



SAI VIDYA INSTITUTE OF TECHNOLOGY

(Affiliated to VTU ,Approved by AICTE, New Delhi,, Recognized by Govt. of Karnataka)

NBA Accredited (ECE, CSE, ISE, Mechanical, Civil)

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Innovation and Entrepreneurship Policy



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1. Preamble

SVIT constantly strives to enhance its capabilities in order to nurture and guide young start-up ventures in their early / formative years. Over the years, SVIT has built working relations with various Indian Government agencies/ departments, such as Department of Science and Technology (DST), DST Nano-mission, Karnataka State Council for Science & Technology (KSCST), Ministry of Micro and Small Enterprises (MSME), Biotechnology Industry Research Assistance Council (BIRAC), Department of Biotechnology (DBT), Government of Karnataka's Grand Challenges Karnataka, Elevate 100, Vision Group on Science & Technology (VGST), National Research Development Corporation (NRDC) etc. SVIT recognizes the aspirations of upcoming students and the nature of entrepreneur thoughts of 'Generation Z'

Sai Vidya Institute of Technology (SVIT) encourages entrepreneurship among the Staff, Research Scholars, and Students and Alumni. In this direction SVIT has established a Business Incubator, (hereinafter referred to as "Centre for Innovation , Entrepreneurship and Incubation (CIEI) - SVIT CIE1). SVIT CIEI has been constantly striving to promote society-oriented innovative start-up ventures and thereby contribute to the nation's needs of creating knowledge, wealth, skills and employment. SVIT CIEI will directly and actively support the incubation of Start-ups created by staff/students/ research scholars/ alumni. SVIT CIEI may also cater to external Start-ups. Such external Start-ups need to sign appropriate MOUs/agreements with SVIT. This SVIT Incubation Policy document is meant to enable conducive environment/set-up for the potential incubatees for pursuing their innovative ideas to fruition.

2. Definitions

- a) **SVIT CIEI:** A unit located at SVIT premises with the primary purpose of promoting and fostering Incubation of Start-up companies involving one or more SVIT Member(s), by administering and implementing SVIT's policies on incubation.
- b) **SVIT stakeholders/ Member(s):** Any staff members, research scholars, alumni and students pursuing entrepreneurship at SVIT campus.
- c) **Incubatee:** The start-up selected for incubation and can also be referred to as Start-up.
- d) **Business Plan:** A document prepared by applicants to articulate the problem addressed, proposed solution, technology, road map, team, resources required, market, revenue statement and risk mitigation steps. This is generally a non-confidential version of the planned work to be undertaken by the Start-ups

- e) **Intellectual Property Rights (IPR):** The rights derived from the IP e.g. Trademarks, patents, Industrial designs, copy right etc.
- f) **Incubation Tenure:** The period for which incubation support is provided to the Start-ups by SVIT CIEL.
- g) **Graduation / Exit:** The conditions under which the incubation tenure ceases.
- h) **Head of the institution:** means Principal, SVIT
- i) **MOU:** Memorandum of Understanding is generally required between SVIT and Start-ups as well as when a third party or external agency is involved. MOU's generally cover the scope of relationship and any general terms that apply to the broader relationship. MOU's are generally followed by more specific agreements.
- j) **Research Committee (RC) Protocols and Incentives document:** The prevailing norms of SVIT research committee governing the research, consultancy, projects, innovation & entrepreneurship.
- k) **SVIT IPR Policy:** The prevailing intellectual property rights policy of SVIT.

3. Purpose

The purpose of the Incubation policy of SVIT is to:

- a) Encourage SVIT members to look at practical problem statements of society and facilitate, encourage, promote and nurture innovative ideas to mature to a commercial product / venture
- b) Create an ecosystem to create an innovation culture, which fosters the creation and development of innovative solutions at SVIT by pursuing societal problems at large.
- c) SVIT to make beneficial use of SVIT's existing resources and networks so as to confer maximum benefit to the inventors, Start-ups and the society at large

4. Objectives

The Incubation policy of SVIT aims to

- a) Facilitate innovators and Start-ups by providing them access to modern well-equipped facilities,/work spaces for product development, mentoring, funding, and team development and intellectual property support.
- b) Treat entrepreneurship and more particularly, innovation led venture creation as a culture among SVIT stakeholders
- c) Enable a clear understanding of the rights and responsibilities of the beneficiaries/ prospective users of SVIT's services and protect the interests of SVIT and its staff.

5. Scope

This policy covers the initiatives and operational procedures at SVIT. It covers the following processes:

- A. Eligibility
- B. Incubatee-Admission and Agreement
- C. Infrastructure and Services provided to incubatees
- D. Mentorship
- E. Period of Incubation/ Exit
- F. Intellectual Property
- G. Seed Funding
- H. Branding
- I. Periodic Assessment
- J. Conflicts of interest
- K. Staff's association with start-ups
- L. Student's association with start-ups

5A. Eligibility

- a) Any person /start-up desirous of availing incubation facilities have to apply with a business plan comprising of
 - 1. Problem identified
 - 2. Proposed solution's feasibility study
 - 3. Team/Promoters
 - 4. Potential for IP creation / IPR possessed by applicant(s)
 - 5. Commercial viability and three year projections of income/expenses/ break-even point
 - 6. Financials Cap Ex (Capital Expenditure)/ Op Ex (Operational Expenditure)
 - 7. Market (opportunity/size/segment / competition landscape)/ Marketing/Sales plans
 - 8. Scalability
 - 9. Risks/Mitigation strategies, and required supporting documents like registration certificate, partnership deed, Memorandum & Articles of Association etc.

5B. Admission & Agreement

The consideration for incubation starts when the prospective incubatee submits an Incubation Application in the format given in Annexure 1 containing the business plan, Certificate of incorporation and 'Memorandum & Articles of Association' (if incorporated already). At this stage, whatever is submitted to SVIT is considered to be generic information, and the Start-ups' needs to ensure confidential information is withheld for practical & sustainability reasons. This submitted document is evaluated by an expert committee constituted by SVIT and will handle further communication with prospective incubatees. Selected applicants/companies have to sign the SVIT MOU to work with SVIT staff; they will attain access to SVIT facilities and obtain mentorship at a nominal fee. Each Incubatee has to sign a MoU with SVIT followed by Incubation Agreement.

5C. Infrastructure and Services provided to incubates

SVIT provides available infrastructure that is to be shared by all incubated start-ups. The following resources are provided at nominal charges:

- Library access
- Seminar Hall with Audio Video and projection equipment with prior reservation
- Office space / co working space
- Internet connection
- Standard office furniture as decided by SVIT
- Access to the product development / prototyping/consulting facilities at SVIT: Maker space, Innovation & Entrepreneurship Cell (I&E Cell), and department labs.

5D. Mentorship

An incubated company may opt for a SVIT staff as a mentor to assist with particular strategic areas or to provide solutions for project-oriented issues

5E. Period of Incubation/ Exit

An incubatee will graduate or leave from the incubator under the following circumstances

- a) Has completed two years (unless renewed the MOU for extension of a maximum of another year)
- b) Reached a level where they do not need incubation and can stand on their own in the business world
- c) Voluntarily choose to leave
- d) Abort the entrepreneurship by the incubatee's SVIT members
- e) Violation of SVIT rules& regulations
- f) Any other reason as deemed fit by SVIT

5F. Intellectual Property

If the incubate start-up develops an Intellectual Property during the incubation, it may protect the same on its own &the IP belongs to the incubatee only. If the start-up partners with staff member(s) of SVIT and if there is a collaborative work, the incubatee needs to adhere to terms of the MOU between SVIT and Incubatee, including terms governing royalty payment to SVIT. The staffs of SVIT need to comply with SVIT IPR policy.

5G. Seed Funding

SVIT permits the incubatee to apply for grants from different private and government sources, either on their own or jointly with SVIT stakeholders. Incubatee can also request funding from SVIT. SVIT also reserves the right to use the name of incubated Start-up for its branding as well as in disclosures to regulatory agencies.

5H. Branding

Companies incubated at SVIT through the incubation may co-brand their company with SVIT. Conditions of using such branding will be defined in the signed incubation agreement.

5I. Periodic Assessment

In general, all incubatees are subjected to periodic assessment by review committee, typically once in a six months or a period mutually agreed by the incubatee and SVIT. For a company which has taken seed fund from SVIT, additional checks will be done on the financial health of the company in terms of its order booking, expenses, profitability, utilization of seed money for the specified purposes. If the start-up has received a government grant and listed SVIT as the authorized incubation centre, the start-up's books can be monitored or audited by SVIT. SVIT may nominate an agency or individual for periodic assessment, additional checks and auditing of books of the incubatee.

5J. Staff's Association with Start-ups

The staff members of SVIT incubating start-up should follow the guidelines given below for their role in the 'start-up'. These guidelines need to be read in conjunction with SVIT's Research committee Protocols & incentives and SVIT IPR Policy.

1. SVIT staff is encouraged to take consultant or advisor role.
2. SVIT staff member should not take any managerial responsibility.
3. In special cases, SVIT staff member is allowed to take equity stake
 - a) The staff member should take explicit approval from the head of the institution before taking such stake.
 - b) The staff member should annually update the status of this stake to the head of the institution and disclose any further changes as and when they happen.
 - c) The staff members would be solely responsible for the legal and regulatory requirements, any gains or losses, any taxes/cess/levies, any financial and non-financial risks, and any other liabilities associated with the stake in the start-up.
4. The staff member should ensure that such a role or stake does not impact his/her normal functioning and discharging of duties as SVIT staff member.
5. As a staff member, the primary loyalty should be towards SVIT. Staff member should disclose any possible conflict of interest.

6. All decisions made or policies framed should be in good faith and keeping the interest of SVIT in mind.
7. The staff member should also take explicit approval from head of the institution if any SVIT resources (time, students, staff, trainees, laboratories, facilities, consumables, confidential information, and others) are utilized for supporting the start-up.
8. Staff member should discuss with head of the institution if there is any doubt of any possible conflict of interest and priorities.
9. Staff member must conduct their affairs without compromising the integrity.
10. Any patentable invention or intellectual property during his/her association with the start-up should be disclosed by the staff member and they should abide by SVIT IPR Policy.
11. Staff member must also disclose if their family members have any financial or personal interest in the company.

5K. Student Association with Start-ups

SVIT encourages its students to establish start-ups and facilitates their incubation

- a) SVIT will give reasonable consideration in case of shortage of attendance of students due to their pursuing entrepreneurial projects as part of SVIT CIEI.
- b) SVIT will permit the use of incubation cell address for registration of start-up and will issue a letter for the prospective student entrepreneur on request. This however needs to be updated as and when the incubatee chooses to leave the SVIT CIEI and sets up a new facility for its use.
- c) Start-ups will be offered incubation support at a nominal fee for the initial period of three months. Post-this, start-up can decide on continuing with the incubation as per the MOU between SVIT and start-up with standard fees.
- d) SVIT will encourage student entrepreneurs to opt for hostel facilities if they desire so these facilities will be made available at terms on par with other students staying in the hostel.

6. Conflicts of Interest

- a) In case of any conflicts of interests, the decision of SVIT shall be final and binding upon the parties
- b) Further, the SVIT reserves the right to amend the Incubation Policy as and when such a need arises/deemed fit.

7. Dispute Resolution

In case of any disputes between SVIT and the start-up regarding the implementation of the incubation policy, the incubatee may appeal to the head of the institution of SVIT. Efforts shall be made to address the concerns of the incubates by developing and instituting an arbitration mechanism. The decision of head of the institution in this regarding is final and binding on both institute and incubatee

8. Disclaimer & Jurisdiction

SVIT shall not be liable for any acts or omissions of the incubated company nor does SVIT provide any guarantees as regards to feasibility or commercial success of incubated Start-ups. In general, SVIT wishes to see their incubatees succeed and as an individual entity, the success of the incubatee is always controlled by the incubatee itself and its decisions in this regard and any legal liabilities arising out of actions of the incubatee are responsibility of the Start-ups.

As a policy, all agreements to be signed by SVIT will have the jurisdiction of the courts in Bengaluru and shall be governed by appropriate laws in India

Annexure 1:

Format for application for incubation at SVIT, Bengaluru

1. Name and introduction of the Innovator/Company:
Address:
Phone:
Email:
2. Technology Description,
Novelty/Uniqueness,
Unmet Market/
Social Need/Social Impact
(200 words each)
3. Technology Readiness Level and Resources needed to take the Technology forward
(200 words)
4. Business Model/Profitability/Break Even Analysis, Financial Sustainability/Plan and Exit Strategy (200 words)
5. Team members and their strength (200 words)
6. How much space and what facilities/equipments needed?
7. How long do you want to incubate?

Place:

Name & Signature

Date: