

Kathmandu University Business Incubation
Centre (KUBIC)

Proposal Call for

Innovation to Industry

1. Introduction to the call

Kathmandu University (KU) received a grant of NPR 10 million from University Grant Commission (UGC) to establish and operate the incubation centre at KU. Additionally, EnergizeNepal program has allocated a fund of NPR 4 million for establishing and supporting the innovation-based start-ups in the field of Energy and climate change. These funds will be channelized through Knowledge Utilization, Innovation, and Incubation Centre (KUIIC), a profit-not-distributing company established by KU to promote the business activities within the University and facilitated by KU Business Incubation Centre (KUBIC).

KUBIC will work on capacity building, assisting start-up and early stage companies by linking them to a network of services from financial sectors, legal assistance to interested industries. The incubator will also support the candidate business by providing the workspace, office facilities, counselling to develop, sustain, and prosper within an agreed time frame with the goal of graduating them with a sound financial foundation.

This proposal call is targeted at the business enthusiasts with an idea, that has the potential to be scaled up and to make profit. The expected impacts of this support are mid-scale business enterprises creating jobs and contributing to economic development of the nation on the long run.

2. Objectives of the call for innovation to industry

KUBIC aims to help, create, and motivate entrepreneurs, which the motive to transform societies through economic growth. The objectives of this project are to:

- Promote technology-based firms' development and to provide right resources to grow the business to maturity.
- Accelerate successful development of the start-up companies by providing entrepreneurs with specific resources through its network of contacts.
- Foster entrepreneurial activity in academia by translating academic creations into economic ventures, emphasizing human values, and identifying new products/markets to showcase entrepreneurial impact.

3. Investment plans

KUBIC provides seed money investments for start-up based small business ventures. KUBIC Investments are open for any type of start-ups.

| Project Award Category | | |
|------------------------|----------------------|-----------|
| 1 | Open category | 20 (Nos.) |
| 2 | Energy Thematic Area | 8 (Nos.) |

| S. No | Category (Total Investment: NPR 14,000,000) | NRs. |
|--------------|--|-------------|
| 1 | Maximum Investment for each proposal | 500,000 |

4. Eligibility for Application

- Ideator, who has innovative idea that can be converted into business.
- At least one member should be associated with KU fraternity (student, faculties & staffs, alumni) for open category.

5. Application procedure

The proposal call is open from the publication date. The Ideator is required to submit the business plan in the prescribed format provided in *Annex I*. The evaluation will be done on first-come-first evaluation basis. The proposal call will close as soon as the allocated fund is exhausted (i.e. NPR 10 million for open category and NPR 4 million for Energy Thematic Area).

6. Investment release pattern

Total Investment will be released in two instalments (50% and 50% basis).

- First instalment budget will be released after the contract signing. Fund will be released in the name of the company registered by the applicant.
- Second instalment budget will be released only after the success of the Mid-term presentation. It will be conducted within 6 months of the contract signing date.

7. Use of Investment

- The budget expenditure plan for the seed money should be submitted along with the business plan.

8. Evaluation and Selection of Proposals (including bonus and negative points)

- A total of 3 members evaluation committee will be formed by KUBIC/ENEP.
- Proposal received will be evaluated on biweekly basis from the date of announcement.
- Proposals will be selected within budget and in the order of evaluation scores.

The evaluation criteria of proposals are as follows:

i. Team Participation (10 Percent)

- The team composition (diversity, capacity and inclusion of gender equity and social inclusion in the team) will be taken into consideration when evaluating.

- The team should have congruent capacity and commitment to operate the business, devote time and illustrate their passion to continue the business.
- ii. Innovativeness, scalability, and growth Potential (50 Percent)**
 - The proposal should outline the potential for the business to scale and grow in the future. It should have operational feasibility assessment that the required input supplies and corresponding sourcing of inputs (machineries and equipment, raw materials, human resources etc) are guaranteed.
 - The proposal should illustrate the marketability of the product or service assessment of market acceptance, competition landscape and corresponding marketing strategies. This may include a plan for expanding the business, increasing revenue, post incubation plan and attracting further investment, if required.
- iii. Financial Viability (40 Percent)**
 - The proposal should include a clear and realistic financial plan, including revenue projections, cost analysis, and funding requirements.
 - The proposal should demonstrate the potential for the business to generate a profit and achieve financial sustainability by the end of the five years.

The innovator is required to score at least 70 to be considered for the funding.

9. Application Processes

| | |
|-----------------------------|--|
| Category | Rolling basis call |
| Application Submission Date | November 6 th to December 31 st , 2023 |
| Submission | Submit the proposal in electronic copy via email to both bic@ku.edu.np & energizenepal@ku.edu.np . * Applicants are requested to make sure that they have received the confirmation of your proposal receipt from KUBIC/ENEP. |

10. Contacts

For further information and related forms, please refer to the website of Kathmandu University (www.ku.edu.np) & EnergizeNepal Program (www.energizenepal.ku.edu.np). For inquiries about details and evaluation schedule/procedure, please visit ENEP office at KU Dhulikhel.

Appendix A: Detailed Guidance for the Proposal

Applicants for the BI should ensure that their proposals cover aspects as outlined below:

1. EXECUTIVE SUMMARY

- Objectives and description of the project.
- Brief history and background to the project.
- Products and services
- Financing required

2. THE IDEATOR CHARACTERISATION / CONCEPT

- Overview of Ideator's organisation and strategy.
- Track record if the Ideator has been in existence
- Current status
- Unique characteristics and advantages of Ideator
- Key stakeholders

3. MARKETING PLAN

- Target Market
- Plan to reach the Target Market
- Analysis of the market and its potential (trends, competition, comparative advantages)

4. OPERATIONAL PLAN

- Procedures for reaching objectives
- Incubate recruitment, pre-incubation and assessment
- Description of the proposed business model
- Exit strategy and post incubation strategy

5. FINANCIAL PROJECTION

- Projected income statement, balance sheet, and cash flow statements
- Revenue Model
- Investment or funding opportunities

6. RISK AND CHALLENGES

- Potential risks and challenges that the business may face
- How the business plans can mitigate these risks