

BHARATHIAR UNIVERSITY
COIMBATORE – 641 046



START-UP POLICY

BHARATHIAR UNIVERSITY INSTITUTIONAL START-UP AND INNOVATION POLICY (BU-ISIP)



BHARATHIAR UNIVERSITY COIMBATORE – 641046 2021

BU BUSINESS INCUBATION FORUM (BUBIF)

Bharathiar University incorporated the BU BUSINESS INCUBATION FORUM on 26-05-2022 under the company act, 2013 (18 of 2013) and that the company is limited by shares. The objects for which the company is established are

1. To promote, facilitate, research, develop, identify, implement and protect the innovations and inventions leading to social, knowledge and technological startups; to provide registration, technical and professional advisory services and to carry out activities like research and development, business plan, design, testing and to implement, analyze, market, explore, manage, structure, fund, legally protect, source, scout and provide other allied services to the startups to enable them to enter into the mainstream economy.
2. To build and maintain incubation centers, laboratories, industrial estates / parks etc and enable facilities on sharing basis and common infrastructure to its members.

3. To conduct seminars, webinars, conferences, interface meet, skill development programs, workshop and to provide market assistance and networking for start-ups and develop the quality human resources and innovative research capabilities in innovative areas.
4. To create social impact through innovations and promote student entrepreneurship.
5. To build a vibrant start-up ecosystem, by establishing a network between academia, financial institutions, industries, and other institutes.
6. To involve in such other lawful activities from time to time as considered necessary in furtherance to the above objects.



GOVERNMENT OF INDIA
MINISTRY OF CORPORATE AFFAIRS

Central Registration Centre

Certificate of Incorporation

[Pursuant to sub-section (2) of section 7 and sub-section (1) of section 8 of the Companies Act, 2013 (18 of 2013) and rule 18 of the Companies (Incorporation) Rules, 2014]

I hereby certify that BU BUSINESS INCUBATION FORUM is incorporated on this Twenty sixth day of May Two thousand twenty-two under the Companies Act, 2013 (18 of 2013) and that the company is limited by shares.

The Corporate Identity Number of the company is U80900TZ2022NPL039020.

The Permanent Account Number (PAN) of the company is **AAKCB7852J** *

The Tax Deduction and Collection Account Number (TAN) of the company is **CMBB06370A** *

Given under my hand at Manesar this Twenty sixth day of May Two thousand twenty-two .



Digital Signature Certificate
Mr. VIJAYA SIMHA REDDY YANNAM

For and on behalf of the Jurisdictional Registrar of Companies
Registrar of Companies
Central Registration Centre

Disclaimer: This certificate only evidences incorporation of the company on the basis of documents and declarations of the applicant(s). This certificate is neither a license nor permission to conduct business or solicit deposits or funds from public. Permission of sector regulator is necessary wherever required. Registration status and other details of the company can be verified on www.mca.gov.in

Mailing Address as per record available in Registrar of Companies office:

BU BUSINESS INCUBATION FORUM
ROOM NO.1, RUSA BUILDING,, BHARATHIAR UNIVERSITY,
MARUTHAMALAI ROAD, COIMBATORE, Coimbatore, Tamil Nadu,
India, 641046



* as issued by the Income Tax Department

Preamble

*Bharathiar University was formed and governed as per the Bharathiar University Act (1981), as a State University aspires to extend its activities **beyond academics and foundational research** by transcending barriers and conventions to frontiers of limitless possibilities. With the continuously evolving systems of education and related policies, the university envisages staying relevant, stay updated and stay ahead and endure the test of time.*

*The University - adopts and follows the guidelines of the National and State policies and develops a Framework, Guideline of protocol, and procedures of its own to promote **Institutional Innovative Enterprises Ecosystem** consisting of **Faculty-Student Start-ups**. It shall make the framework flexible to be agile in adapting to the evolving, nascent, kinetic, and buoyant nature.*

*The University - With its multidisciplinary academic and foundational research ecosystem is ambitious of **harnessing, streamlining and capturing the profound and** wide range of research outcomes & innovations to **translate them to product and product to market and accelerated market capitalisation**.*

The University- bridges the Academic to commercialisation gap by ensuring the faculty and students work with the considerations of commercialisation values while pursuing their academic objective

The University – Ushers in a model of convergence of all knowledge created and knowledge generated to contribute to an economy leading to prosperity and betterment of humanity.

The University – Nurtures and fosters innovation that are ideas to product and incubates fledging enterprises to be a stand-alone, commercial enterprise.

*The University - embarks on an entrepreneurial agenda in **Promoting & Creating Institutional Innovative Enterprises** (Academic Start-ups) by **Promoting, Providing, Guiding, Directing, Facilitating and fulfilling** the essential needs and requirements **Encouraging, Enabling, Ensuring, Enriching and Engaging** the Stake-holders and **Human Resources**, especially the **Faculty, Research Scholars and Students** creates opportunities to commercialise and monetise its Knowledge Capital to starting up an enterprise that shall fledge into a sustainable Business Enterprise, which is **investable, commercially viable, scalable and sustainable**.*

PART I

CONSTITUENTS, GOVERNING STRUCTURE AND POWERS

Chapter 1

PRILIMINARY

1. Title and commencement

- a) This Policy shall be hereinafter referred to as Bharathiar University-Institutional Start-up and Innovation Policy in full and 'BU-ISIP' in short.
- b) The policy will be commissioned and governed by Bharathiar University Innovation and Incubation Centre hereinafter referred to as 'BU-IIC' in short.
- c) The policy shall come into force on such the date of it being approved by the University syndicate and adopted by the university to be governed and administered by the BU-IIC.

Provided that different dates may be appointed for different provisions, sections, or clauses of this policy, in any such case the date of commencement of the policy is construed as a reference to the coming into force of that provision, section or clause.

2. Definitions and Interpretations

- a) This policy, unless otherwise mentioned, shall take the original and common meaning and those being mentioned and defined herein shall take the meaning, and be interpreted accordingly. Those terms and their definitions are listed in Schedule I which shall be the glossary of terms and definitions for interpretation clauses of this document.
- b) Most of the terms, definitions, and their meaning shall be adopted, for common and exact interpretation and to ensure universality of reference and communication, from relevant laws, Statutes and/or Policies, as and where appropriate, are being enforced by the Government of India. The

same shall also adopt the amendments brought to order through such notifications or Statutory Orders.

Chapter 2

POLICY MATTERS

3. This is to be considered as a Policy Document as well as a Manual of Standard Operating Procedures and Protocols related to innovations and incubation of start-ups.
 - a) This policy is mandated to deal with the subjects and matters related to innovation and enterprises with a specific and exclusive thrust focussed on start-ups
 - b) As required by the mandate this policy was formulated, framed, and drafted by referring to the National Innovation Policy Framework. The State Policy Framework and a few other institution's policy frameworks which acknowledged at the end of the document.
 - c) The BU-ISIP shall be drafted in the alignment with the laws, by-laws, and any such code of conduct and regulations in force that applies to the University norms and regulations.
 - d) This policy is the guideline and framework document for enabling understanding of the core subject matter related to innovation & incubation of start-ups
 - e) The Policy to be read with other policies of the institute/ university and appropriate matters to be in concurrence
 - f) The policy shall provide a framework and lay guidelines, to define norms, functions, fixing the responsibilities, conferring powers assigning duties, understanding & interpretation of concepts in a manner to offer such clarity for effective decision making and efficient governance involving and regarding elements and factors such as the following Constituents
 - i. The Primary, Core & Central Context
 - ii. People, Organisation, and Bodies involved
 - iii. Governance, Administrative & Executive Structure - Associate and Affiliate bodies

- iv. Facilities & Services provided
- v. Financial Structures & Function
- vi. Process, Protocols and Procedures involved in Governance, Administration and Execution
 - 1. Constituting
 - 2. Governance
 - 3. Incubation Management
 - 4. Performance Assessment and Measurements
 - 5. Conflict resolution, Dispute & Grievance Redressal and Corrective actions
 - 6. Scope for improvement and Amendment Procedures
- g) The Policy is for Students, Faculty, and Alumni of the Bharathiar University (Campus), in general, but not limited only to them and maybe extended to others as the case may be under the authority and powers given to the appropriate authority in deciding.
- h) The policy **shall be drafted** by an appointed expert drafting committee constituted as per the norms set by the university following the state and the national guidelines for framing the institutional policy on Innovation and incubation of start-ups.
- i) The drafting of the policy ensures that the interest of the university is not compromised while adhering to the guidelines of the national and state innovation and start-up policy.
- j) The Expert Drafting committee shall cease to exist and automatically dissolve once the draft is accepted and adopted by the Syndicate of the university and the Governing Body shall become the one implementing the policy.

4. **The Primary, Core, and Central Contexts** of the policy are

- a) Innovation
- b) Incubation
- c) Institutional Innovative Start-ups

- a) **Innovation** is those subject matters that are grouped under as

- i. The novel (not known yet) means, designing, developing, and deploying technology or technologies which are outcomes of research. It shall more specifically mean the means and methods that are novel in the process of using the technology to have an outcome which can be a Product, A Minimum Viable Product (MVP) not necessarily yet inclusive of Minimum Marketable Product (MMP).
- ii. Shall include all activities related to the novel means and modes of applying knowledge and developing or servicing to find a solution to a problem, as an outcome of the research.
- iii. Innovations shall include not only products, methods of novelty but shall include original ideas, Intellectual Assets / Properties, Technology, Inventions, Proprietary or non-proprietary intellectual assets or an open-source or free source and the like.

b) **Incubation** as a subject is

- i. The Process of enabling, enhancing, and ensuring an early stage or idea stage enterprise to an investable and scalable enterprise.
- ii. The enterprise/Start-up, specifically, a Student or Faculty or Alumni founded Enterprise, centered around a product or products (MVP or MMP).
- iii. The processes and functions involved in creating a market and fledging to scale from a product stage (MVP).

c) **Start-ups** primarily are entities

- i. Incorporated and Registered under any such laws of India, preferably under the Company's Act (2013) or Partnership Act (1932) or Limited Liability Act (2008) but **NOT** under The Indian Trust Act (1882) or Societies Registration Act (1960).
- ii. Self-certified entity as per the definition of the start-up India mission defined by the Department of Promotion of Industry and Internal Trade (DPIIT), under the Ministry of Commerce, Government of India.
- iii. Invested and Constituted by faculty- students of Bharathiar University (Campus or Affiliated), maybe but not necessarily in collaboration with

others who can be entrepreneurs. The shareholding of the faculty/student shall not be less than 51% of the total shares in the entity.

Chapter 3

Constituents of Incubator

5. People, Organisation and Bodies

a) Stake-holders

i. **The University** – is a State governed Higher Education Institute (HEI) and shall be the investor & promoter of the Incubator.

1. The University is the founder and promoter of the incubator and shall enable investment and stake holding structure in a manner appropriate to the university to legally do so.
2. The university is a state-run university and shall be subjected to the regulations of a public-funded organisation and its laws binding it with appropriate segregation of authority and power as it may apply.

ii. Incubator- Physical or Virtual

1. The University shall incorporate Section 8 Company under the Company's Act 2013 permitting a State-run university to incorporate such companies.
2. The incorporated Company or entity shall represent the University through a Board of Directors appointed by the University.
3. Shall be incorporated by the university, the prime function is to incubate start-ups of faculty-students of the university, Coordinate with the university to promote innovations leading to enterprises
4. The Incubator shall be the sole and absolute representative of the university and shall not act above the powers and authority of the universities legality and powers.
5. University shall appoint members as Directors of the Incubator which shall constitute the Board of Directors of the incubator. Notwithstanding any statute being enforced through whatsoever instrument, the board

shall have the responsibility and shall be the representation of the university in its mode of investment and participation.

6. The incubator by all means shall guide and facilitate the aspirant to become an Incubatee.

b) **The Beneficiaries** primarily and specifically are the students, scholars, and the faculty of the Bharathiar university campus, also the Start-ups/ Incubatee, which are formed by the (Faculty/Students/Alumni of the university) who are involved in such innovations with the potentials to be incubated as start-ups. However, to encourage and foster true sense and representation of the holistic social experience other entities may be considered to be incubated subjected to conformities and compliance to the policies mentioned herein.

c) **The Incubatee/ Start-Ups**

- i. The Incubatee is an eligible start-up admitted by the Incubator.
- ii. The start-up incorporated as an entity registered as an enterprise under any law of the Government of India, in enforcement for it to be a commercial or business enterprise.
- iii. An Incubatee shall necessarily be an enterprise constituted and (or) contributed majorly by the Bharathiar Universities Human and Knowledge Resources, which shall be incorporated and registered under an appropriate law that shall fulfil all the necessary conditions and fit to the definition of a 'Start-up' as defined under the Start-up India mission.
- iv. The start-ups majority stakeholders shall essentially be Faculty/Students/Alumni and others are also allowed to be shareholders with proposition of not more than 49%.
- v. **An alumnus** shall be considered an alumnus only if a part of one's education either a degree (undergraduate or postgraduate or Ph.D – a programme which spans more than 2 years of study within the campus or affiliated college programme but not anything less than a Undergraduate degree).

- vi. The Incubator also can be allowed to invest in the start-up however it is the decision of the Start-up to allow the incubator to invest. The Incubator cannot compel the Start-up in any manner for the investment.
- vii. The Start-up shall comprise of a Team with a Product with Minimum Viability for it to be accepted by the market.
- viii. The team shall have Founders, Promoters, and Investors
- ix. The Eligibility for applying Verification process and check list for process of selection and initiation of incubation by a Start-up is detailed in Part II (Manual of Standard Operating Procedures & Protocols).
- x. There are two routes for claiming eligibility
 - 1. The automatic route will go through a pre-incubation verification process to ensure the technical, legal, economic, and commercial viability or
 - 2. Shall either be self-certified or declare that the pre-incubation process is not necessary and all risks shall be covered by the Start-up themselves.

Chapter 4

The Governing Bodies- Structure, Functions, and Powers

- 6. The governance structure and the procedures shall be clearly defined and shall be adopted after the approval of the university syndicate.
- 7. The duty of the governing mechanism is to ensure that it stays updated and stays relevant to times without compromising the interest of the state in alignment with the union, whilst safeguarding and securing the interests of the university and its stakeholders while transferring the benefits to the beneficiaries.
- 8. There are several councils, committees, and associations that may or may not be relevant to the policy herein, however, the policy shall be influenced and governed only by those that are directly relevant to the subject of Innovation and Incubation of start-ups.
- 9. The following is the governing structure of the incubator constituted as per laws and regulations governing the University

A. Apex Governing Council

- a. The Apex Governing Council shall be called the “**Apex Council**” the ultimate body to direct decisions to the Board of Directors of the incubator
- b. The Board of Directors or The Board shall be under the direction of an Apex Governing Council.
- c. The Apex council shall be constituted and mechanisms put in place, in such a manner that it assumes assent and control over. The Board, in spite of the fact that the board has all rights and authority by being incorporated under the Companies Act (2013).
- d. The Apex Governing Council Shall be constituted as a 5 member council with scope for co-opting of two or 2 more members
 - i. The Vice-Chancellor
 - ii. The Registrar
 - iii. The Syndicate member
 - iv. The Managing Director of the Board
 - v. The Finance officer or the Local Auditor
- e. The appointment of members to the Apex Council is automatic and whose tenure and term, period of being in service shall be defined under the Part II of this manual.
- f. The term of each member shall be 3 years from the date of appointment and automatically come to an end once their term of service in the capacity mentioned above is completed.
- g. The term may end without serving the full term in case of eventualities, adversities or as an outcome of a forced situation.
- h. The implementation, governance, and the conduct of daily business shall be through a constituted body exclusively for the same and shall be conferred with significant autonomy.
- i. The constitution of the body and the investiture of powers, authority, and their limitation are definite and defined in Part II of the Policy document.

B. Board of Directors

- a. The Bharathiar University Incubator incorporated as mentioned under 5Aii (1) shall be an autonomous body that shall be constituted and conferred with the rights and powers as defined in the Company's Act 2013.
- b. The Board of Directors of the Incubator shall essentially have 9 members, of which 7 shall be officiating members and 2 members shall be ex-officio members appointed by the apex council as per procedures defined here under the Policy in Part II.
- c. The BU-IIC will have a Board of Directors for which the number shall be so decided that it will allow equitable participation in direct governance. The members shall be recommended by the Apex Governing Council in consultation with the outgoing Predecessor board members and council. It is *de juris* of constituting the board as *bona fied*
- d. The Directors/ Deans/ Heads of Associated Autonomous bodies mentioned herein, already functioning under the premise of the Universities constitutional powers, shall automatically be appointed as the member of the board of directors of the incubator
 - i. University Authority – Vice-Chancellor
 - ii. Managing Director of The Incubator
 - iii. Dean of Academics Affairs
 - iv. Dean of Research and Development
 - v. Director of IPR Cell & Technology Transfer Office (TTO)
 - vi. Directorate of Projects, Grants, and Funding
 - vii. Directorate of Entrepreneurial Development Cell
- e. The Shareholding structure of the members, in which case of sec 8 company, shall be automatically ensured that it is transferred back to the university through an appropriate mechanism
- f. The Managing Director Shall be appointed Directly by the Apex Governing Council
- g. The Tenure of the Managing Director shall be a minimum of 5 years and their relinquishing of office shall be in the case of eventualities, adversities or as an outcome of forced situation.

C. Expert Technical Council

- a. An Expert council shall be appointed by the Board of Directors
- b. The Council shall have the responsibility of offering expert advice to the Board in subject matters related to technicality and legality of Incubating the start-ups.
- c. There maybe 3 members from the university and 2 members from outside the university shall constitute the Expert Technical Council
 - i. 1 Student's/ Scholar representative
 - ii. 2 Faculty's representatives
 - iii. 1 Head or its appointed of any other Incubator
 - iv. 1 representative of alumni
- d. The term of the council member shall be 3 years and maybe extended with the recommendation and based on one's performance and contributing

D. Executive Committee

- a. The Executive Committee shall be the one that handles the day-to-day affairs of management and administration
- b. This includes activities such as decision making regarding allocation, coordination, and providing access to all the resources for incubation
- c. The members of the Executive committee shall be appointed either as full-time or as part-time employees
- d. The number and tenure of the members shall be as per the requirement and need and shall be the decision of the Board

E. Associates & Affiliates

- a. Associates and Affiliates are individuals or organisations or associations that DO NOT form a part of governance or administration. They are support systems in achieving the objectives effectively and efficiently.
- b. Such Associates and Affiliates are as follows and where ever applicable. The Incubator shall collaborate through the appropriate instrument of agreement and understanding or shall subscribe to be

- a member of such association. Likewise, allow other bodies to associate or affiliate with the Incubator
- c. The following are some essential associates or affiliates necessary for the effective incubation of start-ups
- i. Mentor Pool and Database
 - ii. Subject Matter Expert
 - iii. Incubation Council and Technology Incubators
 - iv. Investors Network

Chapter 5

Facilities & Services provided

10. The Incubator shall provide Facilities & Services to an Incubatee – an eligible and qualified start-up to fledge into a successful and established enterprise.
11. The Facilities & Services, most of which will be provided as a part of the incubation services which may or may not be chargeable. However, some exclusive facility or services if needed by the Incubatee shall be offered at a cost that is chargeable directly by the facility or service provider.
12. Facilities and Services provided by using the University Resources shall either be at no cost or subsidised cost charged as the incubation fee.
13. The following are the broad categories of facilities & services offered by the Incubator. The detailed list of such facilities and services being offered by the incubator is listed in Schedule II of the Policy Document
- a) Space on land & Building and other office Equipments and assets
 - b) Address for registration and compliance purposes
 - c) Use of Emblem for specific purposes defined
 - d) Access to lab and testing
 - e) Library – Physical and Digital access
 - f) Internet, Bandwidth and other Digital access
 - g) Access to Subject Matter Experts, Mentors, and Investors
 - h) Training Sessions
 - i) Access to Conference and Membership of associations

Chapter 6

Financial Management, Legal & Audits

14. The incubator being a legally registered entity specifically as a Not-For-Profit (Section 8) Company or such likes, it is compelling and essential to maintaining a clear, transparent system of operational, legal, and financial accountability most specifically since it is a State Governed University and the investments are made by the University to Incorporate the Incubator.
15. The Incubator being a Section 8 Company is mandated to follow the Statutory Compliances and Audits hence it is important to appropriately structure the Financial, Legal, and Audit Systems.
16. The Financial Functions are
 - a) **Investments**
 - i. The University shall invest and contribute to the capital of incorporating the incubator
 - ii. The investments shall be made through the members being appointed to the Board of Directors on behalf of the university.
 - iii. The majority of the shareholding approximately 55% shall be vested with the First member – The University Authority (Vice-Chancellor or The Registrar). And 9% to the Managing director and 7.2% each to other members.
 - iv. The Incubator shall be allowed to Invest and stake the claim of shares in an incubatee's Start-up.
 - v. The university shall invest in many Incubatee start-ups however the investment shall be made after a stringent procedure and scrutiny to arrive at a decision to invest in such start-ups.
 - vi. A fixed total sum of money may be marked and allocated for investment into such start-ups from a corpus created by the University
 - vii. The University shall invest not more than 5% of the shares of a start-up and the maximum 5% is limited by the sum not exceeding the allotted to be invested into a single Incubatee Start-up.
 - viii. In any other situation the investments shall be made through the investment of technology (Licensing) or as sweat equity.

b) Budgeting

- i. An initial budget shall be prepared and submitted to the apex Governing Council for incorporation of the incubator and thereafter an annual budget shall be prepared and submitted to the Apex Council for approval and allocation of funds.
- ii. Initial Corpus of a sum equal to a minimum of 1% of the University's Total Annual Budget be allocated creation of an 'Innovation fund' for supporting innovative projects and Start-ups
- iii. The corpus thus created shall continue to be allocated by the university until the incubator becomes self-sufficient.
- iv. The amount of the corpus may be enhanced on the decision of the university to continue supporting the cause.

c) Revenue Forecasting & Expenditure Planning

- i. The Revenues of the Incubator shall mostly be from the charges collected for offering incubation facilities, however, no money will be collected unless otherwise the fees and charges are prescribed.
- ii. The Expenditure planning shall be towards the employees and maintenance of the facility. Unless otherwise there is an expense beyond which the incubator can absorb the Incubatee's shall not be charged.
- iii. Charges for special utility and services shall be paid by the Incubatee.
- iv. Charges towards Mentoring or Consulting charges of Subject Matter Expert shall be paid by the Incubatee and the University facilitates the access and absolves itself of any such prescription of fees or charges. The payment to be agreed upon between the resource and the Incubatee.
- v. The Incubator can apply for Funds and Grants through the Finance Office / Registrar of the University. The Incubator can also guide the incubatee's in order to avail of such grants but shall not stake any claim or share over such funds or grants received by the incubatee.

d) **Book Keeping & Accounting**

- i. The Books of Accounts of the Incubator shall be maintained and shall follow the regulations and systems that are followed and compatible with the university and in compliance with the laws and regulation.
- ii. The Books of accounts shall have no discrepancies and shall be maintained in the prescribed manner.

e) **Auditing & Filling for Compliance**

- i. The Books of accounts and financial records shall be audited periodically and also whenever called for or warrants inspection and audits.
- ii. The Audit procedures shall be in the norms of the University's Finance Office.
- iii. Since it is under the compliance of the Registrar of Companies (RoC) it is mandatory to undergo Statutory and Secretarial audits
- iv. All legal aspects related to and involved in allowing the use of the address for the rental agreement or lease agreement with the Incubatee or any such agreements that warrant the need to understand has to be clearly defined.

Chapter 7

Process, Protocols and Procedures

Governance, Administration and Execution

17. The Procedures, Process, and Protocol involved in the Governance, Administration, and Execution of the function of Incubation of a start-up incorporated by Students/Faculty/Alumni/Others require extreme care and vigilance because the involvement of The University with a legal enterprise may attract legal scrutinise.
18. The University being the Incubator assumes the role of being an enabler and a facilitator and absolves any such liabilities of the Start-up as an enterprise shall

be exposed to. The liability that the Incubator may be exposed to are only those liabilities that arise out of the contractual obligation between the Incubator and the Incubatee

19. Therefore it becomes essential to build robust Protocols, Processes and Procedures for Governance, Administration, and Execution wherein the scrutiny, Surveillance, Vigilance, and Monitoring mechanism safeguards both the Interest of the Incubator and the Incubatee and prevents exposure to any liabilities and limits the risk arising.

20. The Protocols, Processes and Procedures for Governance, Administration and Execution shall be categorised for ease of understanding and for better clarity.

- a) Constituting
- b) Governing & Administration
- c) Execution- Incubation Management
- d) Performance Assessment and Measurement
- e) Conflict resolution, Dispute & Grievance Redressal and Corrective actions
- f) Scope for improvement and Amendment Procedures

A. Constituting

- i) The Constitution process starts with the identification and appointment of an Expert committee by the university
- ii) The committee shall be entrusted with the responsibilities of ensuring all necessary factors be considered to incorporate an incubator in the university for the benefit of the Faculty, Students, and the alumni with the vision spelt out by the university.
- iii) The committee thus constituted shall hold meetings to deliberate and discuss on the subject of core importance and central focus – innovation and incubation
- iv) The recordings of the outcomes of the meetings shall be used to draft a framework of policy and build a policy document out of the same.
- v) The committee shall hold a final review meeting after the drafting of the policy document. The policy document shall be submitted to the university and tabled for the university syndicate's approval.

- vi) On approval obtained by the syndicate, the policy shall come into force and the other constituent bodies shall be empowered to implement the policy to achieve the purpose and objective.
- vii) Once the Policy documents gain assent and approval of the syndicate the constitutional committee ceases shall be deemed to be automatically dissolved and the constitutional functions and powers automatically shall be transferred to the Apex Governing Council.

B. Governance & Administration

- i) The process of governance is to ensure the fulfilment and achievement of the objective of the university incorporating the incubator.
- ii) The Incubator shall engage in such a process that shall promote innovation and encourage entrepreneurship.
- iii) **The Governance function** such as
 - a) Creating an innovation pipeline and pathways for entrepreneurship
 - b) Organisational capacity building, Building Human Resources, and capacity, incentivise and rewarding for involvement.
 - c) Collaborate, co-create, enable business relations, provide a platform for knowledge and experience exchange
 - d) Ensuring all factors are made available to provide the necessary support for the incubator
 - e) It is responsible for a good administrative structure and team.

Encouraging Faculty & Students

- i. The primary objective of the Governing body enable a flourishing Innovation and Start-up ecosystem that are invested by the Faculty-Students.
- ii. **To** enable and encourage more students to participate and faculty to participate they may be incentivised, rewarded and recognised in a manner that will contribute to their career as well as life.
- iii. Incentives for students may come as financial subsidisation, allowing concessions and privileges, or offering credit points. The concessions and privileges may be on attendance scoring and the privileges being enabling an

appointment or access to places or information that may be considered classified.

- iv. Participation in start-up related activities would be considered as a legitimate activity of faculty members in addition to teaching, conducting research, guiding researchers, providing industrial consultancy and completing management duties. The same will be considered while evaluating the annual performance of faculty members. Norms for faculty start-up are detailed in Part II (Manual of Standard Operating Procedures & Protocols).

Intellectual Property Management

- i. The incubator being responsible for handling the start-ups and innovation shall clearly bring to consideration and enforce a process of managing the Intellectual property.
- ii. While all the subject matter of legality shall be scrutinised by the Intellectual Property Cell of the university, the considerations by the Incubator are important before incubating a start-up
- iii. It shall be made clear that a start-up to be incubated shall bring its product developed out of their proprietary intellectual property or maybe licensed from other parties or extracted from a free-source or an open source or maybe legally free from infringement and expired of the legal validity.
- iv. Like the product being protected by the intellectual property there may be claims of innovative methods and services being made by rightful owners of the intellectual property.
- v. The incubator shall guide the Incubatee on the aspects to be considered while using the intellectual property.
- vi. The intellectual property may be held commonly or by an individual of the incubated enterprise. The incubator shall ensure that there are appropriate proof and records in the form of evidencing document between the members of an enterprise and between the enterprise and the incubator regarding the claim of ownership and the use of such intellectual properties at a pre-incubation stage
- vii. If any intellectual property is created during the incubation period the ownership shall be determined as per the norms laid down by the guidelines of the INSP Policy.

- viii. The royalty related to such intellectual properties shall be charged as per the definitions given in the IPR Policy.
- ix. Royalty received by the incubator shall be subjected to all regulations of revenue and taxation as the incubator is a not-for company and the incubatee are for profit entities.
- iv) **The Administrative functions** shall include
 - a) Verification for eligibility and processing admissions
 - b) Coordinating and managing activities between other related bodies
 - c) Shall ensure the functionality remain high on everything is available for the Incubatee
 - d) Coordinating and networking of mentors, funding agencies, ensuring the space and team are most sought after.
 - e) Outreach to taking care of sensitising and creating awareness.
 - f) Affiliation and Memberships in Incubating Bodies.
 - g) Monitoring and performance management
 - h) Shall be responsible for managing the execution and appointing the executive team and building the process for effective translation of the objective.

C. Execution- Incubation Management

- i) Incubation as understood by the university is a process of providing time and appropriate conditions for a conceived enterprise having contributions in the form of human capital and knowledge capital to fledge out into a sustainable business model and enterprise maturing to capture and scale into the market.
- ii) Incubation Shall means – enabling, enriching, engaging and enriching an enterprise from a point of R&D outcome as a minimum viable product to a point of the commercial outcome of such products until the enterprise penetrates, establishes and sustains in the market.
- iii) The incubation specifically is for institutional innovative enterprises more specifically such innovative enterprise being constituted or contributed largely by the Human and knowledge capital of Bharathiar University.
- iv) The incubation shall be enabled, facilitated, directed and supported by an incubator constituted and incorporated by the university in such a manner under the rules and laws governing and being in force of the university.

Admission Norms and Procedures

- v) An aspirant of being incubated shall make an application to the incubator in a prescribed form and the incubator shall process the application through an appropriate and proper channel for validation of its eligibility.
- vi) Once the application is made by a representative of the entity/enterprise being a start-up after verification and scrutiny the process of being admitted to be an incubator begins.
- vii) Application once submitted will be verified and scrutinised and offered a scope of modification of thought and guided to be relevant to the norms and terms and an application shall not be ordinarily be turned down.
- viii) The Scrutiny shall involve the test of ownership of intellectual property rights and related matter, the transferability of the technology, Conditions and stage of the productization and product development, the strength and capability of the team, the validation of business models, the process for which are detailed in Part II (Manual of Standard Operating Protocols and Procedures)
- ix) The norms are the allocation of space and identification numbers and cards for access through a mechanism that shall be relevant and in prevalence at that time. The admission is through selection only on conditions and terms being fulfilled.

Incubation Process

- x) Once the admission is confirmed the entity shall be called as an Incubatee
- xi) There are two channels of incubating the enterprise
 - a. Physically
 - b. Virtually
- xii) The process of incubation starts either with a Pre-incubation or shall begin with the establishment.
- xiii) The incubator shall advise on which means to start, however it is the Incubatee's decision that final on taking up the pre-incubation or not.

Pre-Incubation

- xiv) Pre-incubation of Enterprise as Start-ups which shall be primarily involved in harvesting and culminating into a product/ solution.

- xv) Those products being an outcome of a research from within the university or from outside in the form of licensed technology or any other form of Intellectual property.
- xvi) Pre-incubation process shall involve assessment of team strength and capability, validation of business concept and models, teaching and training on Business essentials such as Financial Literacy, Unit Economics Regulatory and Compliance norms.

Incubation Activities

- xvii) Include initiation of production, first roll out, Commencement of Business, Defining Systems and Process, installing systems of record keeping, Exploring market, Mentoring, Hand-holding to initiate the first sale, pre-revenue stage to revenue generation stage, strategies to accelerate scaling-up, repeated monitoring on correcting failures in the market, Continuous improvement of product to gain market acceptance, evaluation of business performance, meeting with investors and funding agencies, exposing to fundraising, etc
- xviii) The above may be provided virtually or in-house.
- xix) The process also includes such activities as training in alternative thinking, strategies for alternative approaches, identifying productisation potential and translational research, New product development, etc.

Period of Incubation

- xx) The minimum period is required for an Incubatee to emerge as a successful enterprise what is called as the turn-around period.
- xxi) The Turnaround period depends on the nature and type of enterprise and is sector related. However, considering the average turnaround period to be 2 years and extendable to one more year shall be the standard time for assessment of the performance of the incubator or the enterprise.

- xxii) The Incubatee may request for an extended time if so they desire to feel the necessity of the incubator's support. However, the period of incubation shall not be extended beyond 5 years.

Exit as an Enterprise

- xxiii) An Incubatee is deemed to exit the incubator and is deemed as a successful enterprise when the enterprise has been funded sufficiently and finds investors and has started to sustain in the market with revenues to manage itself.

The detailed process of each step of incubation shall be incorporated in the Part II (Manual of Standard Operating Procedures) and the performance of the incubator and the Enterprise shall be evaluated and asses as per the methods detailed in Part III (The Manual of Methods and Metrics for Performance Assessment and Analysis)

D. Performance Assessment and Measurement

- i) The effective translation of the incubation process shall be gauged by methods of measurement through the development and standardisation of metrics which shall be used for assessment and analysis of efficiency and effectiveness in the progress and achievement of the objectives for which the incubator was incorporated
- ii) The metrics shall be developed to arrive at numbers and rations of critical and important elements and factors involved in the process.
- iii) The largest outcome being set as a number of enterprises fledged out of the incubator in a relatively short period of time that has gained global recognition.
- iv) The direct and essential factors to measure the final outcome are the number of Incubators which gained scale and self-sufficiency and the time taken for them to achieve the same.
- v) To arrive at the factors measuring the final outcome shall have more intrinsic finer factors that shall account for formulating the stage based outcomes. Some of the factors such as Revenue generation by sales,

Investability, profitability, market acceptance of the enterprise and the capability of the incubator to reduce the turnaround time are some key metrics to measure impact and outcome.

- vi) To measure the progress by stages to estimate and know the factors involved in the process. It is important to develop indicators of progress using the factors contributing to the effectiveness of the process.
- vii) There shall be charts and tables developed with indicators and ratios which shall be used to measure and analyse the progress and impact of the programs and process of incubation.

Development of metrics to assess and analyse progress and impact is an evolving process and evolves over a period of time and experience. The detailed methods of measurement shall be detailed in Part III (The Manual of Methods and Metrics for Performance Assessment and Analysis). Charts, Tables and matrices developed shall be included in an appropriate Schedule.

E. Conflict resolution, Dispute & Grievance Redressal and Corrective actions

- i) Ambiguity and vagueness are natural and inherent to the nascent concept which are buoyant and ever changing leading to conflicts and disputes. The policy shall provide details for absolute clarity to dispel ambiguity to avoid conflicts and disputes.
- ii) Conflicts arise out of ambiguity and disputes arise out of the establishment and claim over rights.
- iii) To avoid or reduce conflicts the terms of understanding are to be resolved. The resolution can be recorded as and when situations arise and such resolve be brought to record to avoid further conflicts.
- iv) The conflicts are to be resolved with the help of an expert council who are technically and legally strong. Such committee be appointed from time to time as and when needed.
- v) Disputes and Grievances arise out of dissatisfaction or when the expectations are not met with. There shall be a council constituted by the administrative body to settle disputes and address the grievance.

Understanding the system in the nascent field is a matter of time. The areas of confusion and misinterpretations shall happen once the commencement of the program and during implementation. Therefore the procedures and protocols for Dispute Settlement , Conflict resolution and Grievance Redressal shall be recorded in Part II (Manual of Standard Operating Procedures) of the Policy Document.

F. Scope for improvement and Amendment Procedures

- i) Incubation and the concept of incubator for start-ups are thriving and new concepts to the Higher Education institutes.
- ii) Policy reforms, Reforms in the Education system (New Education Policy), Accreditation and Ranking systems are evolving rapidly nationally and globally.
- iii) The progress and rating becomes a measure for applying for grants and funding schemes. It is therefore critical to make the policy and the document flexible enough to accommodate such changes that may influence and impact the Innovation and incubation ecosystem.
- iv) To accommodate such changes the document shall incorporate such provisions to make adopt to change quickly and ensure the systems agility to adopt to change.
- v) Amendments are the provision of powers to add, delete, insert, substitute, modify parts of the document its structure and content.
- vi) The powers of the amendment are variably distributed and are vested with the hierarchy of the governance system. The most sensitive and critical subjects of the policy are deemed to be subjected to amendments less frequently.
- vii) The hierarchy of subjects and the relative sensitivity are structured as found hereunder
 - a) “Part I – The Policy Document”- deals with “Policy and Policy Matters” The Schedules shall form the part of Part I and includes details and lists and such matters that substantiate the subject described in Part I document.
 - b) “Part I” documents content is broad and generic in nature however covering the entire scope of the Subject of Innovation,

Incubation, Start-ups and the decision and process drivers of the same.

- c) Amendment involving, the change of the Structure, Substance and Pith, repealing a clause – as a part or the whole or deleting the parts as a whole or part or even scraping the entire policy vests only with the highest authority in a hierarchy which is the Syndicate of the University.
- d) Part I is deemed to be the most stable and critical subject matters and shall be subjected to amendments less frequently. Since it is critical and warrants less frequent amendments, such amendments shall be incorporated after the recommendation of the Apex Governing Council and approval by the Syndicate.
- e) The Schedules can be amended with the approval of the Apex Governing council.
- f) Part II Shall be amended with the Board of Directors and with approval from the Apex Governing council. and Part III Shall be amended by the Administrative and Executive Council with the approval from the board of directors.

- End of Part I-