GUIDELINES
FOR iDEX-FUNDED PARTNER INCUBATORS

I) Aims & Objectives:

The objectives of collaboration between the 'Partner Incubator' and iDEX-DIO.

1. Explore and discover innovators/startups/MSMEs which can co-create innovative defence technologies with the Indian armed forces & other establishments.
2. Mentor and nurture such startups/MSMEs.
3. Run programs like accelerators to support the identified Startups/MSMEs by iDEX-DIO.
4. Promote defence innovations at the schools and in academic institutes.
5. Support the identified Startups/MSMEs with prototyping and piloting defence related products/technologies.
6. Support iDEX-DIO in building the ecosystem for startups to interact with the Indian Defence establishment.
7. Encourage innovator(s) to submit potential solutions for product requirements of the Indian Armed Forces.

II) Activities undertaken by PI

In order to achieve the above objectives, the initial set of activities proposed is as below. These can be enhanced or modified by the agreement or implementing arrangement of both parties during the implementation.

1. Build pipeline for Defence needs

    - Partner Incubator will support iDEX-DIO in locating startups/MSMEs which can address the technological needs of India's Armed Forces.

    - iDEX-DIO will share the current technological requirements of the armed forces with the Partner Incubator and Partner Incubator will explore their networks of startups to curate the most suitable ones and facilitate their interaction with the iDEX-DIO team and Nodal agency.

2. Due Diligence and Mentorship for selected startups/MSMEs

    - Partner Incubator will provide mentorship to startups/MSMEs selected by iDEX-DIO .
    - Partner Incubator to assist iDEX in setting milestones and objective of the project of the selected startups/MSMEs as per iDEX-DIO guidelines which may be updated time to time.
    - Partner Incubator shall provide the required feedback to iDEX for clearing the technical milestone of the startups/MSMEs. If required Nodal agency's views may be taken for clearing of deliverables as per PDS/PRU.
    - Partner Incubator to provide techno-financial due diligence of SPARK Grantee at each milestone. A certificate of Milestone completion report and techno-financial report to be submitted to iDEX-DIO for closure of milestones of each project with startups/MSMEs.

3. Strengthen the Innovation Ecosystem

    - Partner Incubator will run programs like accelerators, incubation, etc. to strengthen selected startups/MSMEs beneficial for the India defence sector.

- Partner Incubator will undertake initiatives to reach out, spread awareness and promote innovations for defence among students/ researchers at all levels in academia.
- Partner Incubator will provide support to iDEX-DIO in other activities like out-reach and promotional undertakings for Defence India Startup Challenges/ Open Challenges/Prime Challenges/internships or any other activity to be undertaken as per requirements of iDEX-DIO.

4. Support prototyping and piloting of products/technologies developed by identified startups/MSMEs

- Partner Incubator will support iDEX-DIO and selected startups/MSMEs in carrying out the prototyping and piloting of their products/technologies using its network of experts and mentors.

III) Outcomes and Expectations

Key Result/Functional Areas	Expected Outcomes

1. Outreach and Ecosystem engagement
  A. Organize DISC/Prime/other Schemes Roadshows & Outreach Events in physical, digital and hybrid formats, in collaboration with Academia, Startup Ecosystem Enablers, Industry Associations, Private/Public sector Defence OEs, Defence Services, startups/MSMEs clusters etc. to create widespread awareness;
  B. Actively scout for startups/MSMEs/Innovators to apply for iDEX DISC and Open Challenge
	For each edition of iDEX DISC/Prime or other schemes launched by DIO:
	
	Min. 2 events;
	
	Min. 2 applications sourced under each launched challenge

2. Screening, Evaluation & Selection of DISC, Prime, Open Challenge/Other scheme Proposals Screening and shortlisting of DISC/Prime/OC/ Other scheme applications from innovators/startups/MSMEs including the coordination and facilitation of HPSC proceedings to be undertaken either directly/independently or jointly with DIO.	Number of applications screened and Number of HPSC presentations as may be required/specified by DIO after ensuring a balanced allocation to all the PIs;

3. iDEX Contract (Agreement) & Grant Administration
  A. Support DIO with grant appraisal and diligence process prior to innovation grant contract execution for those iDEX projects assigned to and accepted by the PI;
  B. Manage the end-to-end process of grant administration relating to monitoring, evaluating and reporting the milestone wise progress/performance of the iDEX innovation projects in accordance with the guidelines formulated by and meeting the expectations of DIO;
	Number of iDEX Projects as may be assigned by DIO that is mutually acceptable to the PI - DIO shall ensure a balanced allocation of iDEX projects across all PIs;

C. Monitor the iDEX Innovation Projects to be in complete adherence to the principles and practices of the iDEX PMA (Product Management Approach) & other guidelines ensuring timely completion of due SOPs and proper documentation of PMA as is desired by DIO;	
4. Strategic Advisory & Mentoring A. Organize Masterclasses and Office Hours (1–on-1) with experts in the fields of: a. entrepreneurship, b. military-grade technology and product development, product certification and trials, c. fundraising & financial planning, d. company building & scaling, e. IP Ownership & Protection, f. business operations, g. corporate governance h. any requirements raised by iDEX winners as per requirements etc.	Min. 2 hours of group and Min. 1 hour of individual sessions per Startups/MSMEs every month;
5. Ecosystem Building A. Organize events, conferences, visits, startup demos, ecosystem meetups, and other forms of physical, digital or hybrid events required to strengthen the ecosystem connections for iDEX startups to gain access to investments and strategic Partnerships with Industry, VCs, etc.	Min. 1 Startup Showcase for raising investments each year; Min. 1 Industry-Startup Roundtable to create pathways for startups to partner with established companies in defence-production, commercialization, technology transfer, investments etc.

IV) Grant support from iDEX-DIO to PI

1) Administration amount: Rs.12 Lakhs for iDEX program management, outreach, event, investor meet and overheads. This grant will be disbursed annually to PIs.

2) Startup Consultation amount: @ Rs 2 Lakh per startup per year till validity of startup's SPARK agreement. This grant is to be utilized as consultation fee for mentoring, handholding, PMA, WBS, milestone diligence, travel related to startup activities and any other specific startup related activities.

V) Mechanism for the Grant utilization:

1. The PI shall provide half-yearly CA certified utilization certificates as per the above guidelines, calculating and reporting the costs and expenses incurred on a good faith basis. Additionally, a completion report shall be submitted at the end of each program.
2. Incubators that desire to undertake an expense not covered in the heads in the above table shall take prior clearance from the iDEX-DIO team.
3. PIs shall not be charging SPARK Grantees any additional fees, rent, or expenses, without the express consent of the iDEX-DIO team.
4. PIs are encouraged to facilitate or generate angel and VC investments in

the SPARK grantees, however, incubators directly investing in the SPARK grantees shall not contribute towards SPARK matching contribution as part of the investment, in any shape or form.

5. An audit of the expenditure will be undertaken through any third-party CA/CMA firm appointed by iDEX-DIO

The grant cannot be spent on the following heads:

a) Repaying for existing/previous debt, financial hedging, security deposits, investment or other financial instruments.

b) Any capital investment in the incubator premises, equipment, or vehicles.

c) Excessive expenditure on travel, hospitality, or other expenditures not directly related to incubation of SPARK grantees.

d) Any honorarium, professional services, consultancy, computer usage, data processing or any other services not directly relevant to a SPARK grantee's prototype/product development.

e) Other expense heads or categories that may emerge in the future, if and when found to be irrelevant shall be communicated to the incubators, with the expectation that past expenses shall be reversed and any future expenses shall be avoided.

VI) Withdrawal/End of grant

The continuance of engagement of iDEX-DIO with PI will be drawn upon by comprehensive feedback collected from the iDEX team, Startups/MSMEs and other stakeholders on regular basis.

PIs unwilling to engage further with iDEX-DIO at any stage of the grant process shall be required to provide a full accounting of the expenses incurred till the relevant date with CA certified utilization certificate, and refund any remaining amount with them, along with a detailed justification for such a decision.

The decision of the CEO, DIO shall be final and binding on all SPARK grants & PI grants. Any disputes shall be adjudicated in New Delhi.