Every proposal must clearly identify a Project Leader who will take responsibility for the technical and managerial aspects of project execution.

4.4.5 Guidelines for grant utilisation

4.4.5.1 Expenditure specific guidelines

Following are the Caps on Expenditures for Grant spending. The startups can utilize the grant money as per the below percentages specified for the category of expense.

Table 4.14: Caps on expenditure for grant spending

S No.	Overhead	Particulars
1	Product Development/Research & Development	Minimum 50 % of the total grant sanctioned
2	Outsourcing	Not exceeding 20% of the total grant sanctioned
3	Salaries	Not exceeding 20% of the total grant sanctioned
4	Admin & Marketing	Not exceeding 10% of the total grant sanctioned

4.4.5.2 Do's and Don'ts across cost categories

Table 4.15: Do's and don'ts for product development/R&D

Do's	Don'ts
Startups should procure equipment/software required for the product development/innovation themselves	Vehicles cannot be purchased using the grant amount
	Purchasing of assets from sister concerns shall not be allowed

Notes:

1. The declaration submitted by startups should comprise of the procurement list of hardware equipment required to develop the product.
2. All original invoices in the name of the startup will need to be furnished as proof.
3. Receipt of payment for expenditures undertaken will need to be produced as proof.
4. Submission of cash vouchers shall not be accepted as proof of payment.
5. Patent expenses (filing, attorney fees etc.) cannot be reimbursed from the grant amount as these can be reimbursed under the Startup Policy Incentives from the Karnataka Startup Cell.

Table 4.16: Do's and don'ts for outsourcing

Do's	Don'ts
Grant amount should be utilized for product development/innovation strictly	The entire product development cannot be outsourced. Any outsourcing should be informed to KITS for a decision

Notes:

1. Invoice of the consultant/person to whom services are outsourced must have a valid PAN & GSTN number and must be generated in the name of the startup.
2. Submit receipts as proof of payment.
3. Submission of cash vouchers shall not be accepted as proof of payment.
4. The grant amount cannot be used for any civil work, construction or repair work.

Table 4.17: Do's and don'ts for salaries

Do's	Don'ts
Grant amount shall be used to pay salaries for individuals recruited for product development/ research and development	Grant amount cannot be considered for catering to more than INR 50,000 (Rupees Fifty Thousand) per month for the directors' or founders' salary

Notes:

1. Offer letters, acceptance letters and pay slips need to be provided as proof.
2. Submission of cash vouchers shall not be accepted as proof of payment.

Table 4.18: Do's and don'ts for admin

Do's	Don'ts
A prior permission for shared spaces will have to be obtained from the Karnataka Startup Cell	Grant amount cannot be used for rental advance or security deposits
Electricity and internet charges for non-incubated startups can be charged	Grant cannot be spent on food/beverages or local travel.
	Grant cannot be spent on

Do's	Don'ts
	purchase of furniture or payment of maintenance expenses like water, phone, etc.
	Grant cannot be used for any civil work, construction or repair work

Notes:

1. During evaluation, a valid rent agreement along with invoices (in case of incubatees) will need to be provided.
2. The rental agreement should be in the name of the startup.
3. Submission of cash vouchers shall not be accepted as proof of payment.

Table 4.19: Do's and don'ts for marketing

Do's	Don'ts
Valid receipt of payment along with relevant invoices generated in the name of the startup, will need to be provided	Grant money cannot be used for claiming international trips and visa charges

Notes:

1. Submission of cash vouchers shall not be accepted as proof of payment.

4.4.5.3 Terms and conditions for grant utilization

1. The Department of Electronics, IT, Bt and S&T or the Karnataka Startup Cell or the authorized team shall request for additional proofs or evidence wherever necessary. The innovator shall submit any other document as requested.
2. Following documents will need to be submitted at the completion of every tranche milestones and subsequent Tranche disbursement will be done on basis of the evaluation of milestone completion and following documents:
 - a. CA Utilization Certificate
 - b. Statement of Expenditure (audited)
 - c. Expenditure Bills (in the company name)
 - d. Self-Declaration for Milestones completion
 - e. Milestone completion proof (project documents/reports, demo videos etc.)
 - f. Employee Declaration
 - g. Proof of approval from the Karnataka Startup Cell, KITS on deviations / exceptions (if any)
3. The Books of Account relating to the grant shall be open to inspection by KITS and/or AG on prior request.

4. Detailed Project Completion Report and / or Performance cum achievement report to be submitted to KITS at the completion of the Project along with UC and Statement of expenditure.
5. A project closure certificate will be issued by KITS upon successful completion of all the project milestones funded under GCK scheme subject to the approval of the Monitoring Committee.

4.4.6 Institutional framework

Grand Challenges Karnataka (GCK) Committees involved

1. Apex Committee

Table 4.20: Members of APEX Committee

S. No	Designation	Role
1	The Additional Chief Secretary/Principal Secretary/Secretary to the Government, Department of Electronics, Information Technology, Biotechnology and Science & Technology, Government of Karnataka	Chairperson
2	Managing Director, Karnataka Innovation and Technology Society Department of Electronics, Information Technology, Biotechnology and Science and Technology	Convenor
3	Representatives of partner Departments	Member
4	Representatives from industry	Member
5	Representatives from academia	Member
6	Any other members with relevant expertise nominated by ACS/ Principal Secretary/ Secretary	Member

2. Roles and responsibilities of APEX Committee

- a. To review and approve the problem statements identified in various sectors.
- b. Overall approval of funding & budget.
- c. Internal coordination between the Department and Partner Department(s).
- d. Approve final selection of awardees in Phase 1 and 2.
- e. Approve the funding for Phase 1 and 2 of awardees.
- f. Shall meet as and when required during a calendar year to review the progress of the program.

3. Monitoring Committee

Table 4.21: Members of Monitoring Committee

S. No	Designation	Role
1	Managing Director, Karnataka Innovation and Technology Society Department of Electronics, Information Technology, Biotechnology and Science and Technology	Chairperson
2	General Manager, Karnataka Innovation and Technology Society Department of Electronics, Information Technology, Biotechnology and Science and Technology	Member
3	Representatives of partner Departments	Member
4	Domain experts	Member
5	Representatives of the Karnataka Startup Cell/KITS/Department	Member
6	Head, Implementation Partner	Convenor

4. Roles and responsibilities of Monitoring Committee

- a. Provide internal coordination between Partner Department and the Startups.
- b. Monitor progress of the pilot project.
- c. Provide inputs to the Evaluation Committee and other approvals as required.
- d. Review the progress made in milestones and approve release of next tranche.

5. Evaluation Committee

Table 4.22: Members of Evaluation Committee

S. No	Designation	Role
1	Representatives of partner Departments	Member
2	Domain experts	Member
3	Representatives of the Karnataka Startup Cell/KITS/Department	Member
4	Head, Implementation Partner	Member

6. Roles and responsibilities of Evaluation Committee

- a. Finalization of milestones.
- b. To evaluate the milestones achieved by the awardees and guide the startups in

- recommended areas of research.
- c. Fortnightly calls with selected startups.
- d. The Evaluation Committee will meet to decide on the progress made by the respective awardee, as per their milestones and submit recommendations to the Monitoring Committee.

7. Roles and responsibilities of each department

a. Department of Electronics, IT, Bt and S&T

- i. Provide overall co-ordination support / secretariat support for managing the program.
- ii. Constitute APEX Committee, Monitoring Committee and Evaluation Committee for Grand Challenges (with participation from Partner Department).
- iii. Identify jury members for shortlisting, selection and finalization of the startups.
- iv. Provide co-ordination support in regular reviews during Implementation Monitoring Phase.

b. Partner Department

- i. Provide support in finalization of challenges.
- ii. Provide data, information, background material, etc. to the Startups for implementation of the pilot in Phase 2.
- iii. Provide 2 Project Anchors per challenge where challenge will be implemented – one Senior Official and one Junior Official.
- iv. Provide adequate support to startups during the Phase 2.
- v. Provide support in APEX Committee for Grand Challenges.
- vi. Provide support in Monitoring Committee for Grand Challenges
- vii. Provide funding of INR 1 crore

4.5 Incentives & concessions by the state

For helping startups remain self-motivated, operate smoothly and successfully, GoK has announced a number of incentives and concessions. To avail the policy incentives and concessions, the entity should meet the definition of Startup as per the Karnataka Startup Policy 2022-2027 and must be registered with KITS under Karnataka Innovation & Technology Society (KITS), Department of Electronics, IT, Bt and S&T, GoK as a Startup.

4.5.1 Reimbursement of state GST

To relieve cash crunched startups and boost the much-needed reduction in tax evasion from startups that lack adequate resources to handle complicated business processes, GoK has allowed for reimbursement of State Good and Services Tax (GST). Here, reimbursement of GST means, the eligible Startups physically or virtually incubated in Government supported incubators or CIFs will have to pay the prevailing GST to the GST Department, GoI or GoK and later, claim reimbursement of GST from the Karnataka Startup Cell. This shall allow a conducive environment for startups to grow without being hesitant towards expanding and diversifying their ventures. To avail this benefit from GoK, the startups shall follow due processes and ensure their eligibility.

4.5.1.1 Eligibility criteria

1. The applicant should be a startup registered with KITS

2. The applicant should be a Beyond Bengaluru startup.
3. The applicant should be incubated in GoK supported incubators and CIFs with a maximum annual turnover of INR 1 Crore. Such startups shall be eligible for 100% reimbursement of annual State GST (SGST), within first three years of being incubated. If they exceed the turnover criteria in any one of the three years they shall be ineligible for reimbursement.
4. GST returns will need to be produced by all startups availing reimbursement of GST.

4.5.1.2 Mandatory documents

The following list of documents will need to be uploaded on the Startup Karnataka portal

1. KITS Startup registration certificate.
2. Application form for GST reimbursement: This shall be available on the Startup Karnataka portal and the format shall be as provided in annexure 11.1.4 which will need to be filled and submitted.
3. Declaration/undertaking for availing incentives and offerings as provided in annexure 11.4.3.
4. Duly filled declaration/ incubator endorsement as provided in annexure 11.4.4.
5. Copy of the GST Registration and other registration of Commercial Tax Department/Central Tax Department.
6. Disclosure of year-wise and monthly/quarterly NET GST paid to the Government (as applicable) that is being claimed by the applicant.
7. Copy of Tax returns filed by Startup for the year for which reimbursement is being claimed.
8. Copy of Challan / Receipt issued by the GSTN / net banking service provider.
9. Relevant invoices raised.
10. Audited financial statements for the years for which reimbursement is claimed.

The application and supporting documents shall be reviewed by KITS for eligibility. Post review & assessment of the application, KITS shall approve the reimbursement of the due and payable net GST. The eligible amount shall be finally sanctioned by Managing Director, KITS for reimbursement and the decision shall be deemed final in this regard. The eligible amount of reimbursement shall be paid by cheque/NEFT/RTGS to the startup post final approval. Reimbursement amount will be released/dispensed annually, on seniority basis depending upon the budget allotment of the State Government.

4.5.2 Reimbursement of Marketing cost

To provide startups with the opportunity of widening its network by enabling participation in international conferences, GoK shall provide reimbursements for international marketing and trade show participation. This shall be to the tune of 30% of the actual costs incurred, including travel cost.

The incentive will be subject to a maximum of INR 5 Lakhs per year per startup and preference shall be given to women entrepreneurs. To avail this benefit from the Government of Karnataka, the startups shall follow due processes and ensure their eligibility.

4.5.2.1 Eligibility criteria

1. The applicant should be a startup registered with KITS with a valid registration number
2. Startups should be operating in Karnataka.
3. Reimbursement shall only be considered for activities undertaken in trade show participation and the related travel expenses. Travel reimbursement will only be

applicable on economy air travel by shortest route.

4. A maximum of 2 employees per startup/applicant at upto 2 international events per year shall be entitled for reimbursement. Shall include ltravel (flight charges) and visa charges. .

4.5.2.2 Mandatory documents

1. KITS Startup registration certificate.
2. Application form for marketing cost reimbursement: This shall be available on the Startup Karnataka portal and the format shall be as provided in annexure 11.1.5 which will need to be filled and submitted.
3. Declaration/undertaking for availing incentives and offerings as provided in annexure 11.4.3.
4. Duly filled declaration/ incubator endorsement as provided in annexure 11.4.6. (Incase the startup if incubated)
5. Audited financial statements for the years for which reimbursement is claimed.
6. If reimbursement is claimed against an International Event/Trade Show participation, the following needs to be furnished:
 - a. Invitation Letter
 - b. Welcome Letter from organizers
 - c. Confirmation of registration as a delegate/ exhibitor and receipt of registration fee
 - d. Photos and videos of the event that shows their participation
7. Market research subscription/reports (Web link/Letter/E-mail communications), if applicable.
8. If reimbursement is claimed against Advertisements/PR in International Print/Broadcast/Online Publications/Google AdWords/social media marketing content, the following need to be furnished:
 - a. Photocopies/scanned documents of publicity material
 - b. Web links
 - c. Invoice of the payment towards the service providers and payment proofs
9. Copy of invoices and purchase orders for all Marketing Expenses claimed along with at least one supporting document for each expense will need to be submitted. In this regard, the company has to produce proof of stay at the location (hotel bills) along with air travel (air tickets and boarding pass sealed and stamped by airport security) and copy of the first and last page of the traveler, along with the stamped visa.

Marketing incentives can be claimed on a half-yearly basis in every financial year i.e within 6 months of the expenses incurred. Application and supporting documents for the same shall be reviewed by KITS for eligibility. Post review & assessment of the application, KITS shall arrive at the quantum of reimbursement due and payable. The eligible amount shall be finally sanctioned by Managing Director, KITS for reimbursement and the decision shall be deemed final in this regard. Reimbursement amount will be released/disbursed on seniority basis depending upon the budget allotment of the State Government.

4.5.3 Patent filing cost reimbursement

As an attempt to reward and recognize startups for their commercially viable products and solutions and encouraging startups to file more and more patents, GoK allowed for reimbursement of patent filing cost. The cost of filing and prosecution of patent

application will be reimbursed to the startups that are incubated in GoK supported incubators and CIFs and have Indian or foreign patent awarded.

1. Indian patent awarded: Patent reimbursement shall be done subject to a limit of INR 2 Lakhs per Indian patent awarded.
2. Foreign patent awarded: For awarded foreign patents on a single subject matter, upto INR 10 Lakh would be reimbursed.

4.5.3.1 Eligibility criteria

1. The applicant should be a startup registered with KITS with a valid Karnataka Startup registration number. Additionally, the startup should be incubated in GoK supported incubators and CIFs.
2. Only patents that have been filed by a startup within validity of this policy period shall be eligible to claim this reimbursement.
3. The reimbursement shall be done in two stages i.e 75% after the patent is filed and the balance 25% after the patent is granted.
4. Reimbursement will only be considered for the patent with higher value incase of patent with the same title applied in both domestic and international organizations.
5. Applicants should have already filed or been granted a patent and should have paid the mandatory Government fees/attorney fees in this regard for claiming the patent filing cost reimbursement.
6. Startups that have availed this benefit under any other policy scheme of Government of Karnataka or Government of India, will not be eligible for availing the patent filing cost reimbursement again under the startup policy or any other policy of the department.
7. Startups that have availed the patent filing cost reimbursement under the Karnataka Startup Policy 2022, shall not be eligible to avail benefit under any other policy scheme of Government of Karnataka under same patent title.
8. The eligible startups can apply under this provision at 2 stages:

a. Application for reimbursement Post Filing of Patent

- i. The applicant should have filed the patent for which reimbursement is being claimed.
- ii. The applicant may claim reimbursement towards fees paid for patent filing and drafting documents or consulting, to the concerned authority and legal charges, if any.
- iii. The reimbursement shall be made on a one-time basis and shall be availed only once for the particular patent application.

b. Application for reimbursement Post Grant of Patent

- i. The applicant should have already been granted the patent for which reimbursement is claimed.
- ii. The applicant may claim reimbursement towards fees paid for patent filing and drafting documents or consulting, to the concerned authority and legal charges, if any.
- iii. The applicant shall not be entitled to reimbursement under this provision in case the applicant has already received a reimbursement for a domestic patent filing and/or foreign patent filing to the tune of INR 2 Lakh or INR 10 Lakh, respectively.

4.5.3.2 Mandatory documents

The following information/documents must be furnished with the application:

1. KITS Startup registration certificate.
2. Application form for Patent filing cost reimbursement: This shall be available on the Startup Karnataka portal and the format shall be as provided in annexure 11.1.6 which will need to be filled and submitted.
3. Declaration/undertaking for availing incentives and offerings as provided in annexure 11.4.3.
4. Duly filled declaration/ incubator endorsement as provided in annexure 11.4.5.
5. CA certified patent filing cost
6. A copy of the patent filed at the appropriate authority.
7. Certificate of Patent Grant from Patent Office as applicable.
8. Detailed statement of expenses incurred towards the Patent Registration as in annexure 11.3.4 along with the copies of invoices & receipts from the patent authority and legal counsel as applicable.
9. All Invoices submitted by the appropriate Patent Authority towards Govt. fees and towards legal agents.
10. The certificate of Patent with valid serial number must be furnished.
11. Bank account statements highlighting transactions related to patent expenditure.
12. Audited financial statements for the years for which reimbursement is claimed.

Application and supporting documents shall be reviewed by KITS for eligibility. Post review & assessment of the application, KITS shall arrive at the quantum of reimbursement due and payable. The eligible amount shall be finally sanctioned by Managing Director, KITS for reimbursement and the decision shall be deemed final in this regard. Reimbursement amount will be released/dispensed on seniority basis depending upon the Budget allotment of the State Government..

4.5.4 Quality certification cost reimbursement

Government shall reimburse 50% cost of quality certification fee with an overall ceiling of INR 6 Lakhs (with maximum of 3 industry standard quality certifications) for startup outside Bengaluru Urban District

4.5.4.1 Eligibility criteria

1. GoK shall provide reimbursement of the cost of Quality Certifications to startups registered with KITS with a valid KITS registration number.
2. The reimbursement shall be provided for getting the products/services offered by the startup certified, under any industry standard quality certification like Conformity European (CE), ISO Certification, CMMi Certification, SA, etc.
3. GoK shall provide reimbursement to applicants for 50% of cost of Industry Standard Quality Certifications, up to a maximum amount of INR 6 lakh during the policy period, for 3 Industry Standard Quality Certifications combined. The Applicant may submit separate application to avail the reimbursement for each certification.
4. Applicants can avail reimbursement for a certification applied during the policy period.. The applicant should submit claim immediately after applying.
5. The Industry Standard Quality Certifications listed are indicative and an Approval Committee may decide on the eligible Industry Standard Quality Certifications under this incentive, on a

case-to-case basis. The Approval Committee would be headed by the Director, Department of Electronics, IT, Bt and S&T, Govt of Karnataka and Managing Director, KITS and will review and provide approval to various incentives, concessions and subsidies applications, from time to time, under the Karnataka Startup Policy 2022-2027.

4.5.4.2 Mandatory documents

The following information / documents must be furnished with the application:

1. KITS Startup registration certificate.
2. Application form for Quality certification cost reimbursement: This shall be available on the Startup Karnataka portal and the format shall be as provided in annexure 11.1.7 which will need to be filled and submitted.
3. Declaration/undertaking for availing incentives and offerings as provided in annexure 11.4.3.
4. Duly filled declaration/ incubator endorsement as provided in annexure 11.4.7.(Incase the startup is incubated)
5. Self-attested copy of the Industry Standard Quality Certifications application form submitted for a product/service, along with payment receipts.
6. Self-attested copy of the Industry Standard Quality Certificates.
7. Self-attested copy of statement of expenditure with invoices and receipts.
8. For reimbursement for ISO Certificate – Self-attested copy of the ISO Certificate obtained from NABCB accredited agencies.
9. Incorporation certificate/Registration certificate with address registered in Karnataka.
10. Audited financial statements for upto 3 previous years prior to filing of reimbursement claim will need to be submitted.

Application and supporting documents shall be reviewed by KITS for eligibility. Post review & assessment of the application, KITS shall approve the reimbursement of the due and payable. The eligible amount shall be finally sanctioned by Managing Director, KITS for reimbursement and the decision shall be deemed final in this regard. The eligible amount of reimbursement shall be paid by cheque/NEFT/RTGS to the startup post final approval. Reimbursement amount will be released/dispensed on seniority basis depending upon the budget allotment of the State Government.

4.6 Student internship

With the aim of encouraging youth entrepreneurship to develop and implement solutions for social, cultural and environmental issues, the government shall support social entrepreneurs to hire interns by subsidizing the internship cost.

4.6.1 Eligibility criteria

Subsidy of internship stipend to social entrepreneurs, for hiring interns in the industry shall be provided based on the following eligibility criteria:

1. Startups availing the subsidy should be registered with KITS.
2. Startups that are willing to create positive changes in society through their innovative ideas and efforts shall be eligible for availing the subsidy.
3. Startups hiring interns from Beyond Bengaluru for a period of atleast 6 months shall be eligible.

4.6.2 Funding support

Table 4.23: Summary of funding support

Applicant	Subsidy provided
Social Entrepreneurs	<ul style="list-style-type: none">• Total subsidy amount shall be INR 50 Lakhs• Upto INR 1 Lakh shall be made available as internship fees per startup for hiring maximum 3 interns from Beyond Bengaluru for a period of minimum 6 months.• This would be made available to the first 50 Startup applications annually.

4.6.3 General Terms and Conditions

1. The hiring startup/applicant shall be able to claim subsidy at the end of the 6-month internship period by submitting the application form as provided in annexure 11.1.8 along with the list of mandatory documents specified in section 4.6.5.
2. The applicant should mention details of the number of interns engaged by them, the internship stipend and the activities conducted during the internship period.
3. Release of funds to the applicant shall be based on the number of interns successfully completing the internship and the recommendation by KITS.
4. The applicant can claim this subsidy amount only once during the policy period.
5. The applicant shall pay a monthly stipend to interns and on completion of the internship period, shall award certificate of completion.

4.6.4 Application process

1. Social entrepreneurs shall be able to submit their claim form as provided in annexure 11.1.8 through the Startup Karnataka portal.
2. KITS shall assess and review the applications received from startups and select the ones worthy of the subsidy.
3. The approved amount shall be reimbursed to the selected applicants upon completion of the internship period.

4.6.5 Mandatory documents

The following list of documents will be necessary for release of funds:

1. Filled in application form
2. Appointment order for internship
3. Internships claim form
4. Bank statement and statement of expenditure certified by CA
5. Salary slips/ proof of stipend paid
6. List of the students provided with internship opportunities by the applicant
7. Incorporation Certificate/Statutory Registration Certificate/Registration certificate under Karnataka Shops & Establishment Act

5. Setting up infrastructure to build a startup ecosystem

5.1 Incubation centers in Beyond Bengaluru region

5.1.1 Facilitation for setting up new incubation centers by private entities

GoK intends to support private incubators and accelerators in establishing state-of-the-art incubation centres outside Bengaluru Urban District with a vision to help startups for their initial growth.

5.1.1.1 Location for setting up incubation and acceleration infrastructure by private players

To promote adequate opportunities outside Bengaluru Urban District, the government will support private incubators and accelerators in establishing state-of-the-art incubation centers.

5.1.1.2 Eligibility criteria

1. The applicant should be an infrastructure developer or an entity providing infrastructure support in the form of land or building or any other infrastructure support in Karnataka, for the purpose of carrying out incubation activities.
2. The applicant should have a minimum 7,500 sq ft area and should have an incubation facility for a minimum 50 seats such that the space is being occupied by a single or multiple startup entities.
3. The applicant should be able to provide necessary infrastructure to startups such as plug and play facilities, meeting/conference rooms/office space or shared services, high-speed internet access, etc.
4. Applicants establishing new incubation and acceleration centers or applicants undertaking expansion of existing incubation and acceleration centers outside Bengaluru Urban District shall only be eligible for the grant.
5. Infrastructure set up for which the applicant intends to avail the benefits should have commenced its commercial operations during the policy period.
6. Eligibility criteria of minimum occupancy rate of 60% at the incubation center set up during the policy period provided below:
 - a. Atleast 4500 sq ft of the total built-up area within the new center
 - Or,
 - b. Atleast 30 seats of the new incubation facility
7. Applications shall be evaluated by KITS. The progress made against the eligibility criteria shall be checked at the time of disbursement of approved financial claim.

Note: Applicants shall become eligible to apply under the grant on successful fulfilment of the eligibility criteria for occupancy as defined.

5.1.1.3 Funding support

A one-time capital grant of maximum 50% or INR 50 Lakhs, whichever is lower, shall be provided by GoK for Fixed Cost Investment excluding land & building to support new

incubation centers by private entities outside Bengaluru Urban District. Details of the grant offered and eligibility criteria for various categories of applicant's are summarized below:

Table 5.1: Financial support offered

Category	Grant against FII (%)	Maximum Grant Limit	Eligibility Criteria for full Grant
Applicant is an Infrastructure Developer Applicant is an infrastructure developer, and the incubation center is being occupied by single or multiple startup entities	50 % of the Fixed Investment for Infrastructure (FII)	INR 50 Lakhs	The applicant should have a minimum 7,500 sq ft area and for availing the grant: The new center should have a minimum occupancy rate of 60% i.e atleast 4500 sq ft of the total built-up area within the new center occupied by startup entities during the policy period the total or Occupancy of atleast 30 seats of the new incubation facility

5.1.1.4 Milestone for availing the grant

The eligibility criteria and additional list of documents to be submitted by the applicant has been summarized in the table below. The applicant shall be eligible to apply for the grant as soon as the eligibility criteria detailed below has been met.

Table 5.2: Eligibility criteria for availing the grant

Eligibility Criteria		Maximum Grant	Documents to be Submitted
Milestone Description	Cumulative Minimum Occupancy (%)		

Eligibility Criteria		Maximum Grant	Documents to be Submitted
Milestone Description	Cumulative Minimum Occupancy (%)		
<p>The applicant should achieve a minimum occupancy rate of 60% by startup entities in the center which has either:</p> <p>Atleast 4500 sq ft the total built-up area within the center</p> <p>or</p> <p>Occupancy of atleast 30 seats of incubation facility</p>	60 %	50% of FII, subject to a ceiling of INR 50 lakhs, whichever is lower	<p>Documents listed in section 5.1.3</p> <p>A self-declaration in the prescribed format in annexure 11.4.2, to validate occupancy of the incubation center by startup entities, as per the eligibility criteria requirements with the following details:</p> <ul style="list-style-type: none"> • Name of the startup entities occupying the center • Lease / Rent duration by each entity • Area Occupancy details for each startup entity occupying center (Total Build-up Area occupied by each entity) • Seat Occupancy details for each startup entity occupying the incubation center

5.1.2 Support for upgradation and expansion of incubation centers

GoK intends to augment the capacity of established incubation centers located outside Bengaluru Urban District with a vision to scale up infrastructure such as upgradation or expansion of workstations, interiors, labs etc of the facility.

5.1.2.1 Location of incubation and acceleration support

GoK shall support established incubation centers Beyond Bengaluru or cities/areas in Karnataka outside Bengaluru Urban District. **Eligibility criteria**

1. The applicant should be an Infrastructure Developer or an entity providing infrastructure support in the form of land or building or any other infrastructure support in Karnataka, for the purpose of carrying out incubation activities.
2. Infrastructure set up for which the applicant intends to avail the benefits should have commenced its commercial operations during the policy period.
3. To be considered as an established incubator that is upgraded or has expanded, the incubator should:
 - a. Increase its capacity by an additional 2,500 sq ft area over and above the minimum requirement of 7,500 sq ft area for incubation.
 - b. Increase its incubation facility for a minimum of 25 additional seats over and above the minimum requirement of 50 seats
4. Eligibility criteria of minimum occupancy rate of 60% at the incubation center set up outside Bengaluru Urban District during the policy period provided below:
 - a. Atleast 1500 sq ft of the total new built-up area within the upgraded/expanded center
 - b. Atleast 15 seats in the upgraded/expanded area of the incubation facility (over and above full occupancy in the old area of the facility)
5. Applications shall be evaluated by KITS. The progress made against the eligibility criteria shall be checked at the time of disbursement of approved financial claim.

Note: Applicants shall become eligible to apply under the grant on successful fulfilment of the eligibility criteria for occupancy as defined.

5.1.2.2 Funding support

A one-time capital grant of maximum 50% of Fixed Cost Investment (excluding land & building) or INR 25 Lakhs, whichever is lower, shall be provided by GoK to support established incubation centers outside Bengaluru Urban District. Details of the grant offered and eligibility criteria to various categories of applicant’s are summarized below:

Table 5.3: Financial support offered

Category	Grant against FII (%)	Maximum Grant Limit	Eligibility Criteria for full Grant
Applicant is an Infrastructure Developer Applicant is an infrastructure developer, and the incubation center is being occupied by single or multiple startup	50 % of the Fixed Investment for Infrastructure (FII)	INR 25 Lakhs	The applicant should have an expanded built-up area of 2,500 sq ft area and for availing the grant: The established center should have a minimum

Category	Grant against FII (%)	Maximum Grant Limit	Eligibility Criteria for full Grant
entities			occupancy rate of 60% i.e 1500 sq ft of the total new built-up area within the upgraded/expanded center or Occupancy of atleast 15 seats in the upgraded/expanded area of incubation facility

5.1.2.3 Milestone for availing the grant

The eligibility criteria and additional list of documents to be submitted by the applicant has been summarized in the table below. The applicant shall be eligible to apply for the grant as soon as the eligibility criteria detailed below has been met.

Table 5.4: Eligibility criteria for availing the grant (Support for upgradation and expansion)

Eligibility Criteria		Maximum Grant	Documents to be Submitted
Milestone Description	Cumulative Minimum Occupancy (%)		
The Applicant should achieve a minimum occupancy rate of 60% by startup entities in the center which has either: Atleast 1500 sq ft the total new built-up area within the upgraded/expanded center or Occupancy of atleast 15	60 %	50% of FII, subject to a ceiling of INR 25 lakhs, whichever is lower	Documents listed in section 5.1.3 A self-declaration in the prescribed format in annexure 11.4.2, to validate occupancy of the incubation center by startup entities, as per the eligibility criteria requirements with the following details: <ul style="list-style-type: none"> Name of the startup entities occupying the

Eligibility Criteria		Maximum Grant	Documents to be Submitted
Milestone Description	Cumulative Minimum Occupancy (%)		
seats of the upgraded/expanded incubation facility			center <ul style="list-style-type: none"> • Lease / Rent duration by each entity • Area Occupancy details for each startup entity occupying center (Total Build-up Area occupied by each entity) • Seat Occupancy details for each startup entity occupying the incubation center

5.1.3 List of documents

The following documents need to be submitted/uploaded with the duly filled application form as provided in annexure 11.1.3 **for setting up incubation centers or availing support for upgrading/ expanding existing incubation centers**. The Applicants shall submit/upload their application along with the following set of documents:

1. Application form in the prescribed format provided in annexure 11.1.3.
2. Self-Declaration in the prescribed format provided in annexure 11.4.2.
3. Copy of the Registration Certificate issued by KITS/Department.
4. Copies of rental agreement/lease deed agreements documents with each the startup entity occupying the center.
5. C.A certified receipts and payment account along with annexures for detailed receipts and payments.
6. Self-attested copies of all expenditure bills relevant.
7. Incorporation Certificate/ Statutory Registration Certificate/ Registration certificate under Karnataka Shops & Establishment Act as applicable.
8. Occupancy certificate from relevant local authority for incubation center infrastructure, self-attested by the applicant.
9. Copy of the Detailed Project Report (DPR) for the incubation center.
10. Total and Fixed Investment for Infrastructure (FII) certificate.
 - a. **In case of Bank financed incubation center:** Fixed Investment for Infrastructure (FII) certificate issued by KSFC/Any other Bank/Financial institution.
 - b. **In case of own financed incubation center:** Fixed Investment for Infrastructure (FII) certificate from Chartered Accountant.
11. CA Certified Expenditure Statement for the Fixed Investment for Infrastructure (FII) in the prescribed format provided in annexure 11.3.3.
12. Self-attested copies of all expenditure bills relevant to investment in infrastructure.

13. Self-attested copy of letter from Financial Institution or Scheduled Bank or term loan sanction orders from KSFC/KSIIDC/Bank/Other financial institutions recognized by RBI etc.
14. Self-attested copy of approved building plan obtained from competent authority.
15. Self-attested copy of Power Service Letter/Certificate.
16. Self-attested copies of any other supporting documents for the investment made in the unit to be considered for the claim.

5.1.4 Application process

1. Interested applicants who **wish to set up a new incubation center or avail support to upgrade/expand their existing facility**, should register as an incubator with KITS/Department through the Startup Karnataka portal (<https://www.missionstartupkarnataka.org/>).
2. The applicant shall be required to submit the application form as provided in annexure 11.1.3 along with the set of documents detailed in section 5.1.3 post registration.
3. KITS shall undertake the scrutiny of the submitted application and supporting documents and conduct, the required internal audit/inspection/site visit (as applicable) to ascertain the incentive and advise on the grant amount.
4. If the application is found to be compliant with Karnataka Startup Policy 2022-2027 and its operational guidelines, the grant disbursement shall take place. If not, the application shall not be eligible and shall be rejected.

6. Preferential Market Access for Startups in Public Procurement

Public procurement serves as a great pilot opportunity for startups that have not been able to gain much traction in the private sector. Startups becoming a seller of goods and services to GoK and state-owned enterprises allows for improved health of the economy and promotes a healthy and competitive market for startups.

To encourage and boost startup participation in the procurement process of Government Departments/ Boards / State PSUs and other organizations, Government has issued notifications and amended the Karnataka Transparency in Public Procurements Act, 1999 (Karnataka Act 29 of 2000) through Karnataka Transparency in Public Procurements (Amendment) Rules, 2021, covering general relaxations for startups in public procurement, value-based preferential procurement from startups and the adoption of startup inclusion plan in a tender.

7. Other support to drive innovation in startups

7.1 Regulatory sandboxes

The Karnataka Innovation Authority (KIA) Act 2020 was enacted to promote and regulate innovative technologies in the State. The Act enables setting up of “Regulatory Sandboxes” wherein such innovators are allowed a small window of exemption for a prescribed period to carry out innovation and the State also gets to observe such innovations and time to respond with further legislation and amendments, if required. The startups and potential sandbox operators who are supporting the startups during the policy period would be granted fiscal assistance as mentioned below:

- Re-imbursement of 50% of Processing fees for establishing regulatory sandbox for sandbox operators who are supporting a minimum number of 5 Startups as per the provisions of the Karnataka Innovation Authority Act, 2020.
- Re-imbursement of 75% of Application fees for startups participating in regulatory sandbox as per the provisions of the Karnataka Innovation Authority Act, 2020.

Startups interested in participating in regulatory sandboxes and regulatory sandbox operators, can go through the Karnataka Innovation Authority Act enacted for the creation of regulatory sandboxes in Karnataka.

7.2 Open data access

GoK aims to leverage the power of data through accessibility and reusability of data for innovation and economic growth. Towards this, the following are some of the efforts that have been initiated by GoK:

7.2.1 Karnataka Open Data Initiative (KODI)

1. The Karnataka Open Data Initiative provides a foundation for new technological innovation by bringing together and making large amount of data available across verticals. The Open Government Data portal of Karnataka (<https://karnataka.data.gov.in/>) can be used by Departments/Organizations of GoK to publish datasets, documents, services, tools and applications collected by them for public use and to increase transparency in the functioning of GoK. This shall particularly be beneficial for startups to innovate, collaborate and build products/solutions/commercial applications by leveraging the data sets available.
2. For accessing government data sets in open format which are free to use, reuse, and redistribute, startups can:
 - a. Visit <https://karnataka.data.gov.in/>
 - b. Register themselves on the portal
 - c. Select the sector they would like to attain data sets on
 - d. Download the desired data set
3. Startups working on a specific problem and requiring a particular dataset that is not available on the portal, can reach out to the Center of e-Governance and sign an agreement with the respective GoK department/(s) that provides for the data to access such datasets.

7.2.2 E-Sahamathi initiative

GoK has created 'e-Sahamathi', one of the first state consent management systems in the country that aims to facilitate data sharing between citizens and market entities, by allowing users to register and consent to their data being shared. A data seeker can make a request on the platform to connect with a market entity. Upon receipt of request, the e-Sahamathi platform finds users who match the criteria and sends them a message, notifying them about the data seeker's interest, with a request for consent to share their personal details including name, number, address etc. The platform empowers citizens to own, control and share their data. E-Sahamathi can be accessed here: <https://esahamathi.karnataka.gov.in/>.

8. Glossary

ABLE	Association of Biotech Led Enterprises
AG	Accountant General
AOA	Articles of Association
AV	Audio Visual
AVGC	Animation, Visual Effects, Gaming and Comics
BBC	Bangalore Bioinnovation Center
BT	Biotechnology
CCAMP	Centre for Cellular & Molecular Platforms
CIF	Common Instrumentation Facility
CoE-AT	Centre of Excellence for Assistive Technology
CST	Central Sales Tax
CIF	Common Instrumentation Facility
DA	Dearness Allowance
DIA	District Innovation Associate
DIH	District Innovation Hub
DPIIT	Department of Industrial Policy & Promotion
GoK	Government of Karnataka
GO	Government Order
GST	Goods and Service Tax
HNI	High Net worth Individuals
HI	Host Institution
IA	Implementing Agency
IC	Investment Committee
IESA	India Electronics and Semiconductor Association
IM	Investment Manager
INR	Indian Rupees
IP	Implementation partner (for ELEVATE IP shall be the K-tech Innovation hubs/CoEs)

IRR	Internal Rate of Return
ISBA	Indian Science & Technology Entrepreneur Parks (STEP) And Business Incubator Association
IISc	Indian Institute of Science
IT	Information Technology
IoT	Internet of things
IRR	Internal Rate of Return
KDEM	Karnataka Digital Economy Mission
KESDM	Karnataka Electronics System Design and Manufacturing
KITS	Karnataka Innovation and Technology Society
KITVEN	Karnataka Information Technology Venture Capital Fund
LLP	Limited Liability Partnership
M&A	Merger and Acquisition
NABCB	National Accreditation Board for Certification Bodies
NAIN	New Age Innovation Network
NDA	Non-Disclosure Agreement
NCI	No Conflict of Interest
N-HI	NAIN - Host Institution is a college affiliated to State University or a Deemed University which is selected (or has applied for being selected) under the NAIN program to set up the New Age Incubator.
N-IIC	NAIN - Institution-Level Innovation Council established by the NHI to monitor and evaluate the progress and performance of NAIN
NRI	Non-Resident Indians
N-SC	NAIN – Steering Committee/ NAIN – State-Level Innovation Council chaired by Additional Chief Secretary / Principal Secretary/ Secretary, Electronics, IT, Bt and S&T, Government of Karnataka
N-IA	NAIN - Implementing Agency: Karnataka Innovation and Technology Society (KITS under the Department of Electronics, IT, Bt and S&T, Government of Karnataka)) is the implementing agency for the NAIN Scheme.

N-SPF	NAIN Student Project Seed Fund (Up to 30 Lakh provided per annum for selected groups)
N-STSP	NAIN – Startup Student Project – the project selected for funding under NAIN
N-CC	NAIN College Coordinator: Senior Professor nominee to coordinate the NAIN project
N-ICM	NAIN Incubation Centre Manager
p.a.	Per Annum
PMU	Project Monitoring Unit or external incubators and accelerators
PPM	Project Portfolio Management
PPP	Public Private Partnership
POC	Proof of Concept
RFP	Request for Proposal
SEBI	Securities and Exchange Board of India
SEAC	State Expert Advisory Council
SHLCC	State High Level Clearance Committee
SLSWCC	State Level Single Window Clearance Committee
SOP	Standard Operating Procedure
STPI	Software Technology Park of India
SWOT	Strengths, Weaknesses, Opportunities and Threats
TBI	Technology Business Incubator
T-HI	TBI Host Institute
TiE	The Indus Entrepreneurs
TDB	Technology Development Business
UC	Utilization Certificate
VC	Venture Capital
VCU	Venture Capital Undertaking
VAT	Value Added Tax

9. Definitions

Acceleration Programs	Acceleration programs are short to medium term mentoring programs to support startups with business expansion once they have scaled up from an idea to formal product launch in the market. Startups typically enter accelerator program for a fixed period of time as part of a cohort of companies
Accelerator	An accelerator is typically a three-to-four-month program for startups at early traction and scaling stage. It is a process of intense, rapid, and immersive education aimed at accelerating the growth of the startup. The accelerator may take a set amount of seed equity from the startups in their cohorts in exchange for capital and mentorship.
Angel Investors	Individual wealthy private investor who provide early-stage seed funding to small startups or entrepreneurs. The Angel investor should be registered with SEBI or banks or GoK/GoI approved incubation centers.
Assistive Technology	Assistive technology (AT) is any item, piece of equipment, software program, product system, or service that is used to increase, maintain, or improve the functional capabilities of persons with disabilities or older people, or people with gradual functional decline as defined by WHO, thereby promoting their well-being.
Beyond Bengaluru	Used to describe cities/areas in Karnataka outside Bengaluru (Urban) District
Circular Economy Startups	Startups who qualify to be part of Circular Economy Startups Innovation are defined as those startups that have solutions contributing to circular economy model which involves sharing, leasing, reusing, repairing, refurbishing, reducing and recycling of existing materials and products as long as possible. The technology enabled innovative solution should be aligned to the principles of circular economy to tackle challenges like climate change, biodiversity loss, waste, and pollution etc.
Common Instrumentation Facility	Hardware product startup incubator offering shared prototyping facility with equipment such as Woodworking workshop, 3D printing, Metal Shop, Laser Cutting, Basic Electronics lab, Hand tools, Welding etc. in addition to incubation services, mentor and investor connects and also to co-working space, private office spaces, training rooms, and other amenities

Deep Tech	Deep-tech or science-based innovations are disruptive solutions built around unique, proprietary or hard-to-reproduce technological or scientific advances, in prominent deep tech fields such as biomedical, medtech, advanced materials, artificial intelligence, biotechnology, blockchain, robotics, photonics, electronics & semiconductors, quantum computing, edible electronics/ bioelectronics.
Demo day	A showcase day for start-up companies to pitch their product to investors and provide a demo
Department	Department of Electronics, IT, Bt and S&T, Government of Karnataka
Emerging Technologies	Emerging technologies are new technologies whose development or practical applications, or both are still largely inherent, such that they are emerging into eminence from a background of nonexistence or ambiguity. Emerging technologies are often anticipated as capable of changing the status quo.
Entity	A Private Limited Company (as per the Companies Act 2013), a Registered Partnership Firm (under the Partnership Act, 1932) or Limited Liability Partnership (under the Limited Liability Partnership Act, 2008)
Government	Government of Karnataka
Grassroot Innovation Or Innovation With Rural Impact	Startups who qualify to be part of Grassroot or Rural Innovations are defined as those startups that lead bottom-up solutions for sustainable development; solutions that respond to local situation / interest / values of rural communities and are aimed at improving the socio-economic condition/ ease of living and standard of living of the rural communities
Ideathons	An event where participants engage in brainstorming and come out with ideas that can be converted to business plans.
Incubatees	Incubatee is defined as an individual or a Startup located in the incubator and availing the services of incubator.
Incubator	An entity providing space, connectivity, software, hardware, equipment, infrastructure facilities, mentoring, training, funding, legal services, accountancy services, technical assistance, networking activities, marketing assistance legal & accounting services etc. to Startups for initial growth. An incubator should have a minimum 7,500 sqft area

	and should be an incubation facility for a minimum 50 seats. The incubator should have provision to provide necessary infrastructure to startups such as plug and play facilities, meeting/conference rooms/office space or shared services, high-speed internet access, etc. Expansion/ Upgradation of Incubator: An incubator increasing its capacity by additional 2,500 sqft area, and incubation facility for a minimum 25 additional seats or more.
Innovation Regulatory Sandbox	An innovation regulatory sandbox is a regulatory approach, customarily epitomized in writing and published, that allows conscious, time bound testing of innovations under a regulator's oversight
Investor	Any person/entity that invests in business / startups
KITS	Karnataka Innovation and Technology Society
K-tech Ecosystem	The State boasts of a vast tech ecosystem comprising Innovation Hubs, Incubators, Centres of Excellence, Technology & Business Incubators, Common Instrumentation Facilities, NAIN Institutions etc.
Mentor	Mentor is an expert who can guide the startups on business ideas, market research, business models etc.
New Age Innovation Network (Nain) 1.0	New Age Innovation Network (NAIN) centres established by Government under the Startup Policy 2015
New Age Innovation Network (Nain) 2.0	New Age Innovation Network (NAIN) centres established by Government under the Startup Policy 2022
Policy	Startup Policy
Reimbursement	Compensation given by the State/ public body/ organization for a defined expense by giving them an amount equal to what was agreed upon.
Renewable Energy, Climate Change, Sustainability Startups	Startups who qualify to be part of Renewable Energy, Climate change, Sustainability startups Innovation are defined as those startups with innovative technology solutions addressing critical innovation gaps in the Renewable Energy, Climate change, Sustainability Innovation sector.

<p>Sandbox Operator</p>	<p>The Sandbox Operator under the Karnataka Innovation Authority Act is defined as 'An agency or instrumentality of the Government of Karnataka, notified by the Authority under Section 13 of KIA Act to oversee and implement a Regulatory Sandbox.</p>
<p>Seed Funding</p>	<p>Seed capital is the initial funding used to begin the creation of a business or a new product. Generally, seed capital is used to develop a business idea to the point that it can be presented effectively to venture capital firms that have large amounts of money to invest.</p>
<p>Subsidy</p>	<p>Subsidy is a sum of money granted by the state or a public body to help an industry or business to keep the price of a commodity or service low</p>
<p>Technology Business Incubators (TbIs)</p>	<p>Incubating facility in an institution of higher learning and provides services such as business advice, financial counseling, assistance with business management and accounting, legal and regulatory guidance, access to mentors etc., in addition to physical infrastructure appropriate for the thrust area for the incubator.</p>
<p>Venture Capital</p>	<p>Venture Capital firms invest in startups at a later stage. Startups with a potential to grow, need a certain amount of investment. Wealthy investors like to invest their capital in such businesses with a long-term growth perspective. This capital is known as venture capital and the investors are called venture capitalists.</p>
<p>Venture Capital Funds</p>	<p>Investment funds that manage money from investors seeking equity stakes in startups with strong growth potential. These investments are generally characterized as high-risk/high-return opportunities.</p>
<p>Virtual Incubator</p>	<p>Incubator providing services on cloud</p>
<p>Women Entrepreneurship</p>	<p>Any entity meeting and qualifying the definition as per the Government Order ITBT 09 PRM 2021, dated 18.06.2021 "Women Entrepreneurship -Any entity having women as founder or co-founder (individual or group of women) with minimum 51 % stake in the entity and qualifying the definition of a Startup as per the prevailing Karnataka Startup Policy". This definition shall be applied for giving preference in seed Funding, Venture Funding and Public Procurement Policy for Startups. However, Startups with women founder/co-founder having less than 51 % stake and giving at least 51 % employment opportunities to</p>

	women in the Startup entity, shall be considered for availing other benefits such as government sponsored incubation support, acceleration support, capacity development workshops, mentorship and so on.
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10. Nodal agencies

1. Karnataka Innovation and Technology Society

KITS is the nodal agency to promote the startup ecosystem in the State and is responsible for facilitating implementation of various schemes, programs, interventions of the policy and any new initiatives required for the growth of the startup ecosystem in the State.

2. Karnataka Startup Cell

Constituted under the aegis of KITS, Karnataka Startup Cell is an initiative to promote and facilitate the startup ecosystem. The Karnataka Startup Cell acts as a single point of contact for information on various incentives and offerings, government sponsored events, K-tech ecosystem hubs including CoEs, TBIs, CIFs, Incubators and facilitates industry mentor connect, investor network, etc. The Startup Cell also enables networking through outreach and awareness activities such as participation in International Trade Shows/ Exhibitions events, etc. For the developing a more holistic inclusive Startup ecosystem in the State, the Startup Cell shall be further strengthened during this policy period.

3. Karnataka Digital Economy Mission (KDEM)

KDEM is a Section 8 Company (not-for-profit) with equity participation by both Industry and Government of Karnataka (Department of Electronics, IT, Bt and S&T). KDEM has been setup to promote digital industry growth by providing hand-holding services and suggesting policy initiatives to be taken up by the State. KDEM, with dedicated program verticals for Startups and Beyond Bengaluru, has taken several initiatives to promote and facilitate the startup and innovation ecosystem in the State. KDEM will continue to support the Department in implementation of various startup initiatives.

11. Annexures

11.1 Application forms

11.1.1 Application form: NAIN 2.0 Centers

NAIN – New Age Innovation Network has been established with an aim to encourage the students and youth of Karnataka to become entrepreneurs. All colleges desirous of applying for the scheme are advised to read the Startup Policy – 2022 and of the Department Of Electronics, IT, Bt and S&T, Government of Karnataka and the accompanying operational guidelines of this Policy (available at www.startup.karnataka.gov.in). The following format of the NAIN application form has to be filled and submitted through portal.

1) Institution Details

- a. Name
- b. Address
- c. Type of institution: Government / Aided / Private
(Copy of bylaws / Memorandum of Association / Registration Certificate (or any other document depicting the organizations of the Host Institute is to be attached with the proposal)
- d. Affiliating University
- e. Details of Management Committee Members
- f. Institution Profile
- g. Split of Number of Girl & Boy students
- h. Split of Number of Women and Men Faculty members
- i. Number of Departments

2) Details of Each Department:

- a. Intake per annum
- b. Details of Full-time Faculty Details Only
- c. Faculty with PhD
- d. Faculty with M.Tech / M.Phil

3) Student Result & Placement Details for Graduating Class

- a. Pass % with split of Distinction, 1st and 2nd Class
- b. Placement % with average CTC details

4) Research Activities

- a. Number of Student research publications in last 1 year and average of all the journal's Impact factor
- b. Number of Faculty research publications in last 1 year and average of all the journal's Impact factor
- c. Number of Patents awarded in last 5 years

5) Conferences Conducted in last 2 years

- a. Number of National conferences, number of participants in each
- b. Number of International conferences, number of participants in each, number of countries represented in each

6) Social and Community Activities conducted in 2 years

- a. Paragraph of 50 words may be written for each cause that has been taken up in neighborhood /city/state etc. that addresses the need of citizens

7) Regional Details

- a. Is the institute in Kalyana Karnataka region
- b. Is the institute in Backward area as per Government Guidelines

8) Details of the Principal Applicant

- a. Name
- b. Designation
- c. Academic Record

- d. Affiliating Department
- e. Research Details
- f. Details of activities related to Incubation / Commercialization
- g. Number of Elevate scheme winners in the past 5 years (if applicable)
- h. Number of student startups formed in the past 5 years
- i. Space provided for the LLPs within the college campus
- 9) Why is the college interested to have the DIH- District Innovation Hub (100 words)
- 10) How is the college planning to sustain beyond three years of initial funding by the Government if selected under under NAIN (100 words)
- 11) Is college willing to invest in the Capex (Student Project Fund)? If yes, then please provide the possible contribution.
 - a. Details of current state of the identified space proposed for NAIN with photographs
 - b. Timeline as to how long will the institution take to make the NAIN infrastructure up and running from date of award letter if selected
 - c. What is the proposed place being currently used for?
 - d. Host institution must also give an undertaking that space earmarked for NAIN facility will be used for DIH startups only and exclusively. This space may be used for Startup/ Innovation/ Entrepreneurship related activities collaboration with DIH but not causing inconvenience to the incubatees.

Documents in support of the following data must be provided in year-wise manner for past 5 years:

- a. Number of students passing the final year Graduating class with First Class in University exam
- b. Total number of students in the graduating class
- c. Number of full-time faculty with PhD/M.Phil./M.Tech
- d. Total number of full-time faculty members on rolls
- e. Number of research publications in peer reviewed journals (please do not include publications in conference proceedings and paid publications in journals)
- f. Number of patents awarded, if any (originating from the respective department in case of Deemed Univ. / State Univ.)
- g. Number of Elevate winners in past 5 years
- h. Number of student startups formed in past 5 years and space provided for the LLPs within the college campus

11.1.2 Application form: Submission of proposal for TBI 2.0

Applications will need to be filled and submitted with all requested details as indicated below.

- 1) Executive Summary (max 200 words)**
- 2) Name of the Host Institution/Organization/TBI:**
 - a) Address:
 - b) Phone:
 - c) E-mail:
 - d) Website:
- 3) Name & Designation of the Head of the Institution/Organization:**
 - a) Address:
 - b) Phone:
 - c) Mobile:
 - d) E-mail:
- 4) Name, Designation & Contact Details of the TBI Coordinator:**
 - a) Address:
 - b) Phone:
 - c) Mobile:
 - d) E-mail:

- 5) **Name of TBI** as Registered Society/Trust or Section 8 Company (if TBI is already registered, submit a copy of Registration Certificate, Memorandum of Association, etc. related to the TBI)
- 6) Bank Account Details of TBI
 - a) Name as given in Account:
 - b) Account No.:
 - c) IFSC Code:
 - d) MICR Code:
 - e) Name of bank with complete branch address (Enclose a upload scanned copy of cancelled cheque):

Host Institution (HI) Information-General

- 1) Number and names of academic departments with number of associated faculty in the department.
- 2) Total student strength (separately for UG/PG/Doctorate courses)
- 3) Total number of teaching and research faculty with PhD qualification.

Host Institute's preparedness for TBI

i) Applicable to Institutions WITH pre-existing TBI

- a) Profile of TBI (which must capture background, duration since inception, focus areas, infrastructure & equipment, capacity, facilities, funds generated, number of startups supported, awards and recognition etc.). It must also include organization structure with one page profile of entire team at TBI.
- b) SWOT analysis of TBI with 200 words (50 words in each of the 4 aspects listed below)
 - i. Strengths
 - ii. Weakness
 - iii. Opportunities
 - iv. Threats
- c) Justification of why the institution is keen to apply for funding under TBI grant when the institution already has a TBI. This must include the financial and technology expansion plan, short & long-term goals (max 200 words).
- d) Details to be provided for past two years for
 - i. Occupancy level or incubator per quarter
 - ii. Sustainability of incubator i.e. source of funding for the incubator
 - iii. Number of incubates per 1000sq.ft of space
 - iv. Survival rate of incubates
- e) List of Incubatees for past 2 years from date of application with following details:

Name of incubatee/ startup	Duration of stay	Team size Occupied at incubation center	Funding received at TBI	Turnover as per their balance sheet	Reason for moving out of TBI

- f) Details of Mentor associated with TBI Network with demonstration of performance for past 2 years from date of application

Name of Mentor	Name of Mentee startup	Duration of Association	Total funding received by all associated startups from private sources	Total funding received by all associated startups from public sources	Average annual turnover of ALL the startups mentor is associated with	
					FY23	FY24

Name of Mentor	Name of Mentee startup	Duration of Association	Total funding received by all associated startups from private sources	Total funding received by all associated startups from public sources	Average annual turnover of ALL the startups mentor is associated with

g) Angel and venture funds associated with the TBI for past 2 years as on date of application

Name of Angel & Venture	Number of startups supported	Total sum invested across all startups in TBI	Any other details

- h) Total Funds generated (with details of source) by the TBI in past 5 years or since inception (whichever is higher)
- i) List of mentoring, networking, enablement activities conducted at TBI for last 2 years. One or two examples of their direct impact on success of the incubating startup may also be mentioned
- j) What according to you are key elements of the success factors influencing the performance of the incubator and relationship between them (100 words)
- k) How does the proposed TBI fit in the existing value chain with respect to existing facilities? (100 words)
- l) Any other information/success story that you might want to furnish to support your application in up to 100 words.

ii) Institutions which DO NOT HAVE pre-existing TBI

- a) Experience and Expertise of the TBI Coordinator or probable CEO from Institution identified for the TBI. (Attach a brief CV/bio-data, a person with domain expertise and having conceptual understanding and deep interest for innovation and entrepreneurship would be preferred to steer the TBI till it gets operationalized and thereafter would guide the recruited TBI team and be an active interface between Host Institute and TBI). Briefly explain the contributions of the proposed/recruited TBI team
- b) Any other information/success story that you might want to furnish to support your application in up to 100 words.

Name of the project	Sponsoring agency	Amount Sanctioned (in INR Lakhs)	Amount Released (in INR Lakhs)	Duration	Outcome

- c) Details of patents granted during last five years
- d) Details of R&D being carried out in the institution for past 5 years and its outcomes to support and justify this application for TBI
- e) Awards & Recognition during last five years: Indicate separately for the proposed TBI team
- f) Any other notable activities in innovation and entrepreneurship
- g) Indicate details of product development/commercialization
- h) Details on entrepreneurship orientation for faculty/and proposed TBI team
- i) Details on organization of relevant entrepreneurship development programme viz. courses, workshops, seminars, competitions, lectures etc. by the institute.

- j) List out the network that has been created
- k) Details of Association/Affiliation to
 - o Industry
 - o Reputed National and International Universities & Institutions
 - o Industry Associations and the charter of doing so
 - o Mentors associated
- l) How does the proposed TBI plan to fund the prospective incubatees?
- m) Details of existing infrastructure to be used by incubatees

Feasibility of TBI

To be evaluated based on the institution’s strength, preparedness in hosting TBI, business ecosystem, TBI business plan, operating model, systems and processes and effective leadership.

1) Following factors would be considered:

- a) Reasons for the HI to promote TBI (500 words)
- b) Strength of the Institute in hosting TBI
- c) Overall business environment of the location of the host institute and ecosystem in the region
- d) Assessment of entrepreneurial needs
- e) Proposed Thrust Area of Incubation (Please highlight the technology domain that TBI would focus on. This should be aligned with the possibility of promoting economically viable startups)
- f) Notable achievements of existing incubatee and graduated companies, if any.
- g) Sources of tapping new incubate entrepreneurs
- h) Financial model of the Incubator for operational sustainability of the TBI after five years as the support is available for first five years only.

2) How much built- up area (in sq.mt. /sq. ft.) will be made available for TBI? (Enclose Layout of the proposed space)

S No.	Description	Space Proposed (sq. mt. /sq. ft.)
1	Incubation Space (Cubicles)	
2	Conference Room	
3	Meeting Room	
4	Cafeteria	
5	Office Space	
6	Other details	
	Total	

Year-wise work plan for five years (a separate time linked activity chart to be provided along with the detailed work plan.

3) Target Milestones (should be projected based on the most likely attainable targets)

S No.	Outcome	1st Year	2nd Year	3rd Year	4th Year	5th Year	Total
1	No. of new entrepreneurs/startups to be admitted for incubation						

S No.	Outcome	1st Year	2nd Year	3rd Year	4th Year	5th Year	Total
2	No. of entrepreneurs/startups to be graduated from the Incubator						
3	No. of new products/technologies to be developed/innovations to be commercialized						
4	No. of training programme to be conducted						
5	No. of conferences/seminars/workshops to be Organized						
6	Other notable services to be provided (specify)						

4) Budget

S No.	Item of Expenditure*	1st Year	2nd Year	3rd Year	4th Year	5th Year	Total
A. Non-Recurring							
1	Renovation/furnishing of space for TBI excluding the cost of land & building (Provide details as annexure)						
2	Thrust area equipment (Enclose a list with approximate cost)						
3	Office equipment including state-of- the art communication network						
Total A							
B. Recurring**							
1	Manpower						
2	Travel						
3	Utility and maintenance						
4	Marketing, promotion and publicity						
5	Networking and Training Programme						
6	Other Administrative Expenses including consumables, printing, publications, books, journals, etc.						
7	Miscellaneous and Contingencies						
Total B							
C. GoK's contribution (% of A)		90%	90%				

S No.	Item of Expenditure*	1st Year	2nd Year	3rd Year	4th Year	5th Year	Total
	D. GoK's contribution (% of B)	70%	70%	70%	70%	70%	
	Total C + D						
	Total A + B + C + D						

* Budget to be submitted along with the justification of each item and a list indicating cost

** Budget break-up of Recurring Expenditure- manpower, utility and maintenance, marketing promotion, training programme and Miscellaneous & contingencies along with the justification to be given on a separate sheet

5) Means of Financing

S No.	Financing	Amount
1	Contribution of GoK towards Non-Recurring grant	
2	Contribution of GoK towards Recurring grant	
3	Contribution of HI towards Non-Recurring grant	
4	Contribution of HI towards Recurring grant	
5	Revenue Generation from TBI activities	
Total:		

6) Revenue generation projections for sustainability of TBI

S No.	Means of Revenue	1st Year	2nd Year	3rd Year	4th Year	5th Year	Total
1							
2							
3							
4							
5							
Total							

(Submit endorsement from the Head of the Institution)

Name & Signature of the
Head of the Institution/Agency (with seal)

Date:

Place:

Name & Signature of the
TBI Coordinator (with seal)

11.1.3 Application form: Submission of proposal for incubation centers by private entities

<Form No. #> Application for incubation centers by private entities		
S No.	Basic Information	
1	KITS Registration Number:	

<Form No. #> Application for incubation centers by private entities

S No.	Basic Information	
2	Date of Registration with KITS/Department	Date:
3	Percentage of technical employees employed in Karnataka	___%
4	Whether the Applicant has paid the One-Time Application Processing Fee for Availing Benefits under Karnataka Startup Policy 2022-27	Yes/No
5	Details of One-Time Application Processing Fee for Availing Benefits under Karnataka Startup Policy 2022-27	Receipt No: Date:
6	Name of the Applicant	
7	Registered Office Address	Address Line 1: ___ Address Line 2: ___ Street: ___ City/Town/Village: ____ Taluka: _____ District: _____ Pin Code: _____ State: ___
8	Address of the center to be Considered for the Claim	Address Line 1: ___ Address Line 2: ___ Street: ___ City/Town/Village: _ Taluka: _____ District: _____ Pin Code: _____ State: ___
9	Zone Classification of the center	
10	Name of the Taluk of the center	
11	Name of the District of the center	
12	New/Expansion of center (as applicable)	
13	Authorized Person	Name: _____ Designation: _____ Phone No: _____ Email ID:

<Form No. #> Application for incubation centers by private entities

<Form No. #> Application for incubation centers by private entities		
S No.	Basic Information	
14	Contact Details for Communication	Name: _____ Designation: _____ Phone No: _____ Mobile: _____ Email ID: _____
15	Applicant's Bank Details	Bank Name: _____ Branch Name: _____ Branch Address: _____ Branch IFSC Code: _____ _____ Account Number (for NEFT): _____ _____ Name of Account Holder: _____ _____
S No.	Details of the incubation center	
16	Type of Applicant	As Applicable Infrastructure Developer IT/ITeS Entity
17	Center setup in	Own land & building Rented/leased land Rented/leased building
18	Total Area	Area (in square feet): _____
19	In case of Expansion, Project Area Expanded during policy period (if Applicable)	Area (in square feet): _____
20	Total Built-up Area	Area (in square feet): _____
21	Open Space Area	Area (in square feet): _____
22	Number of Buildings in the center	
23	Number of Floors in each Building	Building 1: _____ Building 2: _____
24	Seating Capacity	Total Seating capacity in the center (if applicable): No. _____ Total Seating capacity in the expanded/upgraded center (if applicable): No. _____
25	Total Seating Capacity in each Building (if Applicable)	Building 1: _____

<Form No. #> Application for incubation centers by private entities

<Form No. #> Application for incubation centers by private entities		
S No.	Basic Information	
		Building 2: _____
26	Electric Power Connection RR No.	
27	Date of Commencement of Commercial Operation (as per the first sale invoice)	Date: _____
28	Details of first Sale Invoice:	Date of Invoice _____ Invoice No. _____ INR: _____
S No.	Details of Investment and Claim	
29	Total Project Cost of the center (in INR) <i>(as per the DPR)</i>	INR: _____
30	Cost of Land:	INR: _____
31	Total Fixed Investment for Infrastructure (excluding the cost of land)	INR: _____
a.	Expense Incurred for Building and Civil Works: (excluding residential quarters/guest houses)	INR: _____
b.	Expense Incurred for Interiors	INR: _____
c.	Expense Incurred for IT/ITeS Infrastructure: (Computers, Software tools, products, Computer Servers, Security, LAN equipment etc.)	INR: _____
32	Total Financial Support Claimed	INR: _____
33	Financial support claimed as percentage of total Fixed Investment for Infrastructure (excluding the cost of land) (%)	
34	Employment generated during the policy period	
Applicant is an Infrastructure Developer		
S No.	Eligibility Criteria & Other Details	
35	No of startup entities occupying the center	No: _____
36	Details of the startup entities occupying the center	Startup 1: _ Lease / Rent Start Date Startup 2: _ Lease / Rent Start Date

<Form No. #> Application for incubation centers by private entities

S No.	Basic Information	
37	Built-up area occupied by each startup entity in the center	Startup entity 1 Area (in square feet): ____ Startup entity 2 Area (in square feet): ____
38	Occupancy rate percentage of total built-up area in the center being occupied by startup entities (%)	____(%) of total built up area in the center
39	Incase of expansion and upgradation of incubation center, occupancy rate percentage of total expanded built-up area in the center being occupied by startup entities (%)	____(%) of total expanded built up area in the center
40	Total seating capacity occupied by startup entities in the center (if Applicable)	No: ____
41	Incase of expansion and upgradation of incubation center, total seating capacity occupied by startup entities against the total seating capacity in the expanded area (if Applicable)	No: ____
42	Percentage seating capacity occupied by startup entities in the center (if Applicable)	No: ____
43	Incase of expansion and upgradation of incubation center, percentage seating capacity occupied by startup entities against the total seating capacity in the expanded area (if Applicable)	No: ____
<p><i>I/We hereby certify that the particulars given above and in the appended enclosures are true and correct to the best of my/our knowledge and belief and that no material facts have been concealed or suppressed.</i></p>		
<p>Date: Place:</p>		<p>Name: Signature: Designation: Mobile No.:</p>

11.1.4 Application form: Claiming reimbursement against net GST paid under the Startup Policy

Application form: GST reimbursement		
1	Company name as per incorporation certificate	
2	KITS registration number	
3	Are you applying through a GoK supported incubator?	Yes No

Application form: GST reimbursement

4	Reimbursement claim	
5	GST paid to the supplier of goods to incubatee or incubator	
6	For GST paid to tax department	
7	Amount of reimbursement claimed	
8	Date of commencement of incubation	
9	TAX identification number of the applicant/ GST regn. No.	
10	Please provide GST registration no. of the supplier	
11	Upload the year wise and monthly/ quartely (statement as applicable) net GST paid to the government being claimed	PDF, only one file allowed with a file size less than 5MB
12	Upload copy of tax returns filed by startup for the year for which reimbursement is being claimed	PDF, only one file allowed with a file size less than 4MB
13	Upload relevant purchase invoices raised	PDF, only one file allowed with a file size less than 1MB
14	GST registration certificate no.	
15	GST registration certificate date	
16	Upload GST registration certificate	PDF, only one file allowed with a file size less than 1MB
17	Upload copy of other registration of commercial tax department/ central tax department	PDF, only one file allowed with a file size less than 2MB
18	Upload audited financial statements for the years for which reimbursement is claimed	PDF, only one file allowed with a file size less than 5MB
19	Turn over for the year for which GST reimbursements claimed for the year	
20	Mention details of the local GST officer (officers name, designation, address)	
21	Please download the annexure for self-declaration form that appears, print it on company letter head and upload the duly signed copy of the self-declaration form	PDF, only one file allowed with a file size less than 4MB
22	Download incubator endorsement template, print it on company letter head and upload the duly signed copy of the incubator endorsement	PDF, only one file allowed with a file size less than 4MB

- Certified that all the plant and machineries claimed for GST reimbursement are new and no secondhand machinery has been included. (Good working condition)
- I/We hereby certify that the particulars given above and in the appended enclosures are true and correct to the best of my/our knowledge and belief and that no material facts have been concealed or suppressed.
- I/We here by certify that the particulars given above and in the appended enclosures in regard to the eligibility for reimbursement are consistent with the terms and conditions stated in the Karnataka Startup Policy 2022-2027 and the Karnataka Startup Policy Operational Guidelines.

11.1.5 Application form: Claiming reimbursement of Marketing Cost paid under the Startup Policy

Application form: Marketing cost reimbursement		
1	Company Name:	
2	KITS Startup Registration No.:	
3	Affiliated incubator details: Are you applying through an GoK Supported Incubator If yes – Specify the name of the Incubator:	Yes No
4	Number of claims taken from State Government and Date of releases.	
5	Name of Individuals Claiming Incentive who attended the fair/exhibition along with passport particulars/No.	Yes No
6	Whether any individual is a woman? If yes, please specify details:	
7	Date of Application of Incentive:	
8	Date of actual departure from India (Please furnish copy of Passport duly highlighting date of departure) Please furnish copy of the same	Date: PDF, only one file allowed with a file size less than 1MB
9	Date of actual Arrival to India after completing the event (Please attach photocopy of Passport duly highlighting date of arrival)	Date: PDF, only one file allowed with a file size less than 1MB

Application form: Marketing cost reimbursement

10	Particulars of fair/exhibition/buyer–seller meets	Name: Place: Duration of event: From date: To date:	
11	Details of products exported and to which countries products are exported:		
12	Details of the organizers of the event like ITPO/EPCs/other recognized agencies:		
13	International Event/Tradeshow participation	Expense Enclosure Nos. & Dates	Expenditure (INR)
14	Conference Participation & Sponsorship Fees (Delegate fees)		
15	Founder/employee/customer ticket cost:		
16	Employee/Customer Invitee Travel:		
18	Exhibition infrastructure (stall / publicity material / electricity / equipment / AV)		
19	Hotel expenses for event (conference room, food, support staff, audio-visual demos)		
	Customer Seminar hosted by company for international customers in foreign locations		
	Description	Expense Enclosure Nos. & Dates	Expenditure (INR)
	Travel costs for employees and customer participants		

Application form: Marketing cost reimbursement

20	Boarding costs for employees and customer participants		
	Hotel Expenses for Event (Conference Room, Food, Support Staff, Audio-Visual Demos)		
	DA		
21	Advertisements/PR in International Print/Broadcast/Online Publications/Google AdWords	Yes	No
22	Total Expenditure Claimed (Subject to INR 5 Lakh)		
23	Whether the organization has been charged /prosecuted/debarred/blacklisted under investigation under Export & Import Policy of India or any other law framed by Govt. of India relating to export and import business?		
24	Whether assistance availed from other Govt. Bodies/EPCs/Commodity Boards/Authorities etc., for the activity under reference (if yes, Please give full details)	Yes	No
25	Please download the annexure for self-declaration form that appears. Print on company/entity letterhead and ensure it is duly signed and affixed with company/entity seal. Upload the duly signed copy of the self-declaration form	PDF, only one file allowed with a file size less than 5MB	
26	Download incubator endorsement template. Print on Incubator's letterhead and ensure it is duly signed and affixed with seal & signature. Upload the duly signed copy of the incubator endorsement	PDF, only one file allowed with a file size less than 5MB	
27	Upload welcome letter from organizers	PDF, only one file allowed with a file size less than 5MB	
28	Confirmation of registration & receipt of registration fee	PDF, only one file allowed with a file size less than 5MB	

Application form: Marketing cost reimbursement		
29	Event brochures / proceedings	PDF, only one file allowed with a file size less than 5MB
30	Event web page showing company name, shipping documents, printed	PDF, only one file allowed with a file size less than 5MB
31	Market research subscription/ reports (web link/letter/e-mail communications) if applicable	PDF, only one file allowed with a file size less than 5MB
32	If reimbursement is claimed against advertisements / pr in international print / broadcast / online publications / google adwords/ social media marketing content, the following need to be furnished:- photocopies/scanned documents of publicity material	PDF, only one file allowed with a file size less than 5MB
33	Weblinks	
34	Invoice of the payment towards the service providers and payment proof	PDF, only one file allowed with a file size less than 5MB
35	A report of all business development activities undertaken by the company during the visit to the trade fair by the unit shall also be submitted	PDF, only one file allowed with a file size less than 5MB

I Solemnly declare that the particulars given in the above statement are correct, I also undertake that any financial assistance granted to us on the basis of this declaration shall be liable to be refunded to KITS, if at any time, any information furnished in this application/ declaration is found to be wrong or incorrect or misleading.

11.1.6 Application form: Claiming reimbursement of patent cost paid under the Startup Policy

Common application form for patent reimbursement		
1	Company name:	
2	KITS Startup Registration Number:	
3	Affiliated incubator details: Are you applying through an GoK Supported Incubator: If yes – Specify the name of the Incubator:	Yes No
4	Inventor's name:	

Common application form for patent reimbursement

	Inventor's designation: Owner of the patent: Patent title: Type of Patent filed:	Domestic/International
5	No. of Patents filed for which reimbursement has been claimed:	
6	Furnish details of the past claims (furnish patent filing no's)	
7	Title of invention:	
8	Brief note on invention:	
9	Advantages of the invention:	
10	Applicable sectors of the invention:	
Details of Post Filing Patent Reimbursement		
11	Date of filing for patent registration:	
12	Patent filing application number:	
13	Total cost of patent filing till date/in pre-grant phase Copy of the patent application filed:	Pdf, multiple uploads are allowed with each file less than 5 MB
14	Title of patent:	
15	Have you claimed for post filing reimbursement for this patent before this application? If yes, please furnish details of the same:	Yes No
16	Patent e-registration number: Date of grant of patent: Form 27 to be attached (Pdf, only one file allow to upload with maximum size 4 MB)	
17	Total cost of patent registration under Post grant reimbursement: Certificate of Patent Grant from Patent office as applicable:	
19	Detailed statement of expenses (Annexure-1) incurred towards the patent registration along with the copies of invoices & receipts	Pdf, all the statements should be compressed and merged to one single file less than 5 MB

Common application form for patent reimbursement

20	Download Annexure-1 for Detailed statement of expenditure with invoices, print it on Company's letter head and upload the duly signed copy.	PDF, only one file allowed with a file size less than 1MB
21	Please download the Annexure-2 for self-declaration form that appears and print it on Company's letter head and upload the duly signed copy.	PDF, only one file allowed with a file size less than 1MB
22	Download Annexure-3 for incubator endorsement template, print it on Incubator's letter head and upload the duly signed copy of the incubator endorsement.	PDF, only one file allowed with a file size less than 1MB

I hereby verify that all the documents uploaded are true to my knowledge and I agree to the terms & conditions and privacy policy of Startup Karnataka.

11.1.7 Application form: Claiming reimbursement of quality certification cost paid under the Startup Policy

Application form: Quality certification cost reimbursement

S No.	Basic Information	
1	KITS Registration Number	No: _____
2	Date of Registration with KITS/Department	Date: _____
3	Percentage of technical employees employed in Karnataka	—(%)
4	Whether the Applicant has paid the One-Time Application Processing Fee for Availing Benefits under Karnataka Startup Policy 2022-27	Yes/No
5	Details of One-Time Application Processing Fee for Availing Benefits under Karnataka Startup Policy 2022-27	Receipt No: _____ Date: _____
6	Name of the Applicant	
7	Registered Office Address	Address Line 1: _____ Address Line 2: _____ Street: _____ City/Town/Village: _ Taluka: _____ District: _____ Pin Code: _____ State: _____

Application form: Quality certification cost reimbursement

S No.	Basic Information	
8	Address of the Unit to be Considered for the Claim	Address Line 1: _____ Address Line 2: _____ Street: _____ City/Town/Village: _____ Taluka: _____ District: _____ Pin Code: _____ State: _____
9	Zone Classification of the Unit	
10	Name of the Taluk of the Unit	
11	Name of the District of the Unit	
12	Authorized Person	Name: _____ Designation: _____ Phone No: _____ Email ID: _____
13	Contact Details for Communication	Name: _____ Designation: _____ Phone No: _____ Mobile: _____ Email ID: _____
14	Applicant's Bank Details	Bank Name: _____ Branch Name: _____ Branch Address: _____ Branch IFSC Code: _____ Account Number (for NEFT): _____ Name of account holder: _____
S No.	Details of certification	
15	Product/Service/Process for which Certification was required	
16	Certification Number	
17	Certifying Agency (Conformity European (CE), ISO Certification, CMMi Certification, SA, etc.)	

Application form: Quality certification cost reimbursement		
S No.	Basic Information	
18	Date of Issue	Date:
19	Period of Validity (Certification Expiry Date)	Date:
S No.	Details of expenses (as applicable)	
20	Application Fee	INR_____
	Assessment/Audit Fee	INR_____
	Annual/License Fee	INR_____
	Testing Charges	INR_____
	Technical Consulting Charges	INR_____
	Others	INR_____
	Total Expense Incurred	INR_____
21	Total reimbursement claimed under the policy period	INR_____
22	Details of Reimbursement amount claimed earlier during the policy period (if applicable)	Date: _____ Total Amount: INR _____ Certifying Agency: _____ Number of Certification: _____
I/We hereby certify that the particulars given above and in the appended enclosures are true and correct to the best of my/our knowledge and belief and that no material facts have been concealed or suppressed		
	Date: Place:	Name: _____ Signature: _____ Designation: _____ Mobile No.: _____

11.1.8 Application form: Claiming experiential internship support under the Startup Policy

Company Details	
KITS Registration Number	
Name of the startup:	
Entity Type:	Choose Item (Private Ltd/Section 8)
Technology Sector of the organization:	Choose Items (Additive Manufacturing, IoT/AI/ML,

Company Details	
	Digital Twin Technology, Language Technologies, Computer Vision, AR/VR, Blockchain, Quantum Technologies and Web 3.0, Clean Tech, Clean Energy & Water Solutions, Robotics, 3D Printing, Nano technology)
Industry Sector of the organization:	Aerospace & Defence/ Auto, Auto Components & EV, Biotechnology (Bt), IT, Healthcare, Pharma & Medical Devices/ Semiconductors, Telecom, ESDM/ Software Products, Agriculture & Allied Fields, Education)
Proposed thrust area of the startup (should be aligned to creating social impact):	
Registered Address of the organization:	
Corporate Address of the organization:	
Address of the organization in Karnataka	
Registration number of the organization:	
Date of registration of the organization / Year of Establishment:	
Commencement of Commercial Operations/ Engineering R&D Activities	Date
Annual Sales (INR Crores):	
Company Logo	
Company website	
PAN Number	Upload File
GST Information	Uploaded GST File
Contact person details	
Contact Person Name:	
Department:	
Position/Designation:	
E-mail Address	
Alternate E-mail Address	
Office Phone Number	
Contact Person Name:	
Internship claim details	
No of students provided internship:	_____Nos
No of Female and Male Intern:	_____Nos (Female) _____Nos (Male)
Duration for the internship:	_____Months
Total stipend provided during internship to each intern:	_____INR per student
Total stipend to all the students:	_____ INR
Total Stipend to be reimbursed under the incentive:	_____INR (Upto INR 1 Lakh as internship fees per startup for hiring maximum 3 interns from Beyond Bengaluru for

Department of Electronics, Information Technology, Biotechnology and Science & Technology, Government of Karnataka in the year of 2000 under the Chairmanship of Principal Secretary to Government of Karnataka, Department of Electronics, Information Technology, Biotechnology and Science & Technology, Government of Karnataka.

The First Party assists the Department of Electronics, Information Technology and Biotechnology of Government of Karnataka in facilitating and promoting the Information Technology and Biotech sectors in the State by implementing the various schemes, programmes, action plans, reports etc., for furthering the IT and related sectors in the State. In this connection, the Department has brought out the Startup Policy highlighting various steps to be taken for improving the employment generation and entrepreneurship Development as well as exports from the IT and related sectors in State.

In the Startup Policy 2015-2020 **Entrepreneurship Development and Mentoring** was one of the **Initiatives** for creating new opportunities and jobs. One of the **proposals** under this Policy is to build **K-tech New Age Innovation Network (NAIN)** to be located in selected colleges that are in tier 2 & 3 cities.

WHEREAS the Department of Electronics, Information Technology, Biotechnology and Science & Technology, Government of Karnataka in order to implement the Budget announcement of Government of Karnataka, has decided to implement the above proposal through the First Party.

The Committee under the Chairmanship of Additional Chief Secretary / Principal Secretary/ Secretary, Department of Electronics, IT, Bt and S&T, Government of Karnataka, after taking inputs from various sources has finalized 9 colleges across the State.

WHEREAS the Second Party is one of the Nine (9) Engineering / Government / Other colleges selected

WHEREAS the first party has agreed to implement the scheme with the Second Party, the Scheme will be called as **K-tech New Age Innovation Network (NAIN) program** to be called as **K-tech District Innovation Hub (DIH)** for this MOU. Both the Parties are desirous of recording their terms and conditions as under.

This MOU is being entered into for implementing the Programme by the Second Party in its college in the State with the funding support from Department of Information Technology, Biotechnology and Sciences & Technology, Government of Karnataka through the First Party;

The MOU is being extended for 2 years starting fromtillfor implementing the scheme by the Second Party in their District Innovation Hubs with the funding support from Department of Electronics, Information Technology, Biotechnology and Sciences & Technology, Government of Karnataka through the First Party;

s

- 1) For all intents and purpose Year or Annual for this MOU shall mean an academic year as prescribed by the University the second party [College / Institution] is affiliated to.
- 2) A physical Innovation center will be set up in the premises of Second Party to manage this Programme.
- 3) Based on technical strength of party, the second party shall identify up to 3 focus technology domain areas which the incubation center will be operational in. The facilities available at incubation center and associated to the incubatees of the K-tech Innovation Hub.
- 4) First party shall facilitate association of a mentor industry expert for each K-tech Innovation Hub.
- 5) Each Center will incubate up to a maximum of 15 projects per year. Each project will be executed by a team of entrepreneurs.
- 6) The program should select entrepreneurs by giving first preference to students, research

scholars and alumni of the chosen colleges and next preference to those from colleges in the respective districts. It should not include faculty members as entrepreneurs but the faculty members can become mentors if they have the right skills and experience.

- 7) The program will cater to the projects that solve local problems and find solutions to local needs (district and state) rather than global problems and needs.
- 8) Funding assistance will be provided by the first Party only for the management of the programme and the execution of the projects.
- 9) Funding from first party shall be used for establishing an ecosystem fostering entrepreneurship.
- 10) The project does not have provision for first party to fund building physical space and purchasing expensive equipment. These expenses shall be done by the second party.
- 11) Funding from first party is towards operational expenses – including salary of incubation center called District Innovation Associate [DIA] – details in operational guidelines.
- 12) Funding from first party is also towards building prototypes and proof of concept of projects /proposals selected by the Central Steering Committee.
- 13) All incubation centers will be networked to exchange experiences and learn from one another.
- 14) The most important resource of the Programme will be local and remote mentors and the Innovation Centers will have tie-ups with local industry leaders and to those who are outside (In Bengaluru/abroad) who may be hailing from the districts as mentors.
- 15) A **Steering Committee** comprising of representatives from Electronics/IT/BT Department, Academia and Industry will be constituted by the Dept. and the Committee will offer governance / Management of this Programme.
- 16) The Second Party will also nominate a **College Coordinator (CC)**. The CC along with DIA will be operationally responsible for the Programme.
- 17) The second Party at its own cost will be providing the necessary infrastructure and other facilities such as basic computing facilities, internet connectivity etc to the incubation center.
- 18) That the Second Party shall ensure that all the infrastructure /equipment are provided as its contribution to the Programme and shall not be transferred in favor of any other third parties and it shall be continued to be in the name of the Second Party till the end of this agreement or termination of the MOU whichever is earlier.
- 19) That the Second Party shall submit the list of equipment provided for the purpose of this programme to the First Party;
- 20) Each college / university shall have a full time **District Innovation Associate [DIA]** who shall be responsible for Coordinating incubation center level activities such as
 - a. Drive project plan submission, evaluation and selection
 - b. Get approval for the **project budget** from CC (up to INR 3 Lakhs per project) and monitor spend/usage on a timely basis.
 - c. Recruiting mentors from academia, industry towards project execution in their college / University
 - d. Reporting to the CC on progress on periodic basis on various parameters
 - e. Maintaining relationship with the projects team/entrepreneurs in the ecosystem.
- 21) A **Project plan / Ideas Competition** shall be held across the district and winners will be selected for incubation. The DIA will be responsible for this process.
- 22) Each of the selected entrepreneur / Project team will be given funds based on the Business plan/ Project Plan presented by them and will be allocated one or more of mentors from the panel.
- 23) Each project will be given funds up-to INR 5 lakh approved by the Steering Committee. The INR 5 Lakhs of project budget shall be used for project related expenses as outlined in the project plan document. The project will leverage existing College / University infrastructure including working space, furniture, utilities and power, internet etc.
- 24) Each selected college shall have **Monitoring Committee comprising** of Members from colleges, Mentors, Successful Entrepreneur, who will select Business plan / Project Plan /

ideas and recommend funding for the same.

- 25) The DIA will work with Monitoring Committee to monitor & report progress of projects to the Steering Committee.
- 26) That the Government of Karnataka through the First Party will pay the Second Party a sum INR 12,00,000/- per year towards management and operational expenses to the second party. This will be called operational expense.
- 27) This amount will be paid in installments.
- 28) For the current year, since the program commences during the academic year, INR 12 Lakh will be provided to the Colleges in the current year. The amounts for the next year academic year will be released as decided by Steering Committee on the submission of Utilization Certificate for all the amounts released to the Second Party and on verification and satisfaction.
- 29) A **Standard Operating Guideline (SOP's) for the Startup Policy** will be developed on the role of project team, mentors, Incubation Center in a fair manner. The process of selection and induction of projects will also be prescribed and the same is binding on the second party. Guidelines for all the expenses (Opex and projects fund) will also be provided.
- 30) A Mechanism to **measure performance of incubation centers** with right metrics shall be devised.
- 31) All the students / project team members shall be introduced to the **process of innovation and entrepreneurship through formal classes**.
- 32) Innovation and entrepreneur classes to be run for one semester. It should be an elective subject, for students of all streams, with credits being given to students.
- 33) The College / Institute shall ensure that Compensation and recognition of DIA / managing staff should be fair.
- 34) This MOU shall commence on the date of signing of these documents and be in force untilsubject to the terms and conditions of this understanding.
- 35) This the First party/Department on its own can arrange for external evaluation of the programme in measurable areas, to assess the ongoing programme, keeping Second party informed of the nature, and schedule of the assessments.
- 36) That within 30 days from the date of this MOU, the 2nd party has agreed that it shall commence the programme implementing the terms and conditions of this Agreement.
- 37) That the second party shall monitor the progress of the all projects and report the same to the first party, and submit quarterly reports as on,, and of each year.
- 38) That the Second party shall make reasonable efforts to ensure that it provides the state of art resources, faculty, technology and all other relevant parameters to implement the programme successfully.
- 39) That the Second party shall ensure that CC/faculty and other personnel including the Trainees are selected in accordance with law without there being any favoritism and strictly on merit of each of them without any discrimination and shall submit the list of the staff involved in the programme and the faculty to the First Party.
- 40) That the release of funds for the Second and Third year would be subject to the satisfaction of the First Party that the Second Party has utilized the first installment judiciously and in consonance with the terms and conditions of the policy/Government orders etc. and in terms of this MOU to the satisfaction of the First Party and further the Second Party furnishing the utilization certificate of earlier installment paid.
- 41) That it is made clear that any initialized but yet unutilized amount owing to non-functioning/closure of Programme/project etc will be refunded by the Second Party to the First Party within a period of three months.
- 42) That the Second Party shall execute an Indemnity Bond on a stamp paper of INR 200/- for the financial assistance received from the Government and in the event of the Second Party violating any of the terms and conditions of either this MOU or by directions issued

by the State Government or by the First Party, the First Party shall have a right to immediately without giving any notice to the Second Party shall invoke the indemnity bond in case the assets are not available however subject to the condition that the First Party should deduct such amounts as expended by the Second Party towards the implementation of the Programme/project.

- 43) That the Second Party shall submit audited annual accounts at the end of each financial year, of the entire financial assistance the Government of Karnataka has granted towards implementation of the Programme disclosing the manner in which the same is utilized.
- 44) That the Second Party shall maintain all the documents that are required to be maintained and should cooperate with the officials of the First Party as and when they visit to supervise the proper implementation of the policy as envisaged by the State Government.
- 45) That the Second Party shall adhere to all the relevant existing laws in the matter of employment and provide all the benefits and facilities for the employees as per the existing laws in force. The Second party hereby indemnifies the First Party against any claims that may arise from the employees or staff members engaged in the programme under the policy by the Second Party, by way of salary dues/arrears, statutory dues, incentives, bonus etc.
- 46) That the Second Party shall not misuse the financial assistance released by the First Party/State Government in any manner whatsoever and strictly utilize the same for implementation of the policy as envisaged by the Government.
- 47) That the Second Party hereby agrees to indemnify and keep the First Party and everyone claiming under them indemnified and harmless at all times against all or any actions, damages, charges, litigations, costs, claims, encumbrance, losses or other consequences arising out of any contractual obligations entered by the second party.
- 48) The First Party is no way responsible for any of the grievance concerned to the Second Party, its employees, students or anyone attached to it and the entire responsibility is solely on the Second Party and the Second Party shall keep the First Party indemnified in all respects against any claims made by any persons or persons concerned to the implementation of this Programme in any manner whatsoever.
- 49) That the Second Party shall in no way claim or represent it is undertaking of either the Government of Karnataka or the first party in any of the promotional materials or in any of its business transactions and in the event the Second Party does so, the same would be treated as breach of condition of this agreement and also would be treated as misrepresentation to the public or any financial institution or any company.
- 50) That in the event of the Second Party being unable to perform any of the terms and conditions of this agreement or any of the guidelines or terms and conditions of the Government or the Second Party being unable to implement the Programme, the First Party will initiate legal process to recover the financial assistance given.
- 51) That the details of payments made by Government of Karnataka through the First party to Second Party and the manner in which the same would be expended towards the implementation including the time line for implementation of the Programme will be issued separately and the same will be binding on the Second Party.
- 52) That in the event of the implementation of the Programme is not as per mutually agreed term or in accordance with the policy, the First Party will issue a notice to the Second Party providing a period of 30 days to explain and correct the situation and to meet the defined and mutually agreed terms of the Programme and in the event if the same is not satisfactory or the Second Party fails to do so, then the First Party reserves its right to terminate the financial support being extended to the Second Party for the Programme without any notice and initiate legal action to recover the funds released.
- 53) That, it is agreed by both the parties that in the event of the Second Party failing to implement the said directives or any of the conditions made in the Policy, that First party shall terminate this MOU with three months notice to the Second Party and also cancel the financial assistance extended to the Second Party thereafter and also forfeit the entire

infrastructure.

- 54) Neither party shall be liable for any failure or delay in performance of any obligation under this MOU to the extent such failure nor is delay due to force majeure event. The party having any such cause shall promptly notify the other party, in writing, of the nature of such cause and the expected delay.
- 55) In the event of any dispute or difference or question arising between the parties out of or in relation to or in connection with this Agreement, both parties shall first attempt to amicably resolve their differences or disputes on the questions arising by mutual discussion within a period of one month. Upon failure of the parties to reach an amicable settlement, such dispute or differences or questions shall be referred to arbitration or conciliation in accordance with provisions of the Arbitration & Conciliation Act, 1996. The venue of arbitration shall be Bengaluru. The Arbitration proceedings shall be conducted in the English language. The Arbitration Award shall be final and binding on the parties.
- 56) This MOU shall be governed by and construed in accordance with the laws of India and the Courts at Bengaluru, Karnataka shall have exclusive jurisdiction.
- 57) This MOU constitutes the entire Agreement between the parties on this subject and supersedes all prior agreements, arrangements or understandings, whether verbal, written, or implied. Any amendment hereto will be in writing and signed by both the parties.
- 58) That First Party shall not be liable in damages, costs, expenses, or any other similar or other liability arising out of or relating to any aspects of this Programme implementation. Second Party understands and agrees that the obligations of First Party are limited to providing financial support in a timely manner as defined in this Agreement and support promotion of the Programme.
- 59) No failure or delay on the part of any of the parties to this Agreement relating to the exercise of any right, power, privilege or remedy provided under this Agreement shall operate as waiver of such right, power, privilege or remedy or as a waiver of any preceding or succeeding breach by the other party to this Agreement nor shall any single or partial exercise of any right, privilege or remedy preclude any other or further exercise of such or any other right, power, privilege or remedy provided in this Agreement all of which as a waiver of any preceding or succeeding breach by the other party to this Agreement nor shall any single or partial exercise of such or any other right, power, privilege or remedy provided in this agreement all of which are several and cumulative and are not exclusive of each other or any of other rights or remedies otherwise available to a party at law or in equity.

IN WITNESS WHEREOF, the parties hereto have signed and executed this Memorandum of Understanding on the day, month and year first above written in the presence of the following witnesses:

Name:
Designation: Managing Director, KITS

Name:
Designation:

WITNESSES:
Signature:
Name:
Address:

WITNESSES:
Signature:
Name:
Address:

11.3 Certificates

11.3.1 Certificate: Endorsement from Head of Institution for TBI

1. We have gone through and agreed to abide by the Terms and Conditions of the GoK grant for TBI.
2. We have not submitted, nor do we intend to submit this, or a similar project proposal, to any other agency for financial or other support. In case we submit a proposal to the other agency and get the support, we will keep GoK informed.
3. We undertake to submit progress reports, statement(s) of accounts, and utilization certificates as required.
4. Certified that Dr./Shri/Smt..... is the TBI Coordinator of the proposed TBI. The TBI Coordinator will assume the responsibility of implementation of the project.
5. Certified that the hardware, other basic facilities and such other administrative support required for successful running of TBI will be extended exclusively to the TBI by Host Institute, as per terms and conditions of the grant.
6. Our institution/agency assures to undertake the complete financial and other management responsibilities of the TBI, and successful running of TBI beyond five years of sanction of TBI by GoK. We are aware that the GoK grant is only for five years.
7. Certified that the minimum period of lease to provide land and building to TBI is 15 years and we will continue to provide support beyond this lease period.
8. If any of the above statements found to be incorrect by GoK at any point of time, the organization takes the responsibility to refund the entire amount released by GoK.

Date.....

Name & Signature of the

Place.....

Head of Institution/Agency

11.3.2 Certificate: Host institute contribution certificate

HOST INSTITUTE CONTRIBUTION CERTIFICATE

Period (Fromto.....)

This is to certify that the Host Institute (Name of the Institute) has provided a committed CAPEX contribution of INR and OPEX contribution of contribution of INR..... (as applicable) towards execution of (Name of the TBI) project through its internal funds.

Break up contribution:

Type of Contribution	Description	Amount
Non-Recurring (CAPEX)	Renovation/furnishing of space for TBI excluding the cost of land & building (Provide details as annexure)	
	Thrust area equipment (Enclose a list with approximate cost)	
	Office equipment including state-of-the art communication network	
Total Non-recurring cost		
Recurring (OPEX)	Manpower	

Type of Contribution	Description	Amount
	Travel	
	Utility and maintenance	
	Marketing, promotion and publicity	
	Networking and Training Programme	
	Other Administrative Expenses including consumables, printing, publications, books, journals, etc.	
	Miscellaneous and Contingencies	
Total Recurring cost		
Total Cost		

Date.....
Place.....

Name & Signature of the
Head of Institution/Agency

11.3.3 Certificate: CA Expenditure statement for Fixed Investment Infrastructure

CA Certificate for Project Cost

Certified that the applicant M/shas established an incubation center[name] at [place]. This is a New/Expansion Project (as applicable) as defined under Karnataka Startup Policy 2022-2027 and its operational guidelines. The total project cost and Fixed Investment for Infrastructure as per Karnataka Startup Policy 2022-27, for the center after completion of development is as under

S No.	Head of Expenditure	Amount (in INR in words and figures)
1a	Expense Incurred for Building and Civil Works: (excluding residential quarters/guest houses)	₹
1b	Expense Incurred for Interiors	
1c	Expense Incurred for IT/ITeS Infrastructure: (Computers, Software tools, products, Computer Servers, Security, LAN equipment etc.)	₹
2	Total Fixed Investment for Infrastructure (excluding the cost of land)	₹
3	Other Fixed Assets (as eligible under the policy <i>specify details</i>)	₹
4	Cost of Land	
5	Total Project Cost	₹

CERTIFICATION

Certified that the expenditure incurred and certified herein has been verified from the ledgers including subsidiary ledgers, books of accounts and bank account/s of the incubation center project as well as bills, invoices, payment vouchers, etc. Separate lists of head-wise expenditure are appended with the certificate. Only the eligible expenditure actually incurred has been taken into the account and the eligible infrastructure/construction work has been completed. Certified that the expenditures certified above do not include items for which grant is not allowed under Karnataka Startup Policy 2022-27 and its operational guidelines.

I/we certify that the information furnished with our application is true and correct to the best of my knowledge and belief. I/we also certify that all the aforesaid items have been duly paid for and no credit is raised against them in the books of the project.

Date of Issue of Certificate:

Place:

Signature:

Name:

Registration Number:

Membership Number:

Unique Code of Chartered Accountant:

Address and Seal:

(To be printed on company/entity letterhead and duly signed and affixed with company/entity seal)

11.3.4 Detailed statement of expenditure incurred for patent registration

(To be printed on company/entity letterhead and duly signed and affixed with company/entity seal while applying for patent cost reimbursement)

As per the documents and records of

M/s.....with Registered office
at.....

The enterprise has incurred a total expenditure of INR
(Rupees..... Only) for Granting Patent for
its invention from the Certifying Agency/ Organization viz the categorization of
expenditure is as follows:

S.No	Details of Payments	Certifying Agency/ Organization	Amount (INR)	Remarks
1	Patent Office Fee Application Fee (India /Abroad) Prior Art Search Fee Request for Examination			

S.No	Details of Payments	Certifying Agency/ Organization	Amount (INR)	Remarks
	Fee Annual Fee			
2	Attorney Drafting Charges			
3	Consultancy Charges			
	Total			

(Note: The above details of payments must be supported by the duly attested copies of invoices and Receipts of payments made towards Patent Registration.)

Place:

Signature and Seal

Date:

(Proprietor / Mg. Partner / Chief Executive)

11.4 Letters/Declaration forms

11.4.1 Forwarding letter from the host institute/TBI (Only for TBI 2.0)

I hereby forward the proposal of Technology Business Incubator.....to be established at

It is being ensured that space of.....sq.mt./sq. ft. and basic facilities will actually be available as and when required for the TBI activities.

It is agreed to abide by the terms and conditions of the GoK grant.

The following documents are enclosed for consideration:

S. No.	Items	Number of copies
1	Endorsement from the Head of the Institution (on the Letter Head)	One
2	Proposal for the TBI duly signed (2 hard & 1 soft copy)	Three
3	Registration certificate of the TBI	One, if applicable
4	Memorandum of Association of the Host Institute, Audited Balance Sheet and Annual Report of previous three years of the Host Institute	One

Date.....

Name & Signature of the

Place.....

Head of Institution/Agency

11.4.2 Self-declaration on meeting the eligibility criteria for an incubation center

DECLARATION

(to be provided on letterhead of applicant)

I, _____ (full _____ name)

S/o.....

Managing Director/Director/Proprietor/Partner), as the Authorized Representative of M/s..... (Complete address), do hereby solemnly affirm and declare that the particulars stated in the application for availing benefits setting up new incubation center/ upgrading/expanding an existing incubation center (as applicable) are true and correct to the best of my knowledge, information and belief.

We hereby undertake as follows:

I/We certify that I/we meet the eligibility criteria required for availing the benefits for the center, as per the terms and conditions mentioned in the Karnataka Startup Policy 2022-2027 and operational guidelines.

I/We certify that the center has the total seat capacity no:

I/We certify that below provided details for the eligibility criteria are correct and I/We are submitting all the copies of the certificates/supporting documents as per the requirements.

Eligibility Criteria (as applicable)	Total (during the time of claiming the grant)
Occupancy Rate by startup entities in the center	
Occupancy Rate by startup entities in the expanded/upgraded area of the center	

I/We certify that below provided details for the eligibility criteria are correct and I/We are submitting all the copies of the certificates/supporting documents as per the requirements.

Occupancy details is as follows

S.No	Name of the startup entities occupying the center	Type of Activity/ sector	Lease / Rent Start Date	Lease / Rent End Date	Total Build- up Area Occupied (sq. ft.)	Occupancy %
1.						
2.						
3.						
4.						
5.						
	Total					

In case any of the Statement/Information furnished in the application or documents are found to be wrong or incorrect or misleading, or in case I/we have been found to be engaging in corrupt practices or fraudulent practices, I do hereby bind myself and my applicant entity/unit to pay to the KITS/Department/Government on demand, the full amount received as grant or reimbursement in respect of the above mentioned activity, within 7 (Seven) days of the demand being made to me in writing.

Further, I/we understand that the Department of Electronics, Information Technology, Biotechnology and Science & Technology, Government of Karnataka, may initiate legal proceedings against applicants who are found to have engaged in corrupt practices or fraudulent practices.

I/We have read and understood all the terms and conditions mentioned in the Karnataka Startup Policy 2022-27 and hereby agree to abide by them. I further confirm that I shall abide by the same and such other conditions as may be laid down time to time by the Department of Electronics, Information Technology, Biotechnology and Science & Technology, Government of Karnataka, under Karnataka Startup Policy 2022-27.

Name:

Signature and Seal:

Place:

Date:

11.4.3 Declaration/ Undertaking to be submitted for availing Incentives & Offerings

DECLARATION

(To be provided on letterhead of applicant)

I, _____.(full name of Managing Director/Director/Partner), as the Authorized Representative of M/s. _____(Company name) , _____ (Complete address), do hereby solemnly affirm and declare that the particulars stated in the application are true and correct to the best of my knowledge, information and belief.

In case any of the Statement/Information furnished in the application or documents are found to be wrong or incorrect or misleading, or in case I/we have been found to be engaging in corrupt practices or fraudulent practices, I do hereby bind myself and my applicant Entity/Unit to pay to the KITS/Department/Government on demand, the full amount received as subsidy or reimbursement in respect of the above mentioned activity, within 7 (Seven) days of the demand being made to me in writing.

Further, I/we understand that the Department of Electronics, Information Technology, Biotechnology and Science & Technology, Government of Karnataka, may initiate legal proceedings against applicants who are found to have engaged in corrupt practices or fraudulent practices.

I have read and understood all the terms and conditions mentioned in the Karnataka Startup Policy 2022 and its operational guidelines and hereby agree to abide by them. I further confirm that I shall abide by the same and such other conditions as may be laid down time to time by the Department of Electronics, Information Technology, Biotechnology and Science & Technology, Government of Karnataka, under Karnataka Startup Policy 2022 and its operation al guidelines.

By Authorized Signatory

Name:

Designation:

Signature and Seal

Place:

Date:

11.4.4 Declaration/Incubator endorsement to be submitted for GST reimbursement

INCUBATOR ENDORSEMENT

(To be printed on Incubator letter head and duly signed and affixed with seal)

I hereby solemnly affirm and endorse that the information in the application dated _____ for GST reimbursement by M/S _____ bearing KITS Registration No. _____ is complete, true and correct as per the terms and conditions stipulated the operational guidelines of the Startup Policy. In case above declaration is found wrong or incorrect or misleading, I do hereby bind myself & my unit and undertake to pay to the Government on demand the full amount received as reimbursement in respect of above-mentioned activity, within 15 days of the demand being made to me in writing if the concerned Startup has not already affected payment towards the same.

DEPONENT

Place

Date

11.4.5 Declaration/Incubator endorsement to be submitted for patent cost reimbursement

INCUBATOR ENDORSEMENT

(To be printed on Incubator letter head and duly signed and affixed with seal)

I hereby solemnly affirm and endorse that the information in the application dated _____ for patent cost reimbursement by M/S _____ bearing KITS Registration No. _____ is complete, true and correct as per the terms and conditions stipulated the operational guidelines of the Startup Policy. In case above declaration is found wrong or incorrect or misleading, I do hereby bind myself & my unit and undertake to pay to the Government on demand the full amount received as reimbursement in respect of above-mentioned activity, within 15 days of the demand being made to me in writing if the concerned Startup has not already affected payment towards the same.

DEPONENT

Place

Date

11.4.6 Declaration/Incubator endorsement to be submitted for marketing cost reimbursement

INCUBATOR ENDORSEMENT

(To be printed on Incubator letter head and duly signed and affixed with seal)

I hereby solemnly affirm and endorse that the information in the application dated _____ for
Marketing Cost Reimbursement by M/S _____ bearing

KITS registration number_____is complete, true and correct as per the terms and conditions stipulated the operational guidelines of the Startup Policy. In case above declaration is found wrong or incorrect or misleading, I do hereby bind myself & my unit and undertake to pay to the Government on demand the full amount received as reimbursement in respect of above-mentioned activity, within 15 days of the demand being made to me in writing if the concerned Startup has not already affected payment towards the same.

DEPONENT
Place
Date

11.4.7 Declaration/Incubator endorsement to be submitted for quality certification cost reimbursement

INCUBATOR ENDORSEMENT

(To be printed on Incubator letter head and duly signed and affixed with seal)

I hereby solemnly affirm and endorse that the information in the application dated _____ for Quality Certification Cost Reimbursement by M/S _____ bearing KITS registration number_____is complete, true and correct as per the terms and conditions stipulated the operational guidelines of the Startup Policy. In case above declaration is found wrong or incorrect or misleading, I do hereby bind myself & my unit and undertake to pay to the Government on demand the full amount received as reimbursement in respect of above-mentioned activity, within 15 days of the demand being made to me in writing if the concerned Startup has not already affected payment towards the same.

DEPONENT
Place
Date

11.4.8 Declaration/Undertaking to be submitted at the time of registration with Karnataka Startup Cell

DECLARATION BY APPLICANT

(to be provided on letterhead of applicant)

I, (full name)..... S/o, D/o W/o H/o.....

Managing Director/Director/Partner), as Authorized Representative of M/s.....(Complete address), do hereby solemnly affirm and declare that all information and documents provided and the particulars stated in the application are true and correct to the best of my knowledge, information, and belief.

I have read and understood all the terms and conditions and hereby agree to abide by them. I further confirm that I shall abide by the same and such other conditions as may be laid down time to time by the Department of Electronics, Information Technology, Biotechnology and Science & Technology, Government of Karnataka.

Name:
Signature and Seal:
Place:
Date:

11.5 Presentation formats

11.5.1 Presentation format for TBI

1. Slide 1 & 2:

- Project title: **Technology Business Incubator**
- Name of the Host institution/TBI/ Organization
- Name, Designation & Contact Details of the TBI Coordinator
- Duration
- Total Project Budget (Rs. in Lakhs)
- Organizational strengths and past activities relevant to incubation and entrepreneurship.
- List best five industrial consultancy or technology development/innovation undertaken.

2. Slide 3 & 4: Technical Details of the project

- Objectives of the Project
- Methodology
- Innovation and Novelty

3. Slide 5:

- All details for Host Institution (HI) Information-General as mentioned in the application form
- Patents Granted/ Applied
- Awards & Recognitions
- Products developed/commercialized

4. Slide 6: Institute's preparedness for TBI

- Profile of institution
- SWOT
- Justification for funding
- Competence of the Management Team (Technical and Commercial strengths)
- Organizational strength in scouting and promoting Innovations

5. Slide 7 & 8: Incubation

- Incubation model, proposed thrust area
- Legal status of proposed TBI
- Space to be made available to the TBI
- Duration of long-term lease for transfer of space to the TBI

S No.	Description	Space Proposed (sq.mt/sq. ft.)
1	Incubation Space (Cubicles)	
2	Conference Room	
3	Meeting Room	
4	Cafeteria	
5	Office Space	
	Total	

- Existing Facilities Available
- Collaboration with Other Institutions/Organizations (if any)

6. Slide 9: Target milestones (should be projected based on most likely attainable targets)

S No.	Outcome	Year 1	Year 2	Year 3	Year 4	Year 5	Total
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S No.	Outcome	Year 1	Year 2	Year 3	Year 4	Year 5	Total
1	No. of new entrepreneurs to be admitted for Incubation						
2	No. of entrepreneurs to be graduated from the incubator						
3	No. of new products / technologies developed / innovations to be commercialized						
4	No. of entrepreneurs to be assisted offsite						
5	Other notable services to be provided (specify)						

Please mention the sources of tapping new entrepreneurs/pipeline of potential incubatees for the above projections.

7. **Slide 10:** Financial Outlay (For TBI 2.0)

S No.	Item of Expenditure*	1st Year	2nd Year	3rd Year	4th Year	5th Year	Total
A. Non-Recurring							
1	Renovation/furnishing of space for TBI excluding the cost of land & building (Provide details as annexure)						
2	Thrust area equipment (Enclose a list with approximate cost)						
3	Office equipment including state-of-the art communication network						
Total A							
B. Recurring**							
1	Manpower						
2	Travel						
3	Utility and maintenance						
4	Marketing, promotion and publicity						
5	Networking and Training Programme						
6	Other Administrative Expenses including consumables, printing, publications, books,						

S No.	Item of Expenditure*	1st Year	2nd Year	3rd Year	4th Year	5th Year	Total
	journals, etc.						
7	Miscellaneous and Contingencies						
Total B							
C. GoK's contribution (% of A)		90%	90%				
D. GoK's contribution (% of B)		70%	70%	70%	70%	70%	
Total C + D							
Total A + B + C + D							

8. **Slide 11: Financial Outlay (for 1.0)**

S No.	Item of Expenditure*	1st Year	2nd Year	3rd Year	4th Year	5th Year	Total
A. Recurring**							
1	Manpower						
2	Travel						
3	Utility and maintenance						
4	Marketing, promotion and publicity						
5	Networking and Training Programme						
6	Other Administrative Expenses including consumables, printing, publications, books, journals, etc.						
7	Miscellaneous and Contingencies						
Total A							
B. GoK's contribution (% of A)		70%	70%	70%	70%	70%	
Total B							

9. **Slide 12: Means of Financing**

S No.	Means of Financing	Amount (in INR Lakh)
1	Contribution of GoK towards Non-Recurring grant	
2	Contribution of Go towards Recurring grant	
3	Contribution of HI towards Non-Recurring grant (towards furnishing, office/ thrust area equipment, software etc.)	
4	Contribution of HI towards Recurring grant	
5	Revenue Generation from TBI activities	
Total		

(Including assumptions in revenue generation projections)

10. Slide 13: Revenue generation projections

S No.	Means of revenue generation	Year 1	Year 2	Year 3	Year 4	Year 5	Total
1							
2							
s3							
4							

11.6 Zone classification for Karnataka

S No.	Districts	No. of Taluks	Zone		
			Zone 1	Zone 2	Zone 3
1	Bengaluru (U)	5			Anekal
					Bengaluru (N)
					Bengaluru (S)
					Yelahanka
					Bengaluru (E)
2	Bengaluru (R)	4			Devanahalli
					Doddaballapura
					Hoskote
					Nelamangala
3	Ramanagara	5		Magadi	
				Ramanagara	
				Channapatna	
				Kanakapura	
				Harohalli	
4	Chitradurga	6	Holalkere	Hiriyur	
				Chitradurga	

S No.	Districts	No. of Taluks	Zone 1	Zone 2	Zone 3
				Challakere	
				Hosadurga	
				Molakalmuru	
5	Davanagere	6	Channagiri	Davanagere	
			Jagalur	Harihar	
			Honnali	Nyamathi	
6	Chikkaballapura	7	Gudibande	Chintamani	
			Bagepalli	Gowribidanur	
			Chikkaballapura	Sidlaghatta	
				Cheluru	
7	Kolar	6	Srinivasapura	Bangarpet	
				KGF	
				Kolar	
				Malur	
				Mulbagal	
8	Shivamogga	7	Soraba	Sagar	
			Hosanagara	Thirthahalli	
			Shikaripura	Shivamogga	
				Bhadravathi	
9	Tumakuru	10	Madhugiri	Turuvekere	
			Koratagere	Sira	
			Gubbi	Tiptur	
			Pavagada	Kunigal	
			Chikkanayakanahalli		
				Tumakur	

S No.	Districts	No. of Taluks	Zone 1	Zone 2	Zone 3
10	Chamarajanagar	5	Yelandur		
			Gundlupet		
			Hanur		
			Chamarajanagar		
			Kollegal		
11	Chikkamagaluru	9	Kadur		
			Mudigere		
			Tarikere		
			Chikkamagaluru		
			Ajjampur		
			Shringeri		
			Koppa		
			N R Pura		
Kalasa					
12	Dakshina Kannada	9	Bantwal		
			Sulya		
			Belthangadi		
			Puttur		
			Mulki		
			Ullal		
			Moodbidri		
			Kadaba		
Mangalore					
13	Hassan	9	Arakalgud	Alur	
			Belur	C R Patna	
			Arasikere	Shantigrama	
				Hassan	
				H N Pura	
				Sakleshpura	

S No.	Districts	No. of Taluks	Zone 1	Zone 2	Zone 3
14	Kodagu	5	Madikeri		
			Somwarpet		
			Virajpet		
			Ponnampete		
			Kushalnagar		
15	Mandya	7		Srirangapatna	
				Pandavapura	
				Mandya	
				Maddur	
				Nagamangala	
				Malavalli	
				K R Pet	
16	Mysuru	9		Hunsur	
				K R Nagara	
				Mysuru	
				Nanjangud	
				T N Pura	
				Periyapatna	
				H D Kote	
				Saraguru	
				Saligrama	
17	Udupi	7		Saligrama	
				Karkala	
				Bhramhavara	
				Udupi	
				Kundapura	
				Kapu	
				Hebri	

S No.	Districts	No. of Taluks	Zone 1	Zone 2	Zone 3
				Baindur	
18	Bagalkote	10	Bilagi		
			Badami		
			Mudhol		
			Jamkhandi		
			Hunagund		
			Guledgudda		
			Rabakavi-Banahatti		
			Terdal		
			Ilkal		
			Bagalkote		
19	Belagavi	15	Bailhongal		
			Soundathi		
			Chikkodi		
			Raibag		
			Khanapur		
			Ramdurg		
			Hukkeri		
			Athani		
			Gokak		
			Nipani		
			Kagavadi		
			Mudalgi		
			Yaragatti		
			Kittur		
Belagavi					
20	Vijayapura	13	Sindgi		
			Indi		
			Muddebihal		
			B Bagewadi		

S No.	Districts	No. of Taluks	Zone 1	Zone 2	Zone 3
			Alamela		
			Babaleshwar		
			Nidagundi		
			Tikota		
			Chedachana		
			Kolhar		
			Devarahipparagi		
			Talikote		
			Vijayapura		
21	Dharwad	8	Navalgund		
			Kalghatagi		
			Kundagol		
			Annigeri		
			Alnavar		
			Hubballi (R)		
			Dharwad		
			Hubballi(U)		
22	Gadag	7	Mundargi		
			Naragund		
			Ron		
			Shirahatti		
			Gajendragad		
			Lakshmeshwar		
			Gadag		
23	Haveri	8	Savanur		
			Shiggaon		
			Hirekerur		
			Hanagal		
			Ranebennur		

S No.	Districts	No. of Taluks	Zone 1	Zone 2	Zone 3
			Byadagi		
			Rattihalli		
			Haveri		
24	Uttara Kannada	12	Honnavar		
			Sirsi		
			Mundagod		
			Yellapura		
			Siddapura		
			Haliyal		
			Joida		
			Bhatkal		
			Ankola		
			Kumta		
			Dandeli		
			Karwar		
25	Ballari	5	Sandur		
			Siraguppa		
			Kurogod		
			Kampli		
			Ballari		
26	Vijaynagara	6	Kudligi		
			H B Halli		
			Hadagalli		
			Hospet		
			HarappanaHalli		
			Kottur		
27	Bidar	8	Bhalki		
			Humnabad		
			BasavaKalyana		
			Aurad		
			Chitaguppa		
			Hulusur		

S No.	Districts	No. of Taluks	Zone 1	Zone 2	Zone 3
			Kamala Nagar		
			Bidar		
28	Kalaburagi	11	Afzalpur		
			Aland		
			Jewargi		
			Sedam		
			Chittapur		
			Chincholi		
			Kalagi		
			Kamalapur		
			Yedrami		
			Shahabad		
			Kalaburagi		
29	Yadgir	6	Yadgir		
			Shahapur		
			Shorapur		
			Hunasagi		
			Vadagera		
			Gurumitkal		
30	Koppal	7	Kushtagi		
			Yelburga		
			Gangavathi		
			Kukkunur		
			Karatagi		
			Kanakagiri		
			Koppal		
31	Raichur	7	Sindhanur		
			Manvi		
			Lingasugur		

S No.	Districts	No. of Taluks	Zone 1	Zone 2	Zone 3
			Devadurga		
			Maski		
			Siravara		
			Raichur		
	Total	239	152	78	9

