

SEED FUND PROPOSAL



Disclaimer: We are a Start-up consultant in India and professionals in Start-up consultation and understand the requirements of today's enterprises. We are merely a consultancy service-providing company and not in any affiliation/ collaboration with any Government/Non-Government Agency/Institutions/Organization/Department

About Egniol

Egniol Group Of Companies offers 360° consultancy services to upscale your business growth. Our aim is to revolutionise the Indian startup ecosystem with our wide-ranging services. We are here to spread the word about the unique schemes of the government that aimed to upscale the startup ecosystem. End-to-end solutions are provided by us to help your business take off from the ground and fly high in the startup sky.



About The **Scheme**

DPIIT has created Startup India Seed Fund Scheme (SISFS) with an outlay of INR 945 Crore to provide financial assistance to startups for Proof of Concept, prototype development, product trials, market entry, and commercialization. It will support an estimated 3,600 entrepreneurs through 300 incubators in the next 4 years. This would enable these startups to graduate to a level where they will be able to raise investments from angel investors or venture capitalists or seek loans from commercial banks or financial institutions.

Up to Rs. 20 Lakh Grant
For validation of POC/Prototype
Development/Product trials.



Seed Support in the form of grant
or debt/convertible debentures
as per the guidelines.

Up to Rs. 50 Lakh investment for
Convertible debentures, debt, or debt-
linked instruments for market entry,
commercialisation or scaling.

Benefits Of SEED FUND **Scheme**

01

Easy Availability of Capital

02

Catalysing Innovative Ideas

03

Early Stage Support

04

Up To Rs. 20 Lakhs Grant for validation of POC/ Prototype Development/Product trials.)

05

Up To Rs. 50 Lakhs of Investment (Convertible debentures, debt, or debt-linked instruments for market entry, commercialization & scaling)

Our **Scope** Of Work

Complete assistance for documentation as well as presentation.

Guidance/Assistance for monitoring and reporting to the incubators.

Incubator Selection Guidance as per the Industry Sector

Comprehensive support for pitch deck and financial reports as per SISFS guidelines.

Eligibility Criteria

- 1 A startup, recognized by DPIIT, incorporated not more than 2 years ago at the time of application.
- 2 The Startup should not have received more than Rs 10 lakh of monetary support under any other Central or State Government scheme.
- 3 Shareholding by Indian promoters in the startup should be at least 51% at the time of application to the incubator for the scheme, as per Companies Act, 2013 and SEBI (ICDR) Regulations, 2018.
- 4 Seed Fund Application is possible only one funding instrument either of grant or debt/convertible debt at a time.
- 5 If a company has a zero revenue and in ideation/prototyping stage, then grant funding is a valid option for seed fund.

Eligibility Criteria

6 If a company is generating revenue, the debt/convertible debt is a valid option for a seed fund.

7 The startup should be using technology in its core product or service, or business model, or distribution model, or methodology to solve the problem being targeted. Preference would be given to startups creating innovative solutions in sectors such as social impact, waste management, water management, financial inclusion, education, agriculture, food processing, biotechnology, healthcare, energy, mobility, defence, space, railways, oil and gas, textiles, etc.

Documentation For Application

1

DIPP Certificate

2

All Promoters/Directors
Aadhar Card

3

LoA (in Seed fund
attached format)

4

Basic Startup Details (in
Seed fund attached
format)

5

Finance Statement
P&L, Balance Sheet,
Cash Flow,
Sales Projection

6

*Additional details
if Any

FAQs

Q1: Does the scheme support startups from specific sectors?

Ans: SISFS is a sector-agnostic scheme, which means that startups from any sector can apply for the scheme. However, preference would be given to startups creating innovative solutions in sectors such as social impact, waste management, water management, financial inclusion, education, agriculture, food processing, biotechnology, healthcare, energy, mobility, defense, space, railways, oil and gas, textiles, etc. This list of sectors is indicative and not exhaustive.

Q2: Are there any minimum education qualification criteria for founders to apply for SISFS?

Ans: There is no minimum education qualification required for founders to apply for SISFS

Q3: Are there any exemptions to any of the eligibility criteria?

Ans: No, there are no exemptions to any of the eligibility criteria. All the criteria must be met on the date of application submission.

FAQs

Q4: What can I use the seed fund for?

Ans: Seed funds shall strictly not be used by startups for the creation of any facilities and shall be utilized for the purpose it has been granted for. A grant can be used for validation of Proof of Concept, prototype development, or product trials. A debt/ convertible debenture can be used for Market entry, Commercialization, or Scaling up.

Q5: Any Specific Criteria for Debt or Convertible Debt Instruments?

Ans: For startups being supported through convertible debentures, debt, or debt-linked instruments, funds shall be provided at a rate of interest of not more than the prevailing repo rate. The tenure should be fixed at the time of sanctioning the loan by the incubator, which shall be not more than 60 months (5 years). A moratorium of up to 12 months may be provided for the startups. Because of the early stage of the startups, this shall be unsecured and no guarantee from the promoter or third party will be required.



Get in Touch with Us

Always here for your Start-Up needs!



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www.egniol.co.in

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