

## Guidelines for the program

### **1. About the Social Trailblazer Program:**

Social Trailblazer aims to support social enterprises working to solve the social problems of the country on the themes of Liveability and Livelihood. The support extended to the start-ups would include the technical and financial aspects in the form of grant up to 7.5 Lakh to the early-stage start-ups and equity funding up to 15 lakhs to the scaling up start-ups. The application would be called for two different criteria i.e., i) Early-Stage & ii) Scaling-up Stage

### **2. About IRMA iSEED Foundation:**

Institute of Rural Management Anand (IRMA) is driven by the dream of serving under-served segments of the economy through professional management. Over four decades, IRMA has worked towards supporting the rural economy realizes its potential. To take this agenda forward, IRMA has set-up its incubator, IRMA ISEED Foundation (ISEED), to support enterprises in the social domain.

Incubator for Social Enterprises and Entrepreneurs for Development (ISEED) at IRMA, started in August 2016, supports and nurtures early - stage rural, social, and collective enterprises. ISEED encourages individuals and institutions to experiment with empathy helping them innovate new products, services, and institutions that impact livelihoods. We incubate social, grassroots, and collective enterprises. We work with our Social Enterprise Partners (SEP) and Ecosystem Partners (EP) to co-create a dynamic and vibrant social entrepreneurial ecosystem. Supported by the Department of Science and Technology (DST), ISEED is one of the few germinators and incubators that see the need for India's start-up ecosystem to be pro-actively inclusive by working with both for-profit and not-for-profit enterprises.

### **3. Eligibility Criteria:**

#### **A) Early-Stage Start-ups**

- (i) A start-up recognized by DPIIT, incorporated not more than 2 years ago at the time of application.

- (ii) Start-up must have a business idea to develop a product or a service with market fit, viable commercialization, and scope of scaling.
- (iii) The start-up should be solving or target to solving a social problem on the themes of Liveability or Livelihood.
- (iv) Shareholding by Indian promoters in the start-up should be at least 51% at the time of application to incubator for the scheme, as per Companies Act, 2013 and SEBI (ICDR) Regulations, 2018
- (v) The seed fund shall be funding the development of the prototype or a product which is market ready / of small level pilot production only and shall not be for regular research which any University or College can foster.
- (vi) The Seed Grant is not generally given for service Start-ups working in Trade and Commerce

#### B) Scaling up Stage

- (i) The entity should be a start-up registered with DPIIT and STARTUP INDIA. It shall be located and headquarters in INDIA.
- (ii) The entity should be registered as a Private Limited Company (under Companies Act 2013), or a Limited Liability Partnership (Under Limited Liability Partnership Act 2008) or a registered Partnership firm (under Partnership Act 1932) or a section 8 company.
- (iii) The average profit of the entity (as per income tax return) for the last 3 years (or lesser in case it's a newly registered entity) shall be less than Rs.5 Lakh.
- (iv) Working towards innovation, development or improvement of products or processes with a high potential of employment generation, social impact, and wealth creation.
- (v) The entity should not have been formed by splitting up, reconstruction of a business already in existence or as a Subsidiary/Joint Venture/Associate of another Company.
- (vi) The start-up should have cleared all / not have any other pending dues with any of the Government agencies and shall not be blacklisted by any Government agency in India.

- (vii) The applicant may be incubated in an incubator for at least six months at the time of application.
- (viii) Applicant must be an Indian start-up. This support is not meant for Indian Subsidiaries of MNCs/Foreign Companies. Persons holding Overseas Citizenship of India (OCI) and Persons of Indian Origin (PIO) would be considered as Indian citizens for the purpose of this scheme. The shareholding by Indian promoters in the incubated Start-up should be at least 51%.

#### **4. Shortlisting Criteria:**

- The Start-up must be working on an innovative product technology or service and not involved purely in trading activity.
- Problem Identification and impact of the solution
- Potential for scaling up and employment creation.
- Commitment, expertise & enthusiasm of the team.
- The depth of research done for the identified problem.
- Business plan and usage of Fund – Clear deliverables and outcomes must be mentioned by start-ups in their application. The shortlisting will be based on the quality of the business plan provided. Product/Service-market fit, early customer/adopters' feedback, technological capability of start-up team to execute the project are some of the factors considered for shortlisting.
- The shortlisted Start-ups will be asked to submit a 2-Minute video introduction of the product/service along with the pitch deck.
- 20 Start-ups would be selected for the first round and would be invited for the bootcamp.
- 10 Start-ups from the above 20 will receive the funding support and would be provided the technical and financial support for the financial year.

#### **5. Areas covered Under the Funding Support**

The start-ups would be supported for funding primarily on the following areas:

- Procurement of inputs to develop a prototype or working model to demonstrate the proposed technology solution and equipment rental.
- Hiring technical mentors to aid and assist in prototype creation

- Manpower for product development. (Not more than 30% of Grant).
- Marketing, Test Marketing
- Testing, certification, and trials
- Working Capital Management
- Any other expenses deemed fit by the Program Expert Committee.

**6. Following Expenses would not be supported by program funds:**

- Remuneration of the founding team. [Founding team includes anyone with beneficial ownership of more than 10% during the grant program]
- Repay any loans or investments made by the founding team or any other person in the venture to date
- Pure research projects that intend to demonstrate scientific principles/techniques etc.
- Ideas with no intention of commercialization i.e. to convert into marketable technology/products/services.
- Innovations with serious ethical and safety risks deemed infeasible by experts and have serious pollution and health implications
- Funding cannot be used to support student /faculty research or any other academic research.