

GUIDELINES FOR CENTRE OF EXCELLENCE

1. Introduction

The State of Uttar Pradesh has launched the “UP Information Technology (IT) and Startup Policy 2017” under which in order to nurture and promote entrepreneurship, innovation and research & development, the state envisages to support the creation of world class infrastructure in the form of Centre of Excellence (CoE). According to the Policy, **the CoE shall possess maturity and experience in incubation, high standards of R&D and promote best practices for nurturing entrepreneurship.**

The CoE Programme conceived by the Department of IT & Electronics under the aforementioned 2017 Policy will focus primarily on building an innovation fueled entrepreneurial ecosystem with the aim of inclusive socio-economic development through job and wealth creation. This process is aimed to be advantageous to the society in general through its beneficiaries such as the state government, startups, and private sector and academic institutions.

The CoE Programme shall achieve its objectives through supporting the establishment of CoEs across the state. A Center of Excellence (CoE) will be defined as a company/society willing to establish a state of the art centre with the intention of improving the quality of ecosystem and knowledge management in the identified sector. **To achieve this goal, the CoE shall gather persons with specialized skills to leverage the same for finding the best practices in their sector and disseminating the same to other stakeholders in the system.**

The CoE shall promote **key areas identified under the CoE guideline such as Big Data, Cloud Computing, Internet of Things (IoT), Machine Learning, Artificial Intelligence, Cyber Security, Clean-Tech, Edu-Tech, Agri-Tech, Health-Tech and other areas of social or national importance.** The CoE must work on focus areas that are dependent on innovation.

The CoE scheme will promote the companies having interest in disruptive technologies especially in the field of emerging technologies to reap the benefits of the digital economy and fourth industrial revolution. This will also help to improve the competitiveness of these emerging sectors and promote the transfer of innovations into the broader socio-economic ecosystem.

2. What is a Centre of Excellence?

The Center of Excellence is defined and governed by UP IT & Startup Policy 2017. Definition of the CoE including scope, coverage, responsibilities will be governed by the CoE guidelines

detailed out within this document. CoE willing to register under the policy must possess the following characteristics:

a. Strategy and Vision

The CoE must develop a long-term vision for itself and have a minimum 5 year business strategy which would serve as the guiding document for the organization. This document should delineate on the larger goals of the organization such as the purpose of the center, its focus area (technology, business concept, skill etc.), scope of work, expected outcomes, functionality framework, linkages to the state government etc.

b. Funding

To succeed in the long-term, the CoE should identify its funding sources (e.g. through revenues, licensing deals, training/consulting services, corporate partnerships) so that it runs itself in a financially sustainable manner and not depend solely on government grants. For this purpose the CoE should further formalize its budget plan for at least first 5 years.

c. Operationalization of Center of Excellence

The CoE should make a comprehensive outline regarding six key areas of operationalization including planning, staffing, governance, marketing, measurement of the performance, and the position of the center within the ecosystem.

d. Team Size

The CoE must onboard a core team (full time) comprising of 5 members to work on the purpose of the CoE. The Head of the CoE should come from academic/professional background with no less than 15 years of work experience.

e. Team Experience

The founding team of the CoE should be comprised of members who have combined overall experience of minimum 30+ years in the field of research & innovation and capacity building. Members of the team should individually have an experience no less than 5 years in the specified or allied subjects.

At least 2 of the core team members of the CoE must have 10+ years of experience in the focus subject or its allied fields.

f. Knowledge Reservoir

The CoE must develop partnerships (in the form of an MoU) with at least two state supported incubators/Research Centers to promote entrepreneurship/ R&D in the focus area of CoE thereby helping in maturity of the innovation ecosystem in the state. Similarly, the CoE must have well-defined two-way relationship with at least 2 large corporates in Uttar Pradesh, and at least 5 SME in the state to allow the CoE to promote their technology acceptance, market validation of their R&D efforts, and to facilitate buyer connections for their products and incubatees at all levels of the industry sector.

2.1.Track I: Definition

Centers of Excellence under Track I shall identify and select a specific subject area/technology/innovation to work upon. In some cases the CoE may work on more than one areas that are inherently allied, e.g. AI and Machine Learning. The focus areas may range from:

- Big Data
- Internet of Things (IoT)
- Smart Cities
- Clean-Tech
- Edu-Tech
- Agri-Tech and Rural Development
- Health-Tech
- Machine Learning
- Artificial Intelligence
- Cyber Security
- Social Media, Mobility, Analytics and Cloud Computing (SMAC)
- Virtual Reality and Artificial Reality
- Electronics & Semiconductors
- Food & Food Processing
- Biotechnology
- Transportation and Automotive Technologies
- Or any other areas of social or national importance as defined periodically.

These focus areas may be changed by the department from time to time

The CoE under this track shall have the following aims:

Track I: COE Objectives

- Develop technical and domain deep expertise in chosen research areas
- Identify problem areas to be researched based on the socio-economic needs of the UP state, and the needs of large corporates and MSME in UP
- Develop and validate research solutions addressing these needs
- Support at-scale application of the research/innovations in industry and government institutions

Track I: COE Key Responsibilities

- Track national and international research in their area
- Dedicate personnel for specific research sub-areas
- Provide capacity building opportunities to internal researchers and external partners
- Build research partnerships on their chosen subject area (s) with academic and research organizations in India and abroad

- Provide technical and legal support in reaching, patents and IPR
- Develop platforms to share and disseminate knowledge and learnings
- Practice Design Thinking techniques for develop effective user-centered solutions
- Develop and validate prototypes
- Engage with external experts and domain specialists
- Run awareness programs in the community about the importance of the solutions being worked on
- Develop structures of large-scale roll out of the innovations
- Develop parameters to monitor the progress of each research project
- Hand-hold rollout of the innovation in the field, and provide impact report to the GoUP
- Support UP based organizations in making structural transformations that are cost effective and add value to their business.
- Support the state government in finding solutions for problems faced by the a rapidly developing state in all areas of public good such as health, education, sanitation and so on
- To scale up existing/new activities targeted at growth of the sector
- To provide a platform for speedy commercialization of technologies developed by the host institution or by any academic/technical/R&D institution or by an individual in the identified sector
- To build a vibrant ecosystem for their focus area, by establishing a network between academia, financial institutions, industries and other institutions.
- Training of experienced professionals to create a pool of experts in the field in the state
- Skill development for entry level/mid-level professionals so as to create a pool of trained professionals in the state in the sector
- Disseminate knowledge across the state government/academic institutions/startups as required.
- To create jobs, wealth and business in alignment with state and national priorities.

2.2. Track II: Definition

Centers of Excellence under Track II shall work on providing nurturing to startups/incubators and be able to provide them with the best of services that would enable a greater percentage of successful, scalable and high growth ventures.

Such centers would bring with them maturity and experience in incubation, best practices for nurturing startups, capability to accelerate businesses and provide global and networks for startups to exploit. These would work under the authority of the Largest Incubator which is being set up by the state.

The CoE under this track shall have the following aims:

Track II: COE Objectives

- Foster a culture of innovation, startups and entrepreneurship in the ecosystem and society-at-large
- Mentor Startups in the areas of ideation, opportunity analysis, business modeling,

- prototyping, launch management and scaling-up
- Develop and support innovation-based cost-effective solutions that address the needs of society at scale

Track II: COE Key Responsibilities

- Encourage all, especially women, to pursue entrepreneurship. Run awareness programs for youth and others on the value of being job-creators
- Offer specialized programs and training in areas like social entrepreneurship and rural startups
- Develop linkages with technology/R&D institutions; large corporates and MSME and angel investors, venture capitalists and professional service providers
- Build a Design Thinking mindset among Startups
- To scale up existing/new activities targeted at seeding and supporting startups.
- Connect Startups with GoUP for possible partnerships and service usage
- To provide a platform for speedy commercialization of technologies developed by the host institution or by any academic/technical/R&D institution or by an individual.
- Recognize and reward Startups that offer at-scale innovative services to their customers
- Provide seed funding to enable startups to develop and pilot prototypes and to conduct market research
- To build a vibrant startup ecosystem, by establishing a network between academia, financial institutions, industries and other institutions.
- To create jobs, wealth and business in alignment with national priorities.
- Support the state government in finding solutions for problems faced by the a rapidly developing state in all areas of public good such as health, education, sanitation and so on
- To provide services such as mentoring, legal aid, financial services, technical guidance, and intellectual property related services etc.

3. Particulars of the Scheme

The CoE will choose their focus sector based on either the analyzed societal needs or the Technology they want to focus on, or the business concept, or the skill or other broad areas of study.

Depending on the focus area of the CoE, it can have a wide range of purposes. The main goals and activities of CoEs include the following:

- providing research
- offering guidance
- providing training
- the implementation, management and use of a new technology or
- the adaptation, management and use of a new or particular skill or concept.

- Assessing (or helping others to assess) the maturity profile of their products against these best practices and work standards
- Providing direct (i.e., in-person) and/or indirect (e.g., instructional content, tools & templates, etc.) guidance and support to assist organizations/startups in implementing these best practices and work standards
- Assisting the Government of Uttar Pradesh in finding low cost solutions to problems such as those in areas like health, agriculture, sanitation, food security, security, education etc.

4. Nature of Project Support

For completion of the above responsibilities and more (as defined by the CoE themselves or requested by the Government of Uttar Pradesh from time to time), the CoE shall receive grant-in-aid of upto INR 10 cr across the period of 5 years. The exact amount that is disbursed annually is dependent on the submitted plans of the CoE.

The State Government will also support the CoE in identifying land/rental space. Here the CoE may work on a PPP mode and give IT & Electronics Department, GoUP equity through establishing their project on land/rental space that is provided by the government.

5. Quantum of Assistance

- a. The CoE shall receive Grant-in-Aid of across the period of 5 years with the limits as follows.
 - i. Track I : up to 50% of the project cost or up to INR 5 cr whichever is lower
 - ii. Track II : up to 50% of the project cost or up to INR 3 cr whichever is lower
 - iii. Above is the 1st release and in case it is found to be insufficient for the CoE then they can furnish utilization certificate and ask EC for release of new funds in the proportion as earlier.
 - iv. CoEs focused on subjects that support job creation in rural areas may receive support of up to INR 7 cr on submission of proof certificate showcasing direct job creation for 1,000 persons.

6. Eligibility Criteria for Submission of CoE Proposal

The following types of organizations are eligible to establish a CoE in the state of Uttar Pradesh:

- Educational Colleges/Universities/Institutions of repute that have a faculty (minimum 3 members) with 5+ years of experience each in the focus area or its allied subjects.

- For a non-academic institution, it should be a legal entity registered in India with the clear purpose and objective of promoting research, innovation and entrepreneurial ecosystem. It would be essential to have joint venture with at least one academic institute of repute / technical institutes of repute/company of repute/ government bodies engaged in promotion of innovation and entrepreneurship that have 10+ years of experience. Along with this they must have 5+ years of experience in focus areas or its allied sectors.
- The financial support for establishing a CoE would be extended to a not-for-profit legal entity registered as a society/trust/section 8 company. GoUP requires a CoE to collaborate with an industry, an academic institution and with other institutions of repute focusing on innovation, research, commercialization and start-up promotion. GoUP at present does not support for-profit CoEs.
- The age of member organizations or consortium should be at least 10 years. This will not apply to entities created by the central government or state government Acts. GoUP would welcome partnership with the State Governments and other Departments of Central Government.
- The legal entity heading the CoE should contribute at least 30% to the overall funding of the CoE.
- For Track II specifically, the proposal may be submitted by an existing Incubator, which has been in existence for at least 10 years. The Incubator should have 10+ years of experience and expertise in their identified subject matter. For Track II CoEs, Incubator/Institution is supposed to provide adequate expertise and infrastructure for scaling up of existing incubation activities.
- The proposals which are not complete or do not provide information will not be considered.
- To encourage new institutions to find the right direction, CoE applicants which have less than 10 years of experience may also apply. Their application may be considered on special consideration provided that bring deep Indian/global expertise in the areas of research, innovation or entrepreneurship.

7. Guidelines for Release of Financial Assistance to the Centre of Excellence

Once the proposal for CoE is agreed upon by the PIU Committee, the process for the sanction of incentive for the CoE and subsequent release of funds would be taken up after ensuring the following preliminary actions are taken by the Organization/Institution:-

- (i) Provision of a minimum of 5,000 sq. ft. (including training space) of furnished space for hosting the Track II CoE and 10,000 sq. ft. for Track I COE should be available. The EC may examine higher or lower requirements of space on a case to case basis. In case of publicly funded institutions support can be considered for lease of land.
- (ii) Creation of a separate interest bearing bank account under the name of registered CoE.
- (iii) The minimum period of lease for which the Organization should possess land & building is 5 years.
- (iv) It is assumed that all JV Partners/Member Organizations would continue to provide support beyond the initial agreement period. The commitment letter from all JV partners should be enclosed for the same.

8. Process for CoE Proposals

8.1. Submission Guidelines

- a. Proposal (two hard copies + soft version in MS word document+ soft version in PDF) in the prescribed proforma which will be made available along with the necessary enclosures including consent for Terms & Conditions. The proposal should be forwarded by the Head of the Institution/Organization. The proposal should be sent to the following address:-

The Additional Chief Secretary,
Department of IT & Electronics,
Yojna Bhawan,
Lucknow-226001.

E-mail : info@itpolicyup.gov.in
uppsit2017@gmail.com
upssit2017@gmail.com

- b. Enclosures to be submitted with the proposal by the institutions

1	Registration Certificate of the Institute/Organisation	One copy
2	Memorandum of Association of the JV Partners	One copy
3	Audited Statement of Accounts of the applicant(s) for the last three years that is CAG approved	One copy each
4	Annual Reports for the last three years of the applicant(s) that is CAG approved	One copy each

8.2.Processing of Application

The proposals for establishment of CoE can be received throughout the year, however the Advisory Committee on Innovation (to be constituted under the Chairmanship of the

Chief Secretary of Uttar Pradesh) will meet at least once in two months. Any proposal submitted up to one month before the meeting will be placed before the PIU Committee that has been constituted under the UP IT & Startup Policy 2017.

8.3.Evaluation of Proposal

Post the receipt of the duly filled application from the company/organization/society along with their detailed proposal, the same will be submitted to the PIU for the 1st round of screening. Here the PIU for the IT & Startup Policy 2017, will perform the initial screening of the application and collect all the necessary details from the applicant.

These screened proposals will be evaluated based on the merit and the capability of the Organisation/Institution in promoting innovation and entrepreneurship. The evaluation will be done by the independent Advisory Committee on Innovation constituted under the Chairmanship of the Chief Secretary of Government of Uttar Pradesh consisting of experts in the domain of R&D, technology development, commercialization, entrepreneurship, health, education, cybersecurity, etc. along with a member from the Planning Department and IT & Electronics Department.

The PIU Committee under the chairmanship of Additional Chief Secretary shall take a final decision to support the CoE based on the recommendation of the Committee.

9. Implementation

- (i) After in-principle approval of the Department of IT & Electronics for supporting a CoE, the grant for CoE would be released bi-annually across a period of 5 years only after ensuring that all pre-requisites have been fulfilled.
- (ii) The CoE will be administered by the apex body called Board. The Board needs to be chaired by the Head of the CoE. The Board of the CoE should meet every three months to review progress of CoE and provide policy guidelines. CoE should ensure that the operations are in line with the sanctioned proposal and activities are tailored to attain projected milestones. The Board should provide adequate autonomy and flexibility to the Chief Executive Officer (CEO) to make speedy & transparent decisions.
- (iii) The Board shall be answerable to the PIU and the GoUP Committees regarding their progress and achievements till the time the grant is being provided.
- (iv) The CoE shall appoint one person as the Point of contact for the PIU.
- (v) CoE is a specialized facility, hence for its proper daily operations and management, competent manpower must be recruited. Each CoE would have a dedicated CEO & a compact team with domain knowledge and management expertise, who work full time for the CoE.

- (vi) The CoE would evolve a transparent system for selection of trainees/incubatee/mentees. The trainees/incubatee/mentees should be admitted fulfilling the admission criteria. CoE should execute appropriate agreement with mentee/incubatee. The residency period and the exit policy may also be defined clearly in the agreement.
- (vii) Each CoE is required to have a website of its own and should update it on a regular basis but at least once in a quarter, including the details of incubatee/mentee. CoE should mention logo and name of GoUP in all marketing collateral including digital media.
- (viii) CoE should evolve partnerships with Institutions/Companies for dissemination of knowledge and support these organizations in their structural transformations. All such activities should be reported to the PIU on a quarterly basis.
- (ix) Each CoE is required to submit their annual activity calendar to the PIU bi-annually.
- (x) CoE should evolve partnerships with Institutions/Companies for making themselves self-sufficient.
- (xi) CoE shall submit quarterly, all information to PIU as prescribed in the format in annexure regarding all programmes including photographs of events and premises.

10. Review and Monitoring of CoE

The continuation of support and bi-annual funding to the COE is entirely performance based and will be reviewed by the Advisory Committee every year. The performance will be monitored both in quantitative and qualitative manner by the Advisory Committee. As and when it is felt necessary, a team constituted by PIU Committee may be sent for monitoring the progress of the CoE. In case of significant shortfall in the progress, the support may also be terminated mid-term upon the recommendation of the Advisory Committee. It is expected that the CoE shall attain financial self-sustenance at the end of five years.

To aid the review process of the Advisory Committee the PIU shall monitor the progress of all activities of the CoE quarterly and submit reports to the Advisory Committee for review.

It is mandatory for the CoE to provide all information to the PIU and the Committees as and when required.

11. General Terms and Conditions

- (i) IT & Electronics Department has priority areas for supporting CoEs. The current focus areas are Big Data, Cybersecurity, Artificial Intelligence, Agri-Tech, Health-Tech, Clean-tech,

Edu-Tech, Energy, Water, Sanitation and Internet of Things (IoT) etc. These areas are suggestive but are not restrictive.

- (ii) The proposal should be accompanied by cover letter from the CEO of the Organization formed for the establishment of the CoE. In case of an Educational Institute, the proposal should have an endorsement letter from the Head of the Institution who should forward the proposal. In case of partnership with state government institutions/state corporations/other institutions of repute the application should be accompanied by an endorsement letter from the Head of the government institutions/state corporations/other institutions of repute.
- (iii) A copy of Bye Laws/Memorandum of Association in case of registered Society/Trust, Registration Certificate of the Private/other organizations acting as a Host Institute for CoE is to be attached with the proposal. In case of partnerships, if the organization has a partnership with other academic institutions, R&D organizations or industries, a copy of MoU should be submitted along with the application.
- (iv) The annual accounts/balance sheet of CoE as presented to the PIU along with the annual report are required to be made available to PIU.
- (v) It is expected that at the end of five years the CoE becomes self-sustainable and no further support is requested from Department of IT & Electronics. It would be responsibility of the Institution/Organization and Board of the CoE to ensure the smooth continuation of activities after completion of 5 yrs.
- (vi) The CoE should run for at least 3 years post availing of complete quantum of grant from Department of IT & Electronics, Government of Uttar Pradesh. In case this is not possible, GoUP is allowed to hold the organization establishing the CoE responsible for losses suffered.
- (vii) The release of grants after the first year and each subsequent year is subject to satisfactory performance of CoE. For this purpose the progress of work and achievement of milestones is to be sent by CoE to PIU in the prescribed format.
- (viii) In case of any kind of problem in the implementation of the programme, the same needs to be documented properly and brought to the knowledge of the PIU and then to PIU Committee as early as possible. This will include inability to get adequate number of incubatee, frequent leaving of incubatee, inability to meet targets etc. In view of any problem, a revised action plan has to be sent to PIU.
- (ix) Non-performance and non-compliance to the conditions required for sustainable functioning of CoE may result in discontinuation of further support and refund of unspent grant money.

12. Proforma for Proposal

To be defined post confirmation of guidelines

13. Format for Annual Progress Report for COE

To be defined post confirmation of guidelines