



ABSTRACT

Information Technology Department-Establishment of Warehouse for Start-ups at Chennai- Administrative Sanction of Rs.353.158 lakhs- Orders -Issued.

INFORMATION TECHNOLOGY (B3) DEPARTMENT

G.O.(D) No.36

Dated : 29.12.2014

ஐய, மன்கழி-14

திருவள்ளூர் ஆண்டு-2045

Read:

From the MD, ELCOT Lr.No.ELCOT/ITPD/WHA/NASSCOM/ 2014,
dated 29.5.2014 and 30.06.2014.

ORDER:

In the Budget Announcement 2014-15, the Hon'ble Finance Minister has announced as follows:

“As a major step to support young entrepreneurs, from 2014-15 onwards, this Government will make available 10 % of space exclusively for Information Technology Incubation Centres as “**Warehouses for Startups**” in all Information Technology Parks developed by the Government. These Centres will promote new ventures and assist upcoming entrepreneurs by creating an appropriate eco-system.”

2. Based on the above Budget Announcement, the Managing Director, Electronics Corporation of Tamil Nadu Limited (ELCOT) has submitted a detailed proposal to Government for setting up the ‘**Startup Warehouse**’ in Chennai, with NASSCOM being the knowledge partner to support and run the quality Startups in Chennai. The salient features on the “Startup warehouse are as detailed below:-

(i) **The activities under this program include the following:**

- a) Create massive awareness about entrepreneurship across the State.
- b) Build entrepreneurial capability through events, online learning center and creation of a vibrant online community to link investors, mentors and start-up entrepreneurs.
- c) Incubate and accelerate quality Startups in partnership with the best incubators in the country.

- (ii) **Objective:** To support early stage technology startups in Chennai with high quality physical working infrastructure and ancillary support at subsidized costs.

The Knowledge Partner will partner with Government of Tamil Nadu for the Startups to set up and offer shared office space to entrepreneurs in a plug and play format.

- (iii) The essential requirements for the '**Startup Warehouse**' are detailed below:-

(a) **Total Area required:** Around 10,000 Sq.Ft (Carpet area) fully functional plug and play office space.

(b) **Facilities:**

- Workstations : 60 – 80 Nos.
- Meeting Rooms: At least 4 Nos.
- Conference Room: 1 (Large) and 2 (Small) (AV equip-conference phone & LCD screen)

(c) **Infrastructure:** 100% power back-up, central air-conditioning, leased internet line, cafeteria and basement car parking.

(d) **Location:** Easy access and a well-connected location are critical to attract the highest quality early stage ventures and founders to the facility.

3. Responsibility for the Startup Warehouse and Institutional Arrangements.

The Knowledge Partner will be responsible for end-to-end program management of the Warehouse. This will be achieved by hiring a dedicated professional team to staff the warehouse to ensure smooth day-to-day operations of the **Startup Warehouse**. In addition, a '**Startup Warehouse Board**' will be appointed which will comprise two representatives from the Knowledge Partner's side, one Tamil Nadu based startup community leader and one or more representatives from the Government of Tamil Nadu. Representatives from Government of Tamil Nadu will include Secretary, Information Technology Department, Managing Director, ELCOT etc. ELCOT will collaborate with the Knowledge Partner to accelerate the commissioning of the first **Startup Warehouse** in Chennai. This Board will be responsible for supervising:

- I. Short listing, on-boarding and managing startups.
- II. Monitoring programs and events run by the Warehouse staff to ensure long term success of the initiative.
- III. Providing governance and oversight of operations, administration and finances of the Startup Warehouse.

IV. Ensuring auditable reports are delivered to all stakeholders in a timely manner.

4. Startup events

The Knowledge Partner will commit to executing high-quality events that will benefit the startup ecosystem in Chennai and Tamil Nadu.

- a) Four quarterly medium format events – small events like hackathons, workshops involving audiences between 50 – 100 people.
- b) Two yearly large format events with audience of 100-300 people, these events could be 'tech talks', 'pitch sessions' and conferences.

5. The Government after careful examination have decided to accept the proposal of the Managing Director, ELCOT and also accord administrative sanction and approval for establishing "Warehouse for Startups" at Chennai with NASSCOM being the knowledge partner at an overall cost of Rs. 3,53,15,800/- (Rupees three crore fifty three lakhs fifteen thousand and eight hundred only) as detailed below:-

Sl. No	Description	Charges Per Month (Rs.)	Charges Per Annum (Rs.)	Charges for (3) Three Years (Rs.)
1.	Rent Per Month for 14689 Sq.ft Super built-up area of Raw space @ Rs.40/- per Sq.ft/Per Month	5,87,560	70,50,720	2,11,52,160
2.	Operation & Maintenance Charge @ Rs. 10/- Per Sq.ft/Per Month	1,46,890	17,62,680	52,88,040
3.	Grant from Government to run the Warehouse (Lumpsum)	–	10,00,000	30,00,000
	TOTAL (a)	--	98,13,400	2,94,40,200
	<u>One Time spending charges</u>			
1.	Ten Months Rent as Refundable Security Deposit (Rs. 5,87,560 x 10 = Rs. 58,75,600)	---	----	58,75,600
	TOTAL (b)			58,75,600
	Total (a+b)			3,53,15,800

6. The expenditure sanctioned in paragraph 5 above shall be debited to the following head of Account:-

2852.Industries-07. Telecommunication and Electronic Industries-800. Other expenditure-Schemes in the Twelfth Five Year Plan-II. State plan-JB. Grants to Electronic Corporation of Tamil Nadu Limited for improving Information Technology-09. Grants-in-Aid-03. Grants for specific schemes (DPC:2852 07 800 JB 0931)

7. The Managing Director, ELCOT is directed to send the necessary proposal to the Government for accordingly Financial sanction and for release of funds from time to time.

8. The Managing Director, ELCOT is requested to send the physical and financial progress report of the scheme every month to the Secretary, Information Technology Department along with the details of the expenditure and utilization certificate. Unspent balance amount if any should be returned to Government account without fail. The Information Technology Department has to work out a plan for maintaining the deliverables of the warehouse for startup project every year.

9. The orders issues with the concurrence of Finance (Industries) Department vide its U.O.No.69138/Industries/2014, dated 23.12.2014.

(BY ORDER OF THE GOVERNOR)

**T.K.RAMACHANDRAN,
SECRETARY TO GOVERNMENT.**

To

The Managing Director, ELCOT, Chennai-35.

The Information Technology (Bills/OP) Department, Chennai-9.

The Principal Accountant General (Accounts & Entitlements), Chennai-18.

The Accountant General (Audit), Chennai-18.

The Accountant General, Chennai-9.

The Pay and Accounts Officer, Chennai-9.

The Resident Audit Officer, Secretariat, Chennai-9.

Copy to:

The Principal Secretary II to Hon'ble Chief Minister, Chennai-9.

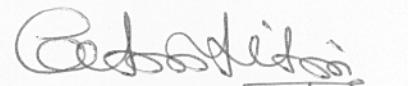
The Private Secretary to Principal Secretary to Government,
Finance Department, Chennai-9.

Finance (Industries) Department, Chennai-9.

The Senior Principal Private Secretary to Secretary to Government,
Information Technology Department, Chennai-9.

Sf/Sc

//Forwarded / By Order//


Section Officer. 30/12/14
V.R.
30/12/14