

## **GRANT AGREEMENT (TIDE 2.0 Scheme)**

This Grant Agreement (herein after referred to as “**Agreement**”) is executed on this \_\_\_\_\_ day of \_\_\_\_\_, 2023 at Srinagar Kashmir

By and between

“**University of Kashmir**” a corporate body incorporated under Kashmir and Jammu Universities Act, 1969, with its registered address at Hazratbal, Srinagar Kashmir, - 190006 India [Hereinafter referred to as “**FIRST**” or “**Incubator**” which term unless repugnant or contrary to the context include its successors, representatives, administrators and permitted assigns] and represented through its authorised signatory, the Registrar of the University, on the “**FIRST PART**”

And

“ \_\_\_\_\_ ”  
(CIN: \_\_\_\_\_) a private limited company incorporated under the provisions of the Companies Act, 2013 with its registered office at \_\_\_\_\_ (Herein after called as the “**Company**” which expression shall include unless it be repugnant to the context or meaning thereof mean and include their successors, representatives, assigns, promoters etc.) and represented through its authorized signatory Mr. \_\_\_\_\_ (DIN: \_\_\_\_\_),  
(Director of the Company) resident of \_\_\_\_\_  
\_\_\_\_\_ of the **OTHER PART**.

**FIRST** and the **Company** are each a “**Party**” and collectively the “**Parties**” and any person that is not a signatory to this Agreement shall be referred to as a “**Third Party**”.

### **WHEREAS**

1. **FIRST**, a Technology Business Incubator, promoted by University of Kashmir, Srinagar, provides incubation support for technology – based entrepreneurship.
2. **FIRST** under collaboration with The Ministry of Electronics & Information Technology (“MeitY”), Govt. of India is hosting a program called Implementation of Technology Incubation and Development of Entrepreneurs Scheme referred to as “**TIDE Scheme**” that helps and supports technology start-ups in selected areas of national concern. The eight areas of national concern have been identified as Healthcare, Education, Agriculture, Financial inclusion including digital payments, Infrastructure and transportation, Environment and clean tech, Clean energy and other emerging areas.
3. **TIDE Scheme** is operationalised by an Evaluation Committee (hereinafter “**EC**”) that recommends financial support, in the form of grant, to the Start-ups, for the Prototype Development.
4. **FIRST** has also entered into an Incubation Agreement dated \_\_\_\_\_ with the **Company** for incubating the business idea of the **Company**.
5. The **Company** deals in the business of \_\_\_\_\_

\_\_\_\_\_ and has applied for a grant for the successful execution of its project (“**Project**”) titled as

“\_\_\_\_\_”  
\_\_\_\_\_”. The details of the Project is appended in **Annexure-1** to this Agreement.

6. FIRST has reviewed the project proposal of the Company through the EC and approved the Project for the grant support of Rs. \_\_\_\_\_ (Rupees \_\_\_\_\_ only) out of the total cost of the project of Rs. \_\_\_\_\_ (Rupees \_\_\_\_\_ only) for the total of \_\_\_\_\_ (\_\_\_\_\_ ) grant disbursement.

7. The company in its Meeting of the Board of Directors held on \_\_\_\_\_ has approved to seek the said grant from FIRST and has authorized its Director Mr. \_\_\_\_\_ to execute all the documents and to do all that is necessary to obtain the grant. A copy of the minutes of the aforesaid meeting is appended in **Annexure-2**.

**The parties are desirous of setting forth the terms and conditions, representation, warranties, covenants, and principles relating to the provision of managing and implementing the Project**

1. The Period of this Agreement shall be \_\_\_\_\_ (\_\_\_\_\_ ) months (Grant Period).

2. FIRST shall contribute an amount of Rs. \_\_\_\_\_ (Rupees \_\_\_\_\_ only) inclusive of all taxes and GST etc. as a grant (“Grant”) for the Project to the Company in \_\_\_\_\_ tranches as per the schedule mentioned in **Annexure-3**.

3. The funds shall be transferred to the following bank account of the Company:

1.	Bank Name	
2.	Account No.	
3.	Account Name	
4.	Account Type	
5.	Branch Code	
6.	IFSC Code	
7.	NEFT Code	

4. The Company hereby undertakes and agrees to utilise the Grant only for the Project for the Budgeted Expenses as appended in **Annexure-4**. If any portion of the Grant is used for the purpose other than the Planned Expenditure (Grant Spent for Other Purpose), the Company shall return back the amount of the Grant Spent for Other Purpose to FIRST.

5. Reporting requirement and release of the Grant-

a. The Company will provide a Progress report (“**Progress report**”) of the Project, as per the format prescribed by FIRST on each quarter, or as and when asked for, supported with the copy of the invoices (“**Invoices**”) and Statement of Expenditure (“**SoE**”).

b. On the achievement of the Milestones within the decided time lines or at the request of FIRST, the Company will submit with FIRST:

- i. the Utilisation certificate for the Grant utilised as per the format as appended in **Annexure-4**, duly certified by a Practicing Chartered Accountant supported with the Invoices and SoE.
  - ii. Progress report of the milestones achieved (**“Progress Report-Final”**) as per the format prescribed by FIRST.
  - iii. FIRST will conduct proper due diligence on the Progress reports. FIRST may ask the Company for any other information related to the Grant disbursed to the Company, during the due diligence process and the Company will provide its best support to answer the queries and questions raised by FIRST in this regard. The Company may also be asked by FIRST to present the progress reports before the industry experts appointed by FIRST.
  - iv. FIRST may, at its sole discretion, hold or cancel the release of any undisbursed amount of the Grant to the Company in case if the Due Diligence is not positive as per the satisfaction of FIRST and the same shall not be challenged or disputed by the Company.
  - v. FIRST reserves the right to get the documents (UC etc.) so submitted verified by its own chartered accountant. In such a case the company shall fully cooperate with the Chartered Accountant of FIRST in providing to them / giving access to them all books of accounts, vouchers, registers, bills invoices over the tangible and intangible assets of the company.
6. The Grant shall not be utilised for the following expenditures:
- i. Salary or compensation in any other form for promoters and directors,
  - ii. Repayment of dues of promoters and their associates,
  - iii. Repayment of loan from any other source nor for payment of interest on the loan borrowed from such other source,
  - iv. For payment of any pre-existing contingent or statutory liability of the company,
  - v. For any expenditure which is not directly related to the Project,
  - vi. For extending loans to promoters, their associates, or
  - vii. For making any inter corporate deposits or any speculative purpose,
  - viii. Personal benefit of promoters or their associates,
  - ix. For any cash expense beyond Rs.10,000/-.
7. Notwithstanding anything contained in this Agreement, FIRST reserves a right to terminate this Agreement, through a written notice to the Company, under any of the following circumstances:
- a. If the Company is not performing, towards the achievement of the Milestones within the decided time frame.
  - b. If the Project is not up-to the mark or unsatisfactory or the audit findings of the Business Project are negative or unsatisfactory from the FIRST’s point of view.
  - c. If any of the term of this Agreement is not complied with.
  - d. In case of misappropriation of the Grant.
  - e. the Company is, in the reasonable opinion of FIRST, delivering the Funded Activities in a negligent manner; in this context negligence includes but is not limited to failing to prevent or report fraud or corruption.
  - f. If FIRST determines (acting reasonably) that any director or employee of the company has: (i) acted dishonestly or negligently at any time during the term of this Agreement and to the detriment of

FIRST; or (ii) taken any actions which unfairly bring or are likely unfairly to bring the FIRST's name or reputation and/or FIRST into disrepute.

- g. In cases of termination of the Agreement and/or if the Company is not able to achieve the Milestones, the Company shall transfer the unspent amount of the Grant ("Unspent Grant"), lying in the Current bank of the Company, within 15 working days.
- 8. The Company while obtaining the Grant shall be solely responsible for obtaining all the statutory permissions/licenses/approvals required, if any, for its Project.
- 9. The Company shall facilitate FIRST's authorised representatives in visiting the Business site for periodically monitoring/audit purpose; however, the cost of visit will be borne by FIRST.
- 10. The Company will indemnify FIRST against any and all legal and pecuniary liabilities arising out of any claims relating to misuse or lack of use or delayed use of Grant by the Company or any other third party, or out of any other such claims that arise due to failure on part of the Company or any other third party in discharging their responsibilities as envisaged in this Agreement or in any other Agreement, express or otherwise, between the Company and such other third party, except when such misuse or lack of use or delayed use of the Grant is attributable to FIRST.
- 11. The Company will indemnify FIRST from any and all legal and pecuniary liabilities arising due to non-compliance on part of the Company, with the terms of this Agreement.
- 12. The company shall deposit a refundable security deposit of Rs. 10,000/- (Rs. Ten Thousand) as fixed deposit which should be pledged to the NewGen IEDC Incubation Centre University of Kashmir.
- 13. The company shall pay an amount of Rs 1,500/- per month in lieu of the usage of space, internet charges, electricity to the NewGen IEDC University of Kashmir.
- 14. The invalidity or unenforceability of any provisions of this Agreement in any jurisdiction shall not affect the validity, legality or enforceability or the remainder of this Agreement in such jurisdiction or the validity, legality or enforceability of this Agreement, including any such provision, in any other jurisdiction, it being intended that all rights and obligations of the Parties hereunder shall be enforceable to the fullest extent permitted by law.

**15. Confidentiality**

The Company undertakes on its behalf and on behalf of its sub-contractors/employees to maintain strict confidentiality of the Project including, but without limitation to, the R&D work and know-how generated and prevent disclosure thereof, for any purpose, other than in accordance with this Agreement.

**16. Force Majeure**

Neither party shall be held responsible for non-fulfilment of their respective obligations under this Agreement due to exigency of one or more of the force majeure events such as, but not limited to, Acts of God, war, flood, earthquakes, strike, lockouts, epidemics, riots, civil commotion etc., provided on the occurrence and in cessation of any such event, the party effected thereby shall give a notice in writing to the other party immediately after but not later than one month of such occurrence and cessation. The period between the occurrence and cessation of such event will be excluded while calculating the period during which the party has to perform his obligations under this Agreement. If

the force majeure conditions continue beyond six months, both the parties may mutually decide about the future course of action.

**17. Amendments**

No amendments in this Agreement shall be effective unless it is in writing and signed by duly authorized representatives of both the parties. The Agreement may be extended/modified/amended as may be required with mutual written consent of both the parties.

18. This Agreement shall be governed by and construed and enforced in accordance with the laws of India.

19. This Agreement is on a principal-to-principal basis between the Parties hereto. Nothing contained in this Agreement shall be construed or deemed to create any association, partnership or joint venture or employer-employee relationship or principal-agent relationship in any manner whatsoever between the parties.

20. This Agreement may be executed in counterparts, each of which shall be deemed to be an original, but all of which constitute one and the same Agreement, and may be delivered by facsimile or other reliable means.

**21. Validity**

This Agreement shall be deemed to have come into force from the date of signing of the Agreement and will remain valid for the duration of project.

**22. Residuary Matters**

Any matter not covered specifically in the Agreement may be settled by mutual agreement.

**23. Dispute Settlement**

In case of dispute or any issue of disagreements between the parties, the matter may be referred to Vice Chancellor, FIRST for a decision, which shall be final and binding on both the parties.

**IN WITNESS THEREOF THE PARTIES HAVE SET THEIR HANDS RESPECTIVELY ON THIS AGREEMENT ON THE DATE ABOVE GIVEN AT SRINAGAR KASHMIR.**

Signed and Confirmed  
By the within named "**FIRST**"

Signed and Confirmed  
By the within named "**Company**"

(\_\_\_\_\_)

Authorised Signatory/Director

**Witness:**

(Signature with Name & Address)

1.

1.

2.

2.

**Witness:**

(Signature With Name & Address)

**Annexure -1 Details of the Project**

**Annexure-2- Board Resolution**

**Annexure-3**  
**(Schedule of the tranche disbursement)**

<b>Tranche</b>	<b>Amount of Tranche</b>	<b>Milestones.</b>	<b>Period</b>
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First			
Second			
Third			

(Budgeted Expenditure)

No.	Items	Project Cost (Cost in Lakh INR)			Justification
		Own Share	TIDE	Total	
1					
2					
3					
4					
5					
6					
	<b>Total Cost</b>				

**Annexure-4 Utilisation Certificate (UC)**

**Period From .....To.....**

<b>1.</b>	Title of the Project	
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2.	Name of the Grantee	
3.	Name of the Directors with DIN	
	Agreement date	
	Bank A/c detail	
4.	Total amount sanctioned	
5.	Amount received, if any in previous tranche(s)	
6.	Amount brought down from the previous period	
7.	Amount received in present tranche	
8.	Other receipts / interest earned, if any w.r.t. the present phase	
9.	Total amount that was available for expenditure (6+7+8)	
10.	Actual expenditure incurred during the period. (statement of expenditure is enclosed)	
11.	Balance amount available at the end of present Phase (9-10)	
12.	Unspent balance refunded	
13.	Amount to be carried forward to the next phase. (11-12)	

**Sd/-**  
**Name of the Director**  
**DIN-**  
**Date-**  
**Place of signing-**

**Part of UC**

**UTILISATION CERTIFICATE (UC)**

Certified that out of Rs.....of grants in aid sanctioned during the 1<sup>st</sup> phase  
 (dated.....) under GRANT received by FIRST in favour of  
 \_\_\_\_\_ has  
 been utilised for the purpose as mentioned in the Budgeted Expenditure Sheet

..... and a balance of Rs.....remaining unutilised at the end of the year has been surrendered to FIRST will be adjusted towards the grants in aid payable during the next phase /will be carried forward to the next phase.

<b>(Signature of the Director with date and DIN No)</b>	<b>(Signature of the Chartered Accountant with Date, Seal, M. No. &amp; UDIN)</b>
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Certified that I have satisfied myself that the conditions on which the grants in aid is sanctioned by FIRST have been fulfilled /are being fulfilled and that I have exercised the following checks to see that the money was actually utilised for the purpose for which it was sanctioned.

Signature of the Chartered Accountant with Date, Seal, M.No. and UDIN

**Statement of Expenditure (Part of UC)**

<b>S. No.</b>	<b>Items of Expenditure*</b>	<b>Amount as per Planned Expenditure Sheet</b>	<b>Amount utilized</b>
	<b>(*As per Planned Expenditure sheet)</b>	<b>Amount</b>	<b>Amount</b>
1	Equipment		
2	Manpower		
3	Consumables		
4	Rental/Others		
5	Travel		
6	Outsourcing		
7	IP		
8	Contingency		
	<b>Total</b>		

<b>(Signature of the Director of the Company with date)</b>

<b>(Signature of the Chartered Accountant with Date, Seal &amp; M. No.)</b>