

# **EDC PERSONAL PREVENTIVE EQUIPMENT (PPE) INNOVATION CHALLENGE 2020**

Organized by:

Entrepreneurship Development Centre (EDC)  
Planning & Programme Implementation Department  
Government of Mizoram.

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## **I: INTRODUCTION**

Pandemic of corona virus (COVID-19) has created an unprecedented demand for Personal Preventive Equipment (PPE) such as disinfectant, hand sanitizer and masks. Panic buying of these products has resulted in a short term market failure in terms of shortage of supply to meet demand of such items and also in terms of exorbitant pricing resulting from these supply shortages.

To address such market failure with local solutions, Entrepreneurship Development Centre (EDC) plan to organize EDC-PPE Innovation Challenge to provide local solutions while also creating business opportunity locally and also to challenge and motivate the spirit of entrepreneurship and to enhance entrepreneurship ecosystem in the State.

## **II: VISION & SCOPE**

Mizoram is witnessing an emergence of young business class with sharp entrepreneurial acumen with a drive for success. In order to make the State a Start Ups friendly, the spirit of entrepreneurship needs to be promoted further especially among the youth in the State.

EDC-PPE Innovation Challenge is a program that will give individuals, budding and existing entrepreneurs a business opportunity and rendering public solution to generate innovative solutions by producing preventive equipment specifically Sanitizer, Disinfectant and Mask to meet current demand of the public.

EDC-PPE Innovation Challenge will be organized on a competitive basis for micro funding of such commercial production. The selected projects will be awarded the PPE grant up to Rs.3.00 lakh or 60% of the project cost (whichever is lesser), as decided by EDC Board and, the remaining fund required for the project must be met by the winners from their own sources or bank loan.

It is of great import to note that the overarching objective of this initiative, besides financial assistance to turn ideas into action, is to spread awareness of entrepreneurship among the masses in general and to promote it among the youth in particular through open competition while addressing current market failures. The initiative goes further by putting in place a mechanism for monitoring the progress of the projects funded under it, and provide institutional knowledge-based support and scrutinize whether the fund granted is being utilized properly and effectively.

## **III: TARGET GROUP**

The PPE Innovation Challenge will be open to all residents of Mizoram who have recently started or wish to start an innovative business venture within the State of Mizoram. The main focus group, however, will be the younger demography of the indigenous Mizo workforce.

#### **IV: OBJECTIVE & KEY DELIVERABLES**

1. To provide seed capital for the production of PPE specifically sanitizer, disinfectant and mask.
2. To provide business opportunity for emerging and early stage entrepreneurs with potential while also addressing current market failure.
3. To spread awareness on entrepreneurship among the masses in general and to promote it among the youth in particular.
4. To promote self-reliance and tap the entrepreneurial potential of the State.
5. To generate employment through startups.

#### **V: STRUCTURE & MANAGEMENT**

- The EDC-PPE Innovation Challenge is administered by the Entrepreneurship Development Centre (EDC).
- The EDC-PPE Innovation Challenge will be announced through different channels of media.
- The Challenge will be mostly conducted through competitive basis and as far as possible through online.
- Since one of the major objectives of the Challenge is to address the market failure for supply of adequate PPE caused by Covid-19 and entrepreneurship opportunity with local solution, contestants/winners will be able to execute and roll out their Project Proposal within one (1) month from release of the grant. The contestants/winners are also obliged to participate in all activities pertaining to the Challenge including, but not limited to, interviews, video-shoots, award ceremonies etc. interspersed through the duration of the Challenge.
- Proposals may be invited for specific sectors i.e., Personal Preventive Equipment (PPE) sector perceived as market failure in the State.
- As the competition is limited to PPE specifically sanitizer, disinfectant and mask, there is no upper limit or restriction for the project.
- Selected projects/contest winners will be awarded the PPE grant up to Rs.3.00 lakh or 60% of the project cost (whichever is lesser) which may be released in installments of 40:60 or as decided by EDC.
- Fund release is subject to the approval of the final Project Action Plan by the competent authority as decided by EDC and the Terms & Conditions of the EDC-PPE Innovation Challenge Grant.

- As entrepreneurship is not a risk-free venture, the remaining fund requirement for the project over and above the Challenge grant must be met by the winners from their own source or bank loan.
- Progress attained will be monitored by the appointed / selected agency as decided by EDC and as per Terms & Conditions of the Personal Preventive Equipment Innovation Challenge Grant.

## **VI. SEQUENCE OF COMPETITION**

1. Submission of Detailed Project Action Plan/Proposal using given format through email at **edcmizoram@gmail.com**.
2. Selected candidates will be requested for final detailed Presentation.
3. Submission and Approval of Final Project Action Plan by EDC including:
  - a. Submission of Bank Account details for Grant.
  - b. Full Estimate of Project with timeline
  - c. Showing of Owner's contribution.
4. Release of 1<sup>st</sup> installment of Grant (40%)
5. Monitoring:
  - a. Submission of UC along with Work Report – 2 weeks from release of 1<sup>st</sup> Installment.
  - b. 1<sup>st</sup> Inspection – after submission of UC & Work Report by the Grantee.
6. Release of 2<sup>nd</sup> Installment of Grant (60%)
7. Monitoring
  - a. Submission of UC along with Work Report – 2 weeks from release of 2<sup>nd</sup> Installment.
  - b. 2<sup>nd</sup> Inspection – as and when required.

The sequence of the Competition is subject to change as per the decision of EDC.

## **VII: TERMS AND CONDITIONS OF GRANT**

### **A. Definitions**

1. The term “Agreement” as used herein means a grant agreement between the Government and Grantee specifying the payment of Grant Amount by the Government for the performance of implementing the Project.
2. The term “Government” as used herein means the party described as the Grantor of this Agreement.
3. The term “Grantee” as used herein means the party described as the Grantee of this Agreement.

4. The term “Grant Amount” as used herein means fund for EDC-PPE Innovation Challenge provisioned for the implementation of the Entrepreneurship Development Scheme under the Socio-Economic Development Policy (SEDP) and awarded through the EDC-PPE Innovation Challenge.
5. The term “Project” as used herein means the project of this Agreement.
6. The term “Project Action Plan” as used herein means the Project Details attached as Annexure-I and the Budget & Estimates attached as Annexure-II.

## **B. Grant Release**

Subject to the availability of Grant Amount, the Government hereby grants to the Grantee a sum of money not to exceed the amount stated in this Agreement in consideration of and on condition that the sum be expended in carrying out the purpose as set forth in the Project Action Plan and under the terms and conditions set forth in this Agreement. Grantee agrees to assume any obligation to furnish any additional funds that may be necessary to complete the Project. All costs accrued for services or supplies prior to the execution of Agreement are not eligible for reimbursement.

The Grant Amount to be provided to the Grantee, under this Agreement, may be disbursed as follows:

1. Signing of Agreement by the Government and the Grantee.
2. 40% (or as determined by EDC) of the Grant will be released to the Grantee’s Current Account, opened specifically for this Grant by the Grantee, as Seed Capital on approval of Project Action Plan.
3. The remaining 60% (or as determined by EDC) of the Grant will be released subject to the following conditions:-
  - (a) Submission of invoice for expenditure incurred on previous release of fund.
  - (b) Grantee shows documentary proof (bank account statement) of the availability of owner’s contribution as per Project Action Plan.
  - (c) The Government has satisfied itself on the performance of the Grantee.

## **C. Project Execution**

1. The Grant should be utilized as per the Project Action Plan submitted by the Grantee and approved by the Government.
2. The Project should be implemented within the State of Mizoram.
3. The Project should be executed and rolled out within 1 (one) month from release of Grant.
4. The Grantee may not use any portion of the Grant for any purpose other than as detailed in the Project Action Plan, and as is necessary to perform the Project.
5. Grantee agrees to submit in writing, any deviation from the attached Project Action Plan to the Government for approval prior to implementation of changes.

6. Grantee agrees to put in place a clear and visible banner indicating the following: “EDC-PPE Innovation Challenge funded under Entrepreneurship Development Scheme, Govt. of Mizoram” on the site of the operation or office of the firm and all related documents.

#### **D. Project Monitoring**

1. The Grantee shall furnish 2 (two) copies of the certificate of actual utilization of released funds within 2 (two) weeks from the date of its release. The Utilization Certificate must be duly signed by the head of the firm/administrative head.

2. The Utilization Certificate and project reports shall be supported by vouchers, brief report of the action taken and photographs of the firm & any other materials purchased.

3. The Government reserves the right to require reports more frequently than on a quarterly basis if necessary, but no more than once a month.

4. Grantee agrees to promptly submit reports as the Government has requested in this Agreement or may request during the life of this Agreement.

5. Grantee agrees that property and facilities acquired or developed pursuant to this Agreement shall be available for inspection upon request by the Government.

6. Grantee agrees to maintain satisfactory financial accounts, documents and records for the Project and to make them available to the Government for auditing at reasonable times. Grantee also agrees to retain such financial accounts, documents and records for at least three years following Project termination or completion.

7. Projects are subject to audit by the Government for three years following the final payment of Grant Amount. The purpose of this audit is to verify that project expenditures were properly documented. Grantees will be contacted at least 10 days in advance of an audit.

#### **E. Project Withdrawal/Termination and Loss of Grant Amount**

1. The Project will be considered terminated if the Grantee fails to produce a Final Project Action Plan for approval by the Government within 5 days for signing an Agreement with the Government.

2. The Agreement will be considered terminated if the Grantee fails to execute and roll out the Project as per Action Plan within 1 (one) month from release of the Grant.

2. If the Grantee wished to withdraw a Project, the Grantee shall notify the Government in writing.

3. Failure by the Grantee to comply with the terms of this Agreement may be cause for suspension of all obligations of the Government hereunder, barring cases where in the judgment of the Government such failure was due to no fault of the Grantee.

4. Notwithstanding anything contrary to this Agreement, in the event an approved Project cannot be implemented or if the Grantee defaults in the performance of any obligation under this Agreement, and

if Grant Amount were advanced, then the Government may declare all the Grant amount owing and interest due under this Agreement at that time to be immediately due and payable.

#### **F. Hold Harmless and Indemnification**

1. Grantee agrees to waive all claims and recourse against the Government including the right to contribution for loss or damage to persons or property arising from, growing out of or in any way connected with or incident to this Agreement except claims arising from the concurrent or sole negligence of Government, its officers, agents, and employees.
2. Grantee agrees to indemnify, hold harmless and defend Government, its officers, agents and employees against any and all claims demands, damages, costs, expenses or liability costs arising out of the acquisition, development, construction, operation or maintenance of the property described as the Project except for liability arising out of the concurrent or sole negligence of Government, its officers, agents or employees.
3. Grantee agrees not to hold the Government responsible if the execution of the Project is delayed/ interrupted due to causes such as Natural calamities, War, Major Civil commotion, Fire, Storms, Floods, Epidemic, Pandemic, Strikes or Lock-outs or any other cause which is beyond the control of either of the parties. In such an event the Government shall not compensate the Grantee for the loss that might accrue or might have accrued because of the effect of such events on execution of the Agreement.

#### **G. Application Incorporation**

The Application and any subsequent change or addition approved in writing by the Government is hereby incorporated in this Agreement as though set forth in full in this Agreement.