

**Request for Innovative Proposal(s) Seeking
Project Assistance in the areas of**

Life Sciences

And

ICT & Cognitive Sciences

(Last Date for submitting preliminary proposal -1st Round: Feb 28th, 2009)
(Last Date for submission of Detailed Proposal-1st Round: March 15th, 2009)

Foundation for MSME Clusters
(www.msme.foundation.org)

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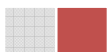
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PROJECT by: Department of Science & Technology, Ministry of Science & technology,
Government of India.

IMPLEMENTED by : The Foundation for MSME Clusters, 2nd Floor, USO House, USO
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Promoting Innovative Clusters in India(PIC)

Department of Science and Technology (DST), Ministry of Science & Technology, Govt. of India has initiated a Programme (since November 2007) on '*Promoting Innovative Clusters (PIC) in India*' which envisions promoting innovation among MSME clusters. The project aims to promote collaborative research, development and foster learning to develop new products, processes, technologies and services in clusters by facilitating inter-firm and inter-institutional linkages relevant to cluster specific contexts. It is an action research project and the intent is to foster innovation among select few clusters with diversity and promise by developing cluster based 'innovation eco-system' at national, regional and local levels.

Activities that will potentially go into the making of successful innovation eco-system are:

- Leveraging global research and technology base for innovation clusters in India by formulating mutually beneficial linkages.
- Fostering technology leadership through linkages between MSME cluster champions and knowledge institutions at the cluster, regional/sector level.
- Leveraging on stakeholders and firms either internal or external to cluster to obtain scale advantages.
- Leveraging upon private and other funding sources to create an environment for multi-stakeholder initiatives for Innovation Clusters.
- Stimulate emergence of new innovative firms, growth, jobs, exports, services and investments in clusters.
- Facilitate open platforms to utilise public knowledge, market interactions in participative and collaborative approach.

Main objectives of program are:

- **To promote innovation and creativity in existing clusters so that they become globally competitive and achieve high growth**
- **To develop innovation model(s) for MSMEs cognizant of the Indian reality.**
- **To formulate a road map and develop necessary institutions for promoting Innovation Clusters**

The Foundation for MSME Clusters, a premier organisation for cluster development has been assigned the role of implementing agency for PIC. For

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details about the organisation, please refer to its website www.msme.foundation.org.

Request for Proposals:

The proposed project initiative is for five years (2007-2012). It has completed its first phase (2007-08) during which the focus remained was limited to select clusters in traditional manufacturing sectors. In its second phase spread over next three years (2009-2012), project will focus on two high-technology areas apart from scaling up activities undertaken during the first phase. These two new focus areas are:

- Life sciences (Pharmaceuticals, Medical devices, Traditional medicines etc.)
- ICT technologies and Cognitive Sciences

In order to reach out to a variety of innovators looking for support at different stages of their innovative efforts (i.e. mind to market innovation pipeline), applications are being invited from budding innovators in above two areas for support under the project. Keeping in view the overall time line of the project, the funding support should be limited to the innovative projects of duration not more than 24 months starting from April 2009.

For life sciences clusters under focus are *Hyderabad (Andhra Pradesh) and Ahmedabad-Vadodara (Gujarat)* .Therefore proposals are welcome from these two clusters except for those proposals which are coming from industrial associations which can be of any cluster in India. For ICT technologies and cognitive sciences proposals are welcome on all India basis. The applicants can be:-

- Individual enterprises* (for open or partially closed innovations).
- Industrial Associations/ chambers / SME networks,
- Large enterprises (in partnership with their supply chain members),
- Technical/educational and R&D institutions (only for open innovation),
- NGOs/Common Interest groups and organizations in public-private mode.

*** Kindly see the important notes for clarity**

Funding Support:

The total cost of achieving proposed innovation(s) will be co-shared by the Foundation on a case-to-case basis as recommended by a panel of experts in line with the project objectives of promoting open (or partially closed), collaborative

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and socially relevant innovations. Special consideration will be given to foster linkages with relevant institutions and potential markets. The required contribution of the Foundation for every proposal should generally be limited to Rs. 10 lacs per year basis. However the gross financial support in select cases may go up to Rs. 50 lacs where social impact is perceived to be high.

How to Apply:

The applications and the examination of the proposals are free of charge. Selection of proposals for project assistance comprises of two stages:

(i) **Preliminary application:** The proposal details are sought as per the 'Preliminary Proposal' format that will state the idea, existing & potential collaborators, time line with details of work already undertaken, expected share of financial & knowledge contribution from different sources and the potential impact of the innovation. The applications will be scrutinized and the selected innovators will be invited to formally present their project. At this stage, the Foundation can suggest innovators to alter the scale and area of support sought from the project in line with the objectives of PIC. The potential innovators will then be contacted to prepare and present a 'detailed application' as given below.

(ii) **Detailed application:** The 'detailed application' format seeks relevant information along with necessary documents for submission to a panel of experts drawn from different disciplines for sanction of grants. The panel may seek additional information and place necessary conditions for sanction and release of funds thereafter.

Foundation and its role:

The Foundation, in this process of promoting network driven innovations based on innovative proposals, is engaged in:

- Scouting of proposals from innovators in above two areas of interest.
- Preliminary scrutiny and provision of technical assistance to assist entrepreneurs and applicant institutions in developing the final proposal.
- Firming selection committee/panel of experts for approving and sanctioning of project assistance
- Facilitating the beneficiary firm/ group/ institution for linkages with relevant national or international institutions/knowledge partners in development and commercialization of innovation.

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- Acting as an interface among various stakeholders by bringing them together at various stages of innovation on need basis for effective coordination and implementation to achieve project objectives
- Channelizing of project funds, Documentation of process and devising new ways to reach to and support innovation opportunities among MSMEs.

Important Notes for Applicants:

- Innovation is defined as the process to create a new product/process from an ideation stage to its commercialisation.
- Project proposals are invited from networks involving firm(s), institutes (educational, technical and R&D), business associations, industry associations, agencies (public or private), users, etc. Each project is preferred to have an active and proven partnering to be considered as a network driven innovation i.e. prime objective of the project.
- Proposals coming from industrial associations are welcome from anywhere in India in both sectors i.e. Life sciences and ICT& Cognitive sciences.
- In Life sciences network driven (involving two or more firms and institutions etc.) innovations are welcome from Hyderabad and Ahmedabad-Vadodara clusters only.
- In case of ICT and cognitive sciences innovative proposals are invited from all over India. Proposals coming from a single firm are welcome; however, these will be subjected to a very rigorous evaluation on their networking for knowledge and technical inputs, involvement of institutes and future possibilities on networks building on case to case basis.
- Proposals will be evaluated according to parameters like Networking, Innovation, Social/Strategic Impact, Commercial Impact, Financial Sustainability, and Feasibility of the Venture etc.
- **Financial Support** under the project will be available to partially cover:
 - Development, test and evaluation necessary for establishing proof-of-applicability of product, process or application.
 - Costs of a capital nature including cost of acquisition of technology of foreign origin which is at "proof-of-concept" or design stage requiring substantial indigenous technology development (not more than 20% of cost of grant support)

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- R&D/engineering consultancy for prototype/pilot plant/trials and testing
 - Fabrication, testing and trial of prototypes
 - Industrial product design
 - Field trials
 - Market development strategy and consultancy charges, studies, surveys and training; only as a follow-up of the above
- **Financial Grant will not available** for refinancing, cost already incurred, basic research, establishment of new R&D centres, purchase of land, creation of building or any other fixed asset(except for project related equipment not available locally or with partners), conferences, workshops, etc. and for primary research or projects already being funded by funding institution
 - The elements contained in the preliminary proposal(s) cannot be radically modified later while submitting detailed proposal. Given budget outlines or estimates in preliminary proposal are to be mentioned in round figures and are not expected to vary by more than 20% in detailed application to be submitted later.
 - Partners mentioned in the preliminary proposal cannot be changed later while submitting detailed applications. However, in cases where partners are yet to be roped in or are in the process of discussions proposals will be considered and approval (if granted) will be subject to fulfilment of these requirements.
 - In case of an applicant submitting more than one proposal each proposal should be sent separately. When submitting more than one proposal if they have been formulated with different partners (at least one partner must be different) OR different content, each proposal should have different partnerships and activities according to target innovation.
 - Principle applicant (in case of proposals coming from partnering organisations and from associations etc.) will be responsible for corresponding appropriately with other project applicants.
 - Project should be of duration not more than 24 months.
 - Last Date for submission of Preliminary Application: 28th February 2009.
 - Last date for submission of Detailed application: 15th March 2009.
 - Application to be sent only by e-mail.
 - Please send duly filled application form both in word format (Un-signed) and PDF format with Signatures.
 - All cost of making the application is to be borne by the Project Applicants.

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- Acceptance of application (whether preliminary or detailed) does not ensure approval of project assistance. This will be decided by the project subject to approval of Sanctioning committee. Also Project support will be available for partial cost of the project.
- The Project may be withdrawn at any point of time without any prior intimation.

Instructions for filling application form

Please fill out all categories by providing relevant information.

If you wish to add some information, which is not matching with any category, please attach them separately.

In case of details considered confidential at your end, please feel free to disclose them at your discretion. However it is suggested to provide essential information concerning your project to provoke the interest during selection process.

- The Application Form can be filled out in Hindi or English.
- All applications should be submitted to the attention of Project Director
By e-mail at: coordinator@innovationclusters.org,
By courier at: Foundation for MSME clusters, 2nd Floor, USO House, USO Road, Special Institutional Area, New Delhi-110067,
- All figures corresponding to a sum in your application form should be quoted in Indian Rupees.
- For further details and obtaining the application form please contact: Project Director (PIC), Foundation for MSME Clusters at coordinator@innovationclusters.org,