

## DESIGN CLINIC SCHEME

For

### DESIGN EXPERTISE TO MSME SECTOR

#### Guidelines for Professional Design projects

#### Introduction

As part of the Design Clinic Scheme for Design Expertise to MSME sector, practicing Design Professionals/Design houses/Design firms/Design education Institutions offering full time UG/PG (degree/diploma) courses in design are encouraged to provide design expertise to the MSMEs in the form of consultancy projects to orient MSMEs to design thinking and process application and generate innovative design solutions for MSME sector.

#### Objectives of Design Consultancy Projects

Under the Scheme, the design professionals will work closely with MSMEs in their specific domains to generate insights, through design research, concepts and prototypes for design solutions, which will help MSME unit, improve/diversify their products and services, to achieve competitive edge through design intervention and strategies in all domains of design application. The Scheme thus aims to:

- Facilitate access of MSMEs to design expertise in the form of consultancy;
- Facilitate MSMEs to develop new design strategies and/or design-related products and services through project interventions;
- Improve the quality and marketability of existing products/services and/or diversify products and services of MSMEs through design intervention
- Create visible impact and effectively develop the capabilities of the local enterprise.

All Design projects are expected to result in detailed document with design specifications, illustrations Drawings and a model / prototype.

#### Funding for Design Consultancy Project

The Scheme supports Design Projects undertaken by Design professionals/design houses and firms/design education Institutions in collaboration with MSMEs requiring design assistance to the tune of:

- 60% of the total approved project cost or Rs.9.00 lacs, whichever is less, in case of an individual MSME/a group of not more than 3 MSME applicants;
- 60% of the total approved project cost or Rs.15.00 lacs, whichever is less, in case of /a group of 4 or more than 4 MSME applicants;
- The applicant MSME(s) in the project is required to contribute at least 40% of the approved project cost as a matching fund

MSME units contribution shall meet the balance 40% of the project cost. The admissible cost would include fees of designer / design firm/design house/design, travel/material/misc expenses related to the project, documentation and model making/prototype development costs.

### **Design Project Areas:**

The MSME unit/units may identify the needed Design Intervention Project consequent to the Design Awareness programme conducted by the empanelled Designer/s in any design domain directly relevant to the identified design intervention need.

### **Eligibility /qualifying Criteria for professional Design Projects**

- The Designer/Design house/Design firm/Design Institution is registered/empanelled with the Design Clinic Scheme for MSME. They should have demonstrated expertise and qualification in the problem area that they seek to solve for the applicant MSME.
- The Design Project must be directly relevant to the functioning of the concerned MSME unit/s.
- There is an agreement between the Empanelled Designer/s and the MSME unit/s for engaging the services of the Designer with clear identification of the deliverables, mode of proposed design intervention, method of accomplishing the deliverables, costing details of the design project (remuneration of the designer/s (including all travels, boarding/ lodging, conveyance and misc expenses), costs on modeling/prototyping including simulate functioning of the actual product, system, service etc. if any.
- The Empanelled Designer/s has developed a design project brief and scope of work assigned by the MSME unit/s. The brief may be developed by the Empanelled Designer at the instance of the concerned MSME/s or the MSME/s has developed the brief themselves in consultation with the empanelled Designer/s.
- The applicant designer/design company/academic Institution and the MSME unit/s in a project application shall not be an associate or associated person or agent or employee of the other prior to submission of the application.
- The project team members representing the applicant designer/design company/academic Institution should not be Directors/shareholders/management team members of the applicant MSME unit/s.
- The applicant MSME should be a profitable entity for the last 3 years of its operations

## Identification of the Design project

The practicing designer/s or Design House/Design Institution or the concerned MSME/s unit may adopt any of the following methods for identification of the design project. A project brief giving scope of the proposed consultancy for design intervention and envisaged end results with budgetary provisions to be sent to the Regional Design Clinic Centre for assessment and feed back of the Assessment Panel.

1. MSME units with help of Empanelled Designers/Design firms/Design Institutions prepare a proposal for a specific design project to the Regional Design Clinic Centre. The proposal will be assessed by the Project Assessment Committee, PAC. The project will be assigned to MSME for the proposed project with empanelled design expert/s.
2. MSME units may generate project inquiry based on their own research and exploration. In this case MSME may ask for one of the empanelled design expert from the regional centre, design clinic scheme to work on the design projects. The design expert/s will help MSME unit/s to develop the brief of design project and submit the proposal for the approval.
3. Design expert/s may themselves identify design project during the design awareness seminar and/or programme or through their on exploration in MSME areas and approach MSME unit/s to prepare a design project under the design clinic scheme. The proposal then will be submitted by the MSME unit/s in agreement with design expert.

## Submission of Proposal and process of Approval

- The empanelled Design expert/s will help MSME unit to generate a brief (5-7page) project proposal stating the project design problem and domain, scope and expected design interventions during the project, detailed break of anticipated expenditure, time duration etc.
- Design approach and solutions need to be prime area of focus in the project report and project activity.
- Project proposal must specify the activities with approximate schedule and date of completion which should be less than 9 months.
- The Regional Design Clinic Centre after preliminary scrutiny will send the project proposal with their recommendations for consideration by the Project Assessment Committee, Design Clinic Scheme.
- Once the proposal is approved by the Project Assessment Committee, Design Clinic Scheme, the MSME unit/s and the Designers concerned shall commence the work on the project and complete the same within specified schedule. From that point, the applicant Designer/s, / Design Company /design institute and the applicant MSME have to sign an agreement with the Design Clinic Centre to ensure that both parties are fully aware of the terms and conditions under which the grant will be offered. In this process, the applicant MSME/s will be called the “principal applicant/s” and the applicant designer/design company/academic Institution will be called “co-applicant”

- The project expenses will not include the activities of facility up gradation, purchase of tools, equipments and machines for the project work. It may include the consumables expenses, cost of facilities and on hire expenses.
- The project report should contain a brief description of the work steps involved, the cost breakdown for each steps, duration of activities and number of man days spent on the project activities, travel, material, models and prototyping.
- Both the applicants need to declare in the proposal that none of them have sought or are seeking funding support for the project from any other public funding sources.

### **Project activity and schedule**

- The project activities would be focused in and around the area of the concerned unit/s of the MSME functioning and need to be relevant to the project subject.
- Designer/s and/or Design Institutions will participate broadly in design research, conceptualization, prototyping and development depending on the scope of the project. They may perform onsite and market research activities followed by concepts and prototype development depending on the scope of the project.
- The schedule of project must mention the broader activities mentioning the expected time from for individual heads. The activity and schedule chart will help MSME and Design Clinic Cell understand the timeline of design project.

### **The Project Report**

- The project report will be prepared by the design expert/s at the end of the project.
- The report will include the detailed activities description to explain the project heads and desired outcome at the end of project. Project report ( 70-100 pages report ) should describe the project objective, schedule, activities, methodology and results/deliverables achieved in detail.
- Report need to be supported by relevant documents, diagrams, photographs, certificates and data generated/acquired during the project.
- The project report needs to detail the original work done by the Designer/s during the course of project.
- The principal applicant is required to submit a budget proposed for the project, showing all expenditure and the relevant documents, such as quotation, project brief, or contract.

### Finance guideline for the project

- 60% of the allowable project expenses will be reimbursed to the concerned designer/design company/academic Institution and subject to a maximum of Rs.9 lacs for each project in respect 3 or less than 3 MSMEs and Rs.15 lacs in case of a group of 4 or more than 4 MSMEs.
- This will be released in 4 equal installments as may be approved by the project assessment committee, the last installment being on successful implementation and project completion report. Concurrently, the MSME concerned shall also release 40% of the allowable project expenses in proportion to the amount released by the Design Clinic Scheme. However, the concerned MSME unit/s may release their share in advance in installments, if they so desire and as part of their arrangement with the principal applicant designer/design company/academic Institution.
- The expenses for activities must be described in a finance sheet and must be submitted at the time of project approval.
- Reimbursement of the expenses in four installments mentioned above shall be against submission of expenses sheet by the principal applicant designer/design company/academic Institution supported by original bills/vouchers and other documents.
- The reimbursement/disbursement of the matching fund of 40% of allowable expenditure by the concerned MSME/s to the principal applicant shall be traceable and verifiable, such as in the form of cheque and/or bank pay-in-slip.