

No. MeitY/Innovation/15(10)/2021
Government of India
Ministry of Electronics and Information Technology
Innovation and IPR Division
Electronics Niketan, 6, CGO Complex


New Delhi-110003
Dated: 1st February, 2022

ADMINISTRATIVE APPROVAL

Subject: Administrative Approval towards "Establishment of MeitY Startup Hub (MSH) as Independent Business Division within Digital India Corporation (DIC)".

The undersigned is directed to convey the Administrative Approval of the Competent Authority for "Establishment of MeitY Startup Hub (MSH) as an Independent Business Division within Digital India Corporation (DIC)" with total budgetary outlay of Rs. 21,34,14,700/- (Rupees Twenty One Crore Thirty Four Lakh Fourteen Thousand Seven Hundred only) including MeitY contribution to be released as a Grant-in-aid of Rs. 19,12,94,000/- (Rupees Nineteen Crore Twelve Lakh Ninety Four Thousand only) up-to 31st March, 2024. The details of the program and the Terms & Conditions governing release of grants-in-aid from MeitY are given in enclosed Annexure-I & II respectively.

2. This issues with the approval of Secretary, MeitY vide Note No. 73 on e-file No. 3080505 dated 11.01.2022 and with the concurrence of AS&FA, MeitY on e-file No. 69 on e-file No. 3080505 dated 06.01.2022.



(S. K. Tyagi)
Deputy Director

Copy to:

1. Pay and Accounts Officer, Ministry of Electronics and Information Technology.
2. The Principal Director of Audit, O/o The Principal Director of Audit (F&C), Shamnath Marg, Civil Lines, Delhi – 110054.
3. Drawing & Disbursing Officer, MeitY (2 Copies)/ IFD, MeitY
4. President & CEO, Digital India Corporation
5. DG, STPI
6. CEO, MeitY Startup Hub (MSH)
7. JS(BK)/Sci 'F'(AKG)/Sci 'D'(NKS)
8. Sanction Folder.



(S. K. Tyagi)
Deputy Director

Annexure-I to the Administrative Approval

No. MeitY/Innovation/15(10)/2021

“Establishment of MeitY Startup Hub (MSH) as an Independent Business Division within Digital India Corporation”

1.	Name of the Project:	Establishment of MeitY Startup Hub (MSH) as an Independent Business Division.
2.	About:	MSH as IBD is a location-agnostic, pan-India inclusive digital platform-based scheme, which envisages strengthening the deep-tech start-up ecosystem by aggregating, enabling, and empowering the entrepreneurs and startup across India. MSH as IBD utilizes various digital integration and implementation tools as well as Analytics to capture and integrate data from all MEITY TIDE 2.0 Centers, COEs, start-ups, investors, mentors, service providers, freelancers, academic institutions, industries and other stakeholders involved in the deep-tech startup ecosystem to connect them to the global community of investors, mentors, corporates, experts, entrepreneurs, MSMEs, institutions / international funding agencies supporting the cause of sustainable techno-socio-economic development of India.
3.	Objective:	<p>To strengthen and enable the exponential growth of deep-tech startup ecosystem in India by integrating resources, schemes, and programs of MeitY in the domain of innovation, IPR, start-ups, investments and making them available via a comprehensive digital platform which becomes one-stop solution for deep-tech start-up needs. Key objectives of the scheme are:</p> <ul style="list-style-type: none">• Creating a one-stop-solution digital portal to serve the need of startup efficiently. The scalable, comprehensive, modular, inclusive platform would create requisite impact by engaging and empowering the startup community. It is envisaged to create a digital repository of all MeitY supported startups for showcasing their products and innovations.• Enabling the realization of startup equity acquired via different schemes and programs. Combination of grant and equity investment model will make MSH a unique government initiative to modernize the approach to disburse financial support and build startup ecosystem.• Attracting private sector funding for deep tech startups by enabling the development of Y-Combinator model-based accelerator ecosystem in India. Various programs will be conducted under a syndicated approach with the investment community to attract private funding in a Public-Private Partnership (PPP) model.• Launching innovative programs such as Startup School, Freelancer Academy, Gurukul program, and in-house investment promotion program at national scale to significantly strengthen the startup ecosystem.• Enabling international growth of Indian startups by creating linkages with global startup ecosystems and launching startup exchange programs to provide access to the foreign markets and capital.• Addressing the critical gap of talent crunch by aggregating and creating a community of deep-tech freelancer experts

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		<ul style="list-style-type: none"> Enhancing ecosystem capacity and skill development via events, knowledge series, training, workshops, and conferences.
4.	Name of the Implementing Agency:	Digital India Corporation (DIC)
5.	Governing Mechanism:	<p>a) A Governing Council is constituted to guide, review and assess the scheme through periodic review meetings consisting of the following members:</p> <ul style="list-style-type: none"> i) Secretary, MeitY – Chairman ii) JS/AS/SS & FA, MeitY – Member iii) Joint Secretary (Startups, Innovation & IPR) – Member iv) HoD (Innovation & IPR) – Member v) GCs/HoDs from all MeitY Divisions executing various startup related programs and initiatives for startups – Member vi) CEO, MeitY Startup Hub - Member Convener <p>b) A Project Review and Steering Group (PRSG) will also be constituted to monitor the day to day progress, implementation of the proposed activities and execution of future programs. It will also recommend subsequent releases of Grant-in-Aid and redistribution of funds within total outlay of the project as per extant rules. It is expected that the council will meet at least twice a year. Composition of the PRSG are as under :</p> <ul style="list-style-type: none"> i) Joint Secretary (Startups, Innovation & IPR) – Chairman ii) GC(s)/HoD(s) from all MeitY Divisions executing various startup related programs and initiatives for startups – Member iii) Dr. Debashis Dutta, Ex-GC R&DE, MeitY iv) HoD (Innovation & IPR) – Member Convener
6.	Operational Mechanism:	The CEO, MeitY Startup Hub will exercise control over the day to day operations, administration and finance of the MSH as IBD. The spending limit will be at par with CEO, MyGov. Amount in excess of this set limit will be at the discretion of President & CEO of Digital India Corporation (DIC).
7.	Total duration of the Project:	31 st March, 2024
8.	Total Budgetary Outlay:	<p>Total Outlay: Rs. 21,34,14,700/- (Rupees Twenty One Crore Thirty Four Lakh Fourteen Thousand Seven Hundred only)</p> <p>MeitY Contribution: Rs. 19,12,94,000/- (Rupees Nineteen Crore Twelve Lakh Ninety Four Thousand only)</p>

9. Deliverables :

- The project being holistic in nature seeks to strengthen all pillars of the start-up ecosystem. The impact of the scheme ranges across the full spectrum of the start-up ecosystem. Various resources, services and facilities needed by start-ups will be provided through MSH through a single digital platform. The envisaged impact on start-ups and the overall ecosystem include:
- National Digital MSH Platform - Single-window solution for all things that deep-tech startups need. It will increase the impact and benefits for startups via integration and coordination of all assets, resources, and initiatives of MeitY startup ecosystem including TIDE Centers, COEs, investors, mentors, and other stakeholders.

- Increase in funding of startups by private sector investors through investment promotion programs.
- Creation of community of experts and building a knowledge repository for deep-tech startups through initiatives such as Gurukul, Freelancer Academy, and Startup School programs
- Improved performance of incubators, COEs, accelerators, and schemes funded by MEITY through robust and scalable reporting and analytical dashboard.
- Acceleration in the growth of startups in deep-tech domains which are of strategic value and are critical for the future of Indian industries and economy
- Advancement in Intellectual Property creation and innovation development

10. Background of MSH: MeitY Startup Hub (MSH) was established as a Project Management Unit (PMU) of TIDE 2.0 scheme under Software Technology Parks of India (STPI), New Delhi with a total budgetary outlay of Rs. 5,18,00,000/- over the period of five years. The project was initiated on 1st February, 2019.

11. Finances, Human Resources and transfer of physical assets: The remaining financial balance and physical assets would be transferred from STPI, New Delhi to MSH as IBD within Digital India Corporation. The unreleased funds under TIDE 2.0 towards MSH to be subsumed in the total outlay of Rs. 21,34,14,700/-.

12. Head-wise budget plan:

S. No.	Items	First Year	Second Year	Third Year	Total
A.	Item-Wise Capital Expenditure				
1.	Portal/Digital MSH	2,00,00,000	2,00,00,000	1,00,00,000	5,00,00,000
2.	Office Equipment's including computers VC units, Printers, Projectors, video equipment, etc.)	44,00,000	45,90,000	49,40,000	1,39,30,000
	Total A	2,44,00,000	2,45,90,000	1,49,40,000	6,39,30,000
B.	Operating/Recurring Expenditure				
1.	Human Resource	31,42,600	3,05,76,000	3,81,08,400	7,18,27,000
2.	Marketing, Branding & Outreach	5,85,500	37,80,000	39,69,000	83,34,500
3.	Travel & related expenses	3,90,400	25,20,000	26,46,000	55,56,400
4.	Mentoring, networking, marketing, advisory, and other support services, activities and resources for start-ups	6,83,200	44,10,000	46,30,500	97,23,700
5.	Workshops, Events, training programs, conclaves, conferences, competitions and support services	19,51,900	52,50,000	55,12,500	1,27,14,400
6.	Other Administrative Expenses including licences, consumables, printing, subscriptions, journals etc.	15,61,500	42,00,000	44,10,000	1,01,71,500
7.	Office Rental/Exhibition Rental	37,94,500	1,12,06,000	1,27,66,300	2,77,66,800
8.	Contingency	3,90,400	15,00,000	15,00,000	33,90,400
	Total B	1,25,00,000	6,34,42,000	7,35,42,700	14,94,84,700
	Total Project Cost (A+B)	3,69,00,000	8,80,32,000	8,84,82,700	21,34,14,700

13. Year-wise Release of Payment:

	2021-22	2022-23	2023-24	Total
Annual Project Cost	3,69,00,000	8,80,32,000	8,84,82,700	21,34,14,700
MeitY's Contribution in %	100%	92.46%	82.50%	
MeitY's Contribution	3,69,00,000	8,13,95,800	7,29,98,200	19,12,94,000
MSH Revenue and Contribution	0	66,36,200	1,54,84,500	2,21,20,700
MSH Contribution in %	0	7.54%	17.5%	

14. Stages and conditions for Release of Payment:

S. No.	Amount	Stage	Conditions
1.	100% of the amount earmarked for first three months of entire First year	Initiation of the project	i) MoU to be signed between MSH and DIC ii) Acceptance of Terms & Conditions of administrative approval (Annexure-II)
2.	50% of the amount earmarked for Second year	6 Months	i) Submission of Utilization Certificate of Previous release ii) Submission of statement of expenditure iii) Recommendations of PRSG
3.	50% of the amount earmarked for Second year	6 Months	i) Submission of Utilization Certificate of Previous release ii) Submission of statement of expenditure iii) Recommendations of PRSG
4.	50% of the amount earmarked for Third year	6 Months	i) Submission of Utilization Certificate of Previous release ii) Submission of statement of expenditure iii) Recommendations of PRSG
5.	50% of the amount earmarked for Third year	6 Months	i) Submission of Utilization Certificate of Previous release ii) Submission of statement of expenditure iii) Recommendations of PRSG

15. Budget Provisions : Funding for the MeitY Start-up Hub (MSH) as Independent Business Division under Digital India Corporation will be from GiA General of budget-head 'R&D in IT/Electronics/CC&BT' for 'Innovation & IPR' projects under New Projects initiatives from the budget-head 'R&D in IT/Electronics/ CC&BT'.


(S. K. Tyagi)
Deputy Director

Terms & Conditions for Grant-in-Aid

The grant is for the specific project as approved by Ministry of Electronics & Information Technology (MeitY) and shall be subject to the conditions listed below. The proposal originating industry and grantee institution shall give an undertaking that they agree to be governed by these conditions.

1. The grant amount shall be a) spent for the project within the specified time; and b) Any portion of the grant, which is not ultimately required for expenditure for the approved purposes, shall be duly surrendered to MeitY;
2. The grantee institution shall maintain an audited record in the form of a register in the prescribed proforma for permanent, semi-permanent assets acquired as solely or mainly out of MeitY grant;
3. The assets referred to in (2) above will be property of MeitY and should not, without prior sanction of MeitY, be disposed off or encumbered or utilized for the purposes other than those for which the grant has been sanctioned. An undertaking shall be given by grantee institution that they agree to be governed by these conditions;
4. At the conclusion of the project, MeitY will be free to sell or otherwise dispose of the assets which are the property of MeitY and The grantee institution shall render to MeitY the necessary support for facilitating the sale of these assets;
5. The grantee institution shall send to the MeitY at the end of each financial year as well as at the time of seeming further instalments of the grant a list of assets referred to in (ii) above;
6. The grantee institution shall furnish Utilization Certificate (UC) along with its request for next release of GIA certifying that the fund released to them for which UC has been furnished is as per the objective of the Scheme;
7. Should at any time the grantee institution cease to exist, such assets etc., shall revert to MeitY;
8. The grantee institution shall render progress-cum-achievement reports at interval of not exceeding six months on the progress made on all aspects of the project including expenditure incurred on various approved items during the period;
9. The grantee institution shall render an audited statement of accounts to MeitY;
10. The audited statement of accounts relating to grants given during financial year together with the comments of the auditor regarding the observance of the conditions governing the grant should be forwarded to the MeitY within six months following the end of the relevant financial year;
11. The utilization of grant for the intended purposes will be looked into by the Auditor of grantee institution according to the directives issued by the Government of India at the instance of the Comptroller and Auditor General and the specific mention about it will be made in the audit report;



12. MeitY or its nominee(s) will have the right of access to the books and accounts of the grantee institution for which a reasonable prior notice would be given;
13. The grantee institution/ implementing agency should adhere to GFR guidelines while incurring expenditures out of MeitY's grant under the project;
14. The grantee institution should maintain separate audited account for the project. If it is found expedient to keep a part or whole of the grant in a bank account earning interest, the interest, thus earned should be reported to this Ministry. All Interest against Grant-in-aid should be mandatorily remitted to the Consolidated Fund of India immediately after finalization of the accounts. Such advances should not be allowed to be adjusted against future releases.
15. Institute may retain the sale proceeds of prototypes, etc fabricated as a result of the development of the project arising directly from funds granted by the Ministry shall be reverted to MeitY;
16. The know-how generated by the Scheme, shall be property of MeitY. Any receipt by way of sale of know-how transfer, royalties training etc., shall accrue to MeitY. MeitY may, in its discretion, allow or direct a portion of such receipts to be retained by the grantee institution.
17. MeitY will have the right to call for drawings, specifications and other data necessary to enable the transfer of know-how to other parties and the grantee shall supply all the needed data at the request of MeitY;
18. Application by grantee institution for any other financial assistance or receipt of grant/ loan from any other Agency/ Ministry/ Department for this project should have the prior approval of Ministry of Electronics & Information Technology;
19. The grantee institution is not allowed to entrust the implementation of this project for which grant-in-aid is received to another institution and to divert the grant-in-aid received from Ministry of Electronics & Information Technology as assistance to the later institution;
20. MeitY shall appoint a committee comprising of representatives from MeitY and other experts. PRSG will periodically monitor the project in all respects including technical and financial;
21. The grantee institution will first make all efforts to protect intellectual property generated out of the Schemes. The grantee institution will examine IPR protection issues in consultation with IPR Cell, MeitY to file patents register the copyrights etc. before making it public by publishing in the technical journals and books, presenting findings in Conferences etc.
22. The Intellectual property and the rights associated with it shall be assigned to MeitY. In cases where the funding have been done jointly with other organizations, IP rights would be appropriately shared.
23. In case of any dispute on any matter, related to the project during the course of its implementation, the decision of the Secretary, MeitY shall be final and binding on the proposal originating industry/industry consortium and grantee institute.
24. The implementing agency should ensure compliance of EAT module before approaching for further release under the project.

