

FAQs

Q1. How is i-STED different from STED?

S. no.	i-STED	STED
1.	Addresses problems and challenges in areas for example energy, water, sanitation, housing, healthcare, waste management etc. by introduction of proven R&D /innovative solutions and incremental innovations resulting in establishment/ up-scaling of viable and sustainable enterprises.	Small S&T interventions for products/services based micro-enterprises catering to locally available resources and local challenges.
2.	Replicable business units for entrepreneurs with capital cost >Rs. 5 lakhs and annual turnover >Rs. 20.00 lakhs per unit	Usually creates replicable household units with < Rs. 1.00 lakh capital cost generating sustainable income for a family.
3.	Taps young, educated and skilled potential entrepreneurs to set up proper registered enterprises	Largely taps less educated and unemployed persons for skilling and setting usually informal sector units, household /cottage industries
4.	Enterprises project cost largely raised through loan syndicated from lead banks, SIDBI, NABARD etc.	Usually raised through own funding/ available Govt. schemes/ sources such as DIC, PMEGP, NABARD, SHG model, micro-financing etc.
5.	Could be implemented in a region / more than one district for better impact creation	Is implemented in one district only.
6.	Target is to scale up about 10 innovations through 100 scalable and sustainable enterprises with turnover of around Rs. 20 Crore along with generation of 1000 jobs directly and 2000 indirect job generation in 5 years (these are indicative numbers and may vary according to nature of innovations and location)	Target is to promote 200 micro-enterprises in 4 years.
7.	i-STED leverages on the linkages and partnerships with other institutions having complementary capabilities.	Generally implemented by single institution with limited partnerships.

Q2. What “Innovations” are we looking in i-STED ?

In simple terms, innovation usually means doing something new or novel, different or better with the aim that it will lead to a positive difference. The innovations under i-STED program would be market linked. Any simple, incremental, time tested innovation or technology that is new to that local area can be taken up for promoting enterprises. The innovation can originate from either the innovator/ entrepreneur himself or could be delivered by the entrepreneurs from a source outside limited to public institutions /labs. The innovations can include for eg. (1) New products, (2) New Services, (3) New Production Techniques, (4) New means of promoting a product delivered in a new way with a new message.

Q3. What is the kind of business plan should I submit for i- STED?

There are two types of business Plans that should be submitted along with the application. **One for the i-STED implementing organization and the other for each of the technology area selected to establish its commercial viability for attracting entrepreneurs .**

A. Business Plan of the i-STED implementing organization which would include (as per the application guidelines and format)

- Details of the implementing organization.
- Profile of the target area.
- Technologies/Sector identified and their relevance to the chosen area.
- Partnership with technology, commercial and business organizations.
- Methodology of implementation with details of costs involved.
- Infrastructure existing or proposed to be created.
- Projected budget for 5 years.
- Means of Finance
- Goals/Milestones to be achieved at the end of each year.

B. Business Plan for 5 yrs for each Technology area selected from the perspective of entrepreneurship development based on the business model

- Value Propositions in terms of novelty in tech /business model/ market outreach
- Key resources and target market/ segment
- Key activities
- Cost structure
- Revenue stream

Q 4. How should innovation, technology and entrepreneurship be combined in i-STED model?

Proposed R&D /innovative solutions and incremental innovations should result into sustainable enterprises.

Q 5. What is the implementation strategy of i-STED ?

The suggestive approach to implementation of i-STED would be-

1. Identify technology gaps for the identified sector/ local market.
2. Identification of a pool of potential innovations to be introduced to targeted area and preparation of viable business plan.
3. Identification and selection of prospective entrepreneurs.
4. Registration of enterprises
5. Network with technical, research and commercial institutions to assure continuous monitoring from experienced experts to overcome MSME growth challenges.
6. Monitoring and support services to entrepreneurs.
7. Access to common facilities for testing and standardization as applicable.
8. Access to external finance.

Q 6. What are the measurable outcomes of i-STED ?

- No. of innovations to be commercialized,
- No. of sustainable enterprises to be promoted,
- The annual turnover of the enterprises,
- No. of new jobs to be generated,
- No of new improved products in the market.

Target is to promote at least 10 innovations and 100 scalable and sustainable enterprises with turnover of around Rs. 20 Crore and 1000 job directly and 2000 indirect job generation in 5 years (these are indicative numbers and may vary according to nature of innovations and location)

Q 7. What kind of organizations/Institutions can apply for i-STED?

The i-STED proposal should be submitted by Indian Organization/ Institutions having not for profit legal status or institutions promoted by national financial institutions, banks and Govt.

Organizations i.e technical Consultancy organizations(TCOs) and meeting the eligibility conditions as per the program guidelines and application format as given below

Mandatory Eligibility Conditions:

- i. **Operational Experience:** Organisation should be in operation for at least 3 years as per the date of registration/establishment.
- ii. **Financial Position:** Minimum Annual Turnover of Rs. 50.00 lakhs as per the balance sheet of last three financial years.
- iii. **Domain Experience:** Min. 3 years in execution of projects on popularization of innovation through entrepreneurship and enterprise promotion.
- iv. **In house Expertise:** Full time team with qualified and experienced professionals with work experience in the related field. Experience in entrepreneurship and market related activities is also desirable.

In addition, the organization should have the capability and previous experience to source innovative technologies that have high scale for growth through entrepreneurship. The institution should have ability to support the technical and commercial success of the enterprise.

Q 8. What are budget guidelines in i-STED?

i-STED suggestive budget breakup

Following general suggestive budget guidelines may be recommended for the purpose of approval of i-STED projects from FY 2013 onwards. The committee is however empowered to recommend budget exceeding these guidelines based on the merit of proposal. ***Any deviation in the funding guidelines both in the Capital and Recurring heads will be done based on the merit of the proposal on case to case basis, subject to the recommendations of the Expert Advisory Committee constituted by the Department for this programme.***

Overall cost of proposal to be limited around Rs. 50.00 lakhs –Rs.60.00 lakhs/ year and total project cost for five year would be restricted to Rs 3.00 crore. Any additional funds would have to arranged by the implementing agency.

Maximum limits of funds under various heads are given below:

- **Manpower:** not exceeding 40-45% of the total cost (as the project needs highly trained and professional manpower in diverse fields viz. Technology and product development, social and developmental work etc.). *(Please note: The organization/institution will recruit fresh manpower for the sanctioned project).*

The suggestive team is as follows which may vary based on location, technology area, functional area etc.

Project director/ in charge/ head: One position Up to Rs. 50,000/-Per month (post graduate with minimum 8 years of experience in relevant field/ PhD with 4 years/ industry experience in technology development or deployment).

Project officer/ program coordinator: up to two positions @ 20,000/-to 25,000/- Per month (post graduate with minimum 3 years of experience in relevant field).

Field officer: upto 3 @ 15,000/- to 20,000/- Per month (Graduate plus relevant experience depending upon nature of job and emoluments).

Office staff: upto 2 @5000-8000 per month (12th pass)

Total: Upto 20 lakhs/ year

- **Travel:** Upper limit up to 5 lakhs/ year
- **Marketing and linkages:** not exceeding 2-3 lakhs/ year
- **Popularization, sensitization, capacity building, and promotion of business plan linked to entrepreneurship, hands on training:** Being the most important component of program the total budget should not be exceeding 40% of total cost.
- **Documentation and reporting:** Up to 1-2 lakhs/ year
- **Contingency with added communication tools:** Up to 2 lakhs/ year.
- **Overheads:** Not more than 5% of total cost restricted up to 5-6 lakhs/ year
- Any other component with proper justification: Committee decision
- **Capital:** Up to 20% of total project cost
- **Acquiring Technology:** only of technology transfer, know how.

Q10. What are ineligible costs under i-STED?

Cost of land, building, vehicles, direct financial support to entrepreneurs are not supported under the i-STED programme.