

Minutes of the 3rd Meeting of Project Monitoring & Advisory Committee (PMAC) for Implementation of Scheme “Entrepreneurial and Managerial Development of MSMEs through Incubators” Under CLCS-TUS.

3rd Meeting of Project Monitoring & Advisory Committee (PMAC) for Implementation of Scheme “Entrepreneurial and Managerial Development of MSMEs through Incubators” Under CLCS-TUS, was held on 13.03.2020 in Room no 702, Conference Room, Nirman Bhawan, under the Chairmanship of Special Secretary and Development Commissioner, Ministry of MSME, New Delhi.

DISCUSSION AND DECISIONS:

S.No	Proposal for consideration	Proposals placed in the PMAC and Decisions/Comments / Approvals of PMAC
Agenda Nos. 1	Approval of action taken report of the decisions taken in the 1 st and 2 nd Sub committee constituted by the PMAC .	<p>The Action taken report, placed at Annexure B to minutes was discussed in detail and confirmed by the committee. The following decisions were taken:</p> <ol style="list-style-type: none"> 1. Separate bank account shall be opened by the BIs. However PAN details of HI will be acceptable. 2. However as per the scheme, funds for GIA and Seed Capital by the NMIU secretariat (PPDC Agra), shall be transferred to the BIs through Implementing agencies. 3. Regarding approval of Host Institutes, (HIs), the prior approval of DIs is not binding but the comments of DIs on the HI selection, may be considered by the NMIU while approving HIs. 4. NMIU will then send a consolidated report to JDC on the selection of HIs.
Agenda Nos. 2	Approval of Host institutes received on MIS portal.	120 nos of new proposals received for registration as HI till date. The proposals were approved in principle by the PMAC subject to detailed consideration by the Sub committee under DDG.

<p>Agenda Nos. 3</p>	<p>Approval of Ideas received on MIS portal and Innovate portal for 'Ideas for New India Challenge 2020.</p>	<p>JDC explained about the Idea challenge for New India and informed the PMAC that:</p> <ol style="list-style-type: none"> a. 1284 ideas have been received with business plan in MIS portal. b. 2342 shortlisted ideas through BIs have been received in the Innovate portal of My Gov for 'Ideas for New India Challenge 2020' after short listing by HIs. c. GIZ has been nominated as agency, with approval of SS&DC, for conducting evaluation process through experts list shared by MHRD. d. List of 400 experts has been shared by MHRD, out of which 44 experts, across 13 broad sectors have been shortlisted by GIZ. e. This list has been shared with MyGov, and also with MIS team of NIC in DC office, who have integrated them in their innovate portal and online evaluation is being done through these experts f. Evaluation criteria as approved by the Sub committee were presented before the PMAC which was approved. g. MHRD's Innovation Cell (MIC) has also submitted 377 shortlisted ideas for consideration in the idea challenge competition. <p>EA, enquired whether MHRD is also funding these ideas to which Dr Mohit Gambhir, Director MIC explained that these ideas were shortlisted under the Smart India Hackathon conducted by MHRD recently for which prize money of Rs 1 lakh each was given, but no grant in aid has been given to these ideas. PMAC approved the above process and suggested to complete the process at the earliest so that the funds can be released soon.</p>
<p>Agenda Nos. 4</p>	<p>Approval of MHRD Innovation cell as Host Institute</p>	<p>The committee agreed in principle to recognize MHRD Innovation cell (MIC) as Host Institute for single Business Incubator, so that 377 shortlisted ideas by MIC may also be considered under the scheme guidelines. MIC was advised to also apply online under the scheme MIS. SS&DC suggested that National Innovation foundation should also be recognized as HI as per the scheme guidelines.</p>

<p>Agenda Nos. 5</p>	<p>Approval of proposals of grant-in-aid to Host institute for procurement of Plant and Machinery in the BIs.</p>	<p>The method of evaluating release of grant in aid for plant and machinery to BIs was discussed in the PMAC.</p> <p>SS&DC and Economic Advisor suggested that a committee should be constituted comprising the following members under the chairmanship of DDG to review the release of grant in aid for plant & machinery:</p> <ol style="list-style-type: none"> 1. JDC 2. Member of IFW 3. CPM -NMIU 4. GIZ representative 5. India SME Forum representative 6. CII Representative 7. MHRD representative 8. PD, PPDC Agra
<p>Agenda Nos. 6</p>	<p>Approval of criteria for seed funding support</p>	<p>Under the third component of the scheme, there is a provision of seed capital funding with support upto Rs.1.00cr. There is also a provision of Business Enabler (BE). GIZ made a detailed presentation on the empanelment process of BE. SS&DC stated that such accelerators/Business Enablers should also be able to catalyse ideas for traditional MSMEs and not only for software or IT related ideas.</p> <p>To finalize the concept of business enablers, it was suggested that the above committee may be given this mandate as well.</p>
<p>Agenda Nos. 7</p>	<p>Status on old Host Institutes and Ideas</p>	<p>JDC MK informed that no concrete record is available for the ideas approved in previous scheme. However a record is available which indicates that 281 HIs were approved and 823 ideas from 119 HIs were approved since inception in the previous scheme.</p> <p>Also an excel sheet is available which states that 97 HIs got first installment for 184 ideas, second installment for 203 ideas and third and final installment for 293 ideas. Remaining ideas could not be funded due to various reasons like mismatch in the PFMS system and not following EAT modules, etc.</p> <p>EA pointed out that, the ideas which are not found relevant from those ideas which got first and second installment only have to be reviewed.</p> <p>SS & DC MSME suggested that these ideas have to be evaluated by independent agencies like EDI and</p>

		<p>submit report to recover the amount if not utilized properly.</p> <p>It was decided that a proposal be moved in file for nomination of EDI as an evaluation agency for these ideas, so that final closure of these could be made.</p>
Agenda 8	<p>Review of expenditure of PPDC Agra as NMIU Secreteriat and Action taken Report</p>	<p>SS&DC and EA have advised for a separate meeting on Monday 16th March for reviewing this.</p>

The meeting ended with vote of thanks to chair.

ATTENDANCE SHEET FOR INCUBATION PMAC

ANNEXURE-A

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ACTION TAKEN REPORT-

Annexure B

S.No	Scheme components of incubation scheme	Decision by the Sub committee	Action by concerned NMIU/NIC	Action by PMAC
1.	Registration as Host Institute (HI)	1. Total 428 Proposals received for Registration as HI till date and 21 already approved by PMAC as a HI. Remaining 407 proposals were approved in principle by the committee subject to the condition that all the requisite documentation needs to be completed.	Out of 428, 21 already approved by 1st PMAC as a HI, remaining 348 were in principally approved.	Approved
		2. It was also directed that no money for Grant for P&M shall be released to any institute till at least 2 ideas are approved for that HI.	MIS has been blocked for release of grant for P&M, till 2 ideas are approved for that HI.	Noted
		3. Every HI is supposed to have its independent status and money shall not be released in the name of the trust or the group of institutions. All the requisite tax documents need to be obtained from them.	It is directed that a separate bank account shall be opened in the name of the BIs only. Separate accounts are also to be maintained	Approved

			by BI for the grant amount which needs to be audited as per GFR.	
		4. Delay by the concerned MSME DI in forwarding the applications was also discussed and it was decided that attempt should be made to open as many incubation centres as possible, but no money for grant shall be given to any IC until some worthy proposals/ideas/seed capital funding proposals are received and approved.	MIS has been amended accordingly permitting auto forward after 15 days.	Noted
		5. NIC was advised to modify the MIS accordingly so that links to grant is made conditional upon approval of atleast 2 ideas for any HI.	Modification on MIS completed	Noted
		6. Similarly auto forward option needs to be activated after 15 days of pendency with the concerned DI.	MIS system forwarded Proposal to NMIU automatically after 15 days.	Noted
		7. An automated message needs to be sent on receipt of application from any HI as acknowledgement and assuring them get back within a month's time	Action taken by NIC	Noted
2.	Grant in Aid support to Host	Total (10 online+ 4 offline) Proposals submitted by approved Host Institutes (HI) for Grant in Aid for	MIS has been blocked for release of grant for	Noted

	Institutes (His)	seeking capital support for plant and machinery. It was decided that after approval of minimum two ideas from each HIs first installment of GIA shall be released. MIS needs to be amended accordingly. An automated message needs to be sent to all the applicants in this regard	P&M, till 2 ideas are approved for that HI.	
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3.	Grant in Aid to HI for developing and nurturing the ideas up to max. Rs.15.00 lakh per idea	1. Total 159 online proposals submitted to IAs of ideas by approved HIs for Grant in-Aid for developing and nurturing the ideas, Out of 159, 88 proposals recommended by IAs.	In this regard we have conducted Idea for new India challenge 2020. Out of 2699 Ideas received on MIS, 1284 ideas are complete with business plan and are being sent to experts appointed by GIZ for evaluation as per the evaluation criteria approved by Sub Committee.	
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		<p>2. A common template for ideas was approved with following criteria/ parameters.</p> <ul style="list-style-type: none">➤ What is the problem you are solving, please describe?➤ Explain the solution proposed?➤ Describe the product/service➤ Identify the sector to which the product/services relates to ?➤ What is the unique/innovative /competitive aspect of the product/service➤ Please let us know, the market target customers & positioning of the product.➤ Please explain the business plan from seeding, development to commercialization➤ Background of the person who all are part of the team working on the project➤ Please explain the detailed economics, funding requirement expenses & income plan over the next 5 years after start Please attach the Product! service documentation.	<p>MIS has been amended accordingly. All the new ideas shall come on this format.</p>	<p>Noted</p>
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		3. An automated message needs to be sent to all HIs when they are approved to send the ideas in this format.	Done	Noted
		4. For the 159 ideas received so far, the same message needs to be sent, to be replied to within 15 days.	Done	Noted
		5. Expert committees, sector wise to be constituted for evaluation of these ideas.	Done through GIZ	Approved
		6. Ideas need to be received directly by NMIU. At the evaluation stage, concerned DIs need to be involved in the expert committee and for further follow up.	Experts appointed through GIZ with the approval of Sub committee and chairman PMAC.	Approved
		7. NIC to modify the MIS for the ideas accordingly.	Action taken by NIC	Noted
4.	SEED capital support fund for setting up of startups	Total 4 Proposals submitted by approved HIs to IAs for seed capital support fund for setting up of start-up. These proposals also need to be evaluated on the basis of same template as approved for the ideas. HIs to be sent templates accordingly. Automated messages to be sent to HIs for all future proposals at the stage of	Action pending as template not yet developed.	A sub committee under DDg formed to look into this.

		approval of HI only.		
5		Financial support of Rs. 2.00 Cr for the Activities under Advertisement & Publicity through PPDC -Agra (NMIU -Secretariat) was approved. National wide idea challenge and publicity campaign needs to be floated by PPDC Agra through DAVP.	DAVP has been sent OM for development of media plan. Awaited.	Money released to NFDC.
6		Empanelment process for Accelerator/ Business Enablers needs to be initiated. Draft RFP was discussed in the meeting and approved, which needs to be uploaded and duly published after IFW Concurrence.	GIZ has been requested for the same.	DDG led committee to finalise it.

2nd Meeting of Sub-Committee for Implementation of Scheme.

- The challenge which started on 30th Jan 2020 ended on 20th February 2020. Incubators were asked to shortlist 10 ideas out of those submitted to them. Out of these, max 5 could be of insiders and rest had to be from outsiders.
- Deadline for BIs to shortlist idea was fixed as 23rd Feb. on repeated requested, the date was extended to 28th Feb 2pm.
- GIZ is the official partner for conducting the evaluation process.
- GIZ made presentation on the proposed process. It has identified 10 institutions for selection of ideas. The presentation on evaluation criteria was also discussed in the meeting.

S.No	Proposals placed in the Sub- Committee and Decisions/Comments/ Approvals of Sub-Committee	Action by concerns	
	<ol style="list-style-type: none"> 1. Criteria as presented by GIZ was approved subject to changes on cut off score 2. Instead of choosing expert institutions and making the approval of ideas just one level process, it is better to identify 3 experts sector wise as is done by MHRD in its idea challenges. 3. List of shortlisted ideas, sector wise shall provided by Mygov team to GIZ team by 28th evening. In the meantime, based on the list of sectors which are there for submission of ideas, GIZ is requested to identify 3 experts from each sector. MHRD shall also provide its list of experts being used by them in their Idea Challenges to Gil 4. Instead of payment to 10 institutions identified by GIZ, payment of some reasonable honorarium may be paid to these experts in addition to their regular TA/DA 	<ol style="list-style-type: none"> 1. The list of experts shared by MHRD, has been followed, of which 60 experts have been further shortlisted by GIZ for this process 2. Honorarium for the experts has been fixed as Rs 20,000/- by GIZ. 3. 40 experts hosrtlisted by GIZ and their consent has been taken. 4. List shared with mygov and our internal NIC team and they are working on the workflow. 5. A disclaimer/NDA from each expert to ensure confidentiality would need to be integrated with the portal which each expert will have to agree for 	Noted and approved

	<p>5. Non disclosure and non compete agreement shall be signed with these experts by the office of DC MSME. GIZ/MHRD (Innovation cell) may support in development of legal draft for this agreement</p> <p>6. 1-5th March may be fixed for identification and short listing of experts</p> <p>7. Mygov is requested to provide pdf files of part Band C of the idea application forms with all attachments so that the same may be evaluated by the experts.</p> <p>8. As 10 ideas shall be sent by each BI, we will have max 3700 ideas under the idea challenge. Besides, we have about 2000 ideas under the regular MIS of Incubation scheme. Presuming these ideas are across 20 sectors, we will have roughly 250 ideas per sector. So we can have 3 days of stay at some place where these ideas are evaluated by all the experts under one roof. Timeline of 6-9th march may be fixed for the same.</p> <p>9. 10th March compilation of results may be done.</p>	<p>evaluation..</p> <p>6. 1277 ideas on scheme MIS portal also are going to be evaluated by the same experts for which a communication is being sent to GIZ.</p>	
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	<p>10. Accordingly, final event may be planned between 12-15th March for award of money for ideas.</p> <p>11. GIZ and MyGov to discuss the IT related modalities for the Nodal Partner evaluation</p> <p>Following decisions were taken:</p> <ul style="list-style-type: none">➤ Personal details of the applicant will not be shared with GIZ or the Nodal Partners➤ Post Incubator Evaluation, MyGov to device a system for providing access to sector wise experts selected by Gil for online evaluation.➤ On the basis of the cut-off score, MyGov to share the list of winners with MoMSME.		
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