



## Technology Development Board (TDB) Scheme

### Terms and conditions for Seed Funding

#### Seed Fund Amount

The total upper ceiling of financial assistance to be disbursed to a start-up company would be Rs. 25 lakhs for the entire project. The minimum amount sanctioned could be of 1 Lakh. The amount of seed fund will be sanctioned as per the requirement of the start-up company.

#### Terms and Conditions

1. The Seed fund will be disbursed as a combination of Soft Loan and Equity. Accordingly 80% of the Seed Fund will be disbursed as a Soft loan bearing around 6% annual interest rate compounded quarterly and the remaining 20% of the funds will be disbursed against equity shares.
2. The Seed fund will be disbursed in 3 installments over a period of 6 months and the disbursement will be based on benchmarks/ milestones proposed by the Management Committee.
3. The interest on Soft Loan will be charged right from the date of disbursement. The annual interest amount will be paid quarterly by the company.
4. The repayment of the Principal amount of the Soft Loan will start after one and half year from the date of contract with the applicant.

#### Broad Areas to be covered under the financial assistance

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

- Product development
- Testing and Trials
- Test Marketing
- Mentoring
- Professional Consultancy to engage Professors/experts to work with small firms
- Filing of Indian / International patents and concerned matter with a maximum support of Rs. one lakh for each project / start-up
- Manpower for day to day operations
- Any other area as deemed necessary and recommended by the Management Committee constituted by the STEP/TBI.

## Other Conditions

1. The company shall maintain an audited record in the form of a register in the prescribed Performa for permanent, semi-permanent assets acquired solely or mainly out of TBI BITS Pilani Center grant.
2. The assets referred to in (1) above will be property of TBI BITS Pilani Center and should not, without prior sanction of TBI BITS Pilani Center, be disposed off or encumbered or utilised for the purposes other than those for which the grant has been sanctioned. An undertaking shall be given by the company that they agree to be governed by these conditions.
3. The Company shall send to the TBI BITS Pilani Center at the end of each financial year as well as at the time of seeking further installments of the grant a list of assets and their respective cost referred to in (1) above;
4. Should at any time company cease to exist, such assets etc., shall revert to TBI BITS Pilani Center.
5. The Company 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.
6. The Company shall render statement of accounts audited by Chartered Accountant to TBI BITS Pilani Center.
7. 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 TBI BITS Pilani Center within six months following the end of the relevant financial year.
8. The utilisation of grant for the intended purposes will be looked into by the Auditor of TBI BITS Pilani Center 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.
9. TBI BITS Pilani Center or its nominee/s will have the right of access to the books and accounts of the company for which a reasonable prior notice would be given.
10. TBI BITS Pilani Center shall appoint a Management Committee comprising of representatives from TBI BITS Pilani Center, and other experts. Project Review Committee will periodically monitor the project in all respects including technical and financial.



**Birla Institute of Technology & Science, Pilani**  
Pilani Campus, Vidya Vihar  
Pilani 333031, Rajasthan, India

**Tel:** +91 1596 245073  
**Fax:** +91 1596 244183  
**Web:** [www.bits-pilani.ac.in/pilani](http://www.bits-pilani.ac.in/pilani)