



# KALINGA UNIVERSITY

## KALINGA UNIVERSITY INCUBATION AND INNOVATION CENTRE (KUIIC)



Kalinga University Incubation and Innovation Centre (KUIIC) shall promote, innovative and executable ideas from various disciplines of life sciences, engineering and technology and other fields. It shall help students, research scholars and faculty members to execute the ideas into products, processes or services for the benefit of society as well as industry. The goal of KUIIC is to promote technology based entrepreneurship and there by facilitate practical application of knowledge for public use. KUIIC wishes to facilitate the creation of ideas and invention that benefits society.

The main aim of the social business incubator is to provide support and training for students and innovators who are interested in converting their social ideas into social startups. KUIIC is working on igniting the ideology of starting own ventures amongst India's youth. The youth of today needs to be more inclined towards creating jobs, rather than getting one. So in order to assist the youth to become self-employed and create employment opportunities the university has come forward to provide support in every possible manner.

## **KUIIC – VISION**

1. To provide support and training for students and innovators , who are interested in converting their business ideas into startups.
2. Creating awareness amongst students and other sections of society regarding various aspects of entrepreneurship like new business prospects, government schemes for them, essential for framing business plan and developing startups

## **KUIIC – MISSION**

1. Exploring innovative and creative ideas or concepts from students, research scholars, and faculty members from various departments of the university as well as industry.
2. To incubate, culture and refine the idea or concepts with support from technical as well as creative experts of the concerned fields.
3. To promote critical thinking among the students to enhance the domain knowledge and skills
4. To develop and provide a platform for the creative aspirants, where their innovative ideas and concepts will be incubated and realized.

## **SCOPE OF THE POLICY**

The scope of this document is to define the policies and procedures for the operational matters related to the **KUIIC**



It covers the following processes:

1. Eligibility
2. Admission procedure
3. Infrastructure and Services provided to incubate
4. Mandatory Mentorship
5. Period of Incubation/ Exit
6. Intellectual Property Evaluation
7. Seed Funding
8. Periodic Assessment
9. Consideration
10. Conflicts of interest
11. Disclaimer
12. Agreements

The **policy** is subject to periodical review and amendments. It will be the responsibility of the companies admitted to **KUIC** to update themselves from time to time on amendments in the Incubation policy and procedures.

KUIC reserves the rights to make an exception of all or any of the terms of the policy for a particular company or a promoter on a case to case basis Incubation Eligibility:

- Any student or faculty of Kalinga university desirous of availing incubation facilities has to incorporate a private/public limited company under the Indian Companies Act and apply in the prescribed format along with the required documents. No application for incubation shall be entertained if the applicant has not incorporated a private/public limited company under the Companies Act.
- The companies promoted by Faculty of **KALINGA UNIVERSITY** shall be governed as per university norms.

## **INCUBATION ADMISSION PROCEDURE**

All the applicants shall have to read and agree to the terms and conditions of the incubation. Then only their applications shall be processed.

### **STAGE 1: Submit Executive Summary/ Business Plan**

As a first step in the admission process, the prospective company should submit an Incubation Application containing the Business plan, Certificate of incorporation and Memorandum & Articles of Association. KUIC then shall present the executive summary to an internal review committee for comments on technical and business feasibility of the idea.



## Evaluation Criteria:

1. Some representative criteria to be applied for evaluation (not limited to these).
2. Strength of the product idea in terms of its technology content, innovation, timeliness and market potential.
3. Profile of the core team/ promoters.
4. Intellectual Property generated and the potential of the idea for IP creation.
5. Financial/ Commercial Viability and 5 year projections of P&L, Balance Sheet and Cash Flows.
6. Funds requirement and viability of raising finance.
7. Time to market.
8. Break-even period.
9. Commercial potential, demand and requirement in India.
10. Scalability.

## **STAGE 2: Presentation to Evaluation Committee of KUIIC**

If the initial evaluation of the business plan / executive summary is positive, KUIIC will arrange a meeting with the company founders, during which the company will be expected to present a PowerPoint presentation describing critical aspects of the business plan to the evaluation committee. The presentation will be followed by Q&A session. After the presentation, a final decision will be made regarding the company's entry into the incubator. The company will be informed of the final decision after the presentation.

## **Research & Due Diligence:**

Throughout the application process, on an as-needed basis, KUIIC will perform research and due diligence of the company, the management team, the industry, and the current and future competitive elements facing the business. KUIIC may require further information from the applicant, and may ask the applicant to revise the executive summary and/or presentation. KUIIC may at its discretion seek advice of various stake holders who have sponsored the incubation center.

## **Non-Disclosure:**

KUIIC, adheres to strict confidentiality throughout the application process. However, KUIIC, will not sign any 'non-disclosure' agreements.

## **INFRASTRUCTURES AND SERVICES PROVIDED TO INCUBATEES**

Upon admission to KUIIC, the following facilities will be offered to the incubated companies on an Individual basis:

- Office space.
- Computers - Up to two on rental basis. More than two can be availed at market rates.



- Printer.
- Internet connection.
- Phone connection - Each company will pay the rentals and bills.
- Standard Furniture as decided by KUIIC.
- One Accommodation to Director/Promoter depending upon the availability (One room in Guest house/ hostel).

**Common Infrastructure:** KUIIC provides a common pool of hard and soft infrastructure to be shared by all incubated companies. The following resources are provided:

- Photocopying machine.
- Document Scanner.
- Library: Management Books, Subscription to IT, Business, Management and Trade journals and newspapers.
- Meeting/Conference room with projection equipment.
- Tele or Video conferencing facilities.

**University infrastructure:** KUIIC may facilitate access to the University infrastructure or laboratories as per the norms of the university.

**Services:** KUIIC may associate with professionals for accounting, IP, legal and management expertise on a part-time basis. The incubated companies can avail their services. Any direct services provided to an incubatee would have to be paid for by the incubatee to the service provider.

KUIIC will also provide soft infrastructure and business services to the incubated companies. The possible services and support items are listed as follows:

- Common secretarial pool/staff.
- Intern Support: To provide support in management, incubatees will be assigned an MBA student, if desired.

### **Mentoring and Advisory Services:**

- Strategic Checkups: The KUIIC Head will meet the company CEOs at least once a month for strategy reviews and discussion of operational issues.
- An incubated company will have to take a faculty advisor as a mentor on technology issues.
- Specialized mentors will also be made available to the companies to assist with particular strategic areas or to provide project-oriented consultation.
- An incubated company may avail the consulting services by empanelled professionals.

### **Mandatory Mentorship**

- One of the objectives of Incubation is to utilize the technical expertise and lab infrastructure of KALINGA UNIVERSITY. Therefore, every company that is offered incubation at KUIIC has to select one



faculty member from the University who shall act as a mentor to the incubated company and guide the company on product development. The company has to offer minimum 1% of share equity to the mentor as a consideration of mentorship.

- **Industry Mentor:** KUIIC has created a database of Industry mentors. Every company incubated at KUIIC may select one Industry mentor within six months from the date of joining the center. In case the incubatee opts for an industry mentor, the company has to offer a minimum 1% of equity to the mentor as a consideration of mentorship.

## **Tenure of Incubation**

The companies will be permitted to stay in the incubator for a period of two years. They may be granted maximum two extensions for 6 months each at a time at the sole discretion of the University.

**Exit:** An incubated company will leave the incubator under the following circumstances:

- Completion of two years stay (if no extension granted).
- Underperformance or non-viability of business proposition as decided by KUIIC on case to case basis.
- Irresolvable promoters disputes as decided by KUIIC on a case to case basis.
- Violation of KUIIC policy.
- When the company enters in an acquisition, merger or amalgamation or reorganization deal resulting in a substantial change in the profile of the company, its promoters, directors, shareholders, products or business plan.
- Change in promoters'/ founders' team without concurrence of KUIIC.
- Any change of more than 50% of equity ownership would require a prior approval of KUIIC.
- Any other reason for which KUIIC may find it necessary for an incubated company to leave.

**Notwithstanding anything written elsewhere, KUIIC's decision in connection with the exit of an incubated company shall be final and shall not be disputed by any company.**

## **Periodic Assessment**

A committee set up by KUIIC will evaluate the performance of incubatees every 3 months. The emphasis of evaluation will be on checking if the milestones specified in the business plan are met. For a company which has taken seed fund loan, additional checks will be done on the financial health of the company in terms of its order booking, expenses, profitability, utilization of seed money loan for the specified purposes and its ability to repay the loan. Further seed fund disbursement will be dependent on the progress shown in previous appraisal.

Periodic assessment would vary depending on the stage of incubation the company is in. Some representative criteria for evaluation are:



### **A. Ideation / Innovation stage**

- Concept development / Opportunity spotting
- Product Development
- Market assessment / Competition analysis
- First level Business Planning / Business Modeling
- Founding Team
- Intellectual property protection
- Seed Funding

### **B. Pre-Market Stage**

- Proof of Concept/ Prototyping
- Product Development and enhancement
- Financial Assistance Required
- Test marketing
- Full scale business planning including production, sales and sourcing

### **C. Implementation Stage**

- Full scale Business Planning
- Pitching for Venture Funding
- Scaling up operations
- Large scale commercialization
- Mature Team Formation

### **D. Exit stage**

- Going National / Global
- Exit options for Kalinga University
- Full scale business Graduation
- Post incubation Survival

The incubatee may be asked to provide more frequent updates to KUIIC.

### **Conflicts of Interest**

In case of any conflicts of interests, the decision of the University shall be final and binding upon the parties.

### **Disclaimer:**

KUIIC does not guarantee success and/or feasibility of the technology transferred from the KUIIC, or any person representing them shall not be liable for any acts or omissions of the incubated company. However, in case of any such event the incubated company shall do all that is required to hold KUIIC, or any person representing them harmless from any loss including damage, penalty.



## Agreements:

All Incubatees shall enter into the following agreements with the University:

1. Incubation Agreement: Contain rules and other incubation norms, consideration, equity holding, etc. (Applicable to all.)
2. Seed-Fund Agreement: Contain rules of disbursement and repayment. (Applicable to incubatees availing seed-fund.)
3. Technology Commercialization Agreement: Applicable to incubatees using technology or IP developed by KUIIC,

## Intellectual Property

The Promoters should fill an IP declaration worksheet at the time of admission and declare the Intellectual Property developed and owned by the incubated company.

1. In case the incubated company is desirous of using the Intellectual Property of KUIIC, like patent, software code, copyright, design registration, developed product, etc, then the company shall make such request in writing to KUIIC.
2. The company shall inform if any students have worked on the technology and if their work will be incorporated in the product(s).
3. The company shall inform if any IP has been generated as a result of the collaborative work with faculty members (who are not promoters) and is being incorporated into the product(s).
4. The company shall inform if any KUIIC infrastructure (hardware, testing setup, instrumentation, computing resources, processes) has been used in developing the IP or technology that will go into the product(s).
5. The company shall inform of the agreement, if any, with KUIIC, that the IP has been assigned to the company for commercialization.
6. The entrepreneur would have the option of first purchasing the rights of IP from KUIIC, and then being incubated or assigning equity in lieu of the direct payments to the University. Please refer to the Consideration section for details.

The incubatee would maintain a register with the details of any IP (patents, licenses, copyrights, etc.) that has been brought into the company prior or during their stay at KUIIC. Also, any IP developed during the stay would be maintained in the register.

**Notwithstanding anything written above, Intellectual Property Rights will be governed by KUIIC.**

## Seed Funding

- KUIIC may provide seed loan subject to the availability of funds/ grants/ schemes meant for this purpose. Seed loan will be sanctioned only to the registered companies and shall be based on the





merits of each company. Further, the admission to KUIIC shall not automatically entitle the companies to seed loan.

- A company desirous of getting seed loan may submit an application for seed fund after three months of incubation at KUIIC. The seed loan will be sanctioned based on the eligibility criteria as decided by KUIIC. It would also be subject to the terms stipulated as per the Seed funding Guidelines of KUIIC.
- One of the criteria for approval of the seed loan will be the contribution brought in by the promoters to the capital of their companies. Preference will be given to the companies who already have some sources of revenue or some customer order booking. KUIIC will have the sole discretion to sanction or reject an application for seed loan and the decision of KUIIC in this regard shall be final. KUIIC is not bound to give any reason in case an application for seed loan is rejected.
- Though seed loan may be sanctioned at the time of approval of the proposal for admission, disbursement shall be subject to KUIIC Head's satisfaction over the suitable progress made by the company.

**Notwithstanding anything contrary contained herein, the Seed fund sanction and disbursal shall be governed by Seed Fund Guidelines of Kalinga University**

### **Consideration**

KUIIC will charge the incubatees for infrastructure and services, seed loan and Intellectual Property. This payment would be in the form of service charges and equity share as per the following details. Liability free (paid-up) Equity of 3% equity would be assigned to Kalinga University for providing incubation facility and infrastructure services in all cases.



# Implementation of KUIC policy- KALINGA UNIVERSITY

1. Release of notice that KUIC is established.
2. Release of KUIC policy from university end for students/faculty members and incubators
3. Call for incubation/innovation proposals from all Departments and HOD's
4. Notice for welcoming incubation/innovation ideas from all students of respective departments
5. Also this policy to be shared with Students and resource persons by HOD's and faculty members for receiving their innovative ideas.
6. Short listing/screening of received proposals by members of KUIC
7. Report of acceptance to students/departments/ HOD's
8. Filing of necessary documents and agreements
9. Final documentation and implementation by KUIC



# Application Pro forma for KUIIC Incubation Support

**Name of the Applicant:**

**Address:**

**Contact Number:**

**Email ID:**

**Mentors Details:**

**Educational Background:**

**Previous Experience:**

**Other Promoters Team Member's Details:**

**Date of Submission of Proposal:**

The applicants who are interested to avail the KUIIC support are requested to also Provide the below mentioned information by mail to [kuiic@kalingauniversity.ac.in](mailto:kuiic@kalingauniversity.ac.in)

## **1.A brief description about your business idea**

- What is the business idea
- What is the impact of the idea in people's day-to-day life?
- What are the alternate solutions you have thought about before finalizing the Proposed solution?
- How many people have you interacted? What is their feedback?

## **2. Market research of the business idea:**

- How many people will potentially benefit?
- What is/are the existing solution(s) to the identified social problem?
- Who else attempted to solve this problem?
- Will you be able to provide effective solution at relatively lower cost than the Competitor/existing one?

## **3. Strengths of the Applicant/Team:**

- Discuss your/team expertise in this area.
- Made any prototype product? Have you tested your product/ service in the market?
- Will you be able to convince your friends and family members to use/adopt your solutions?

If so, have you already discussed with them yet? What's their reaction?

## **4. Financial matrix**

- What is the initial investment required ?
- How much money is required for your marketing?
- How much money do you require as working capital (salary or rent, raw material etc.)?
- How much money are you planning to charge for your service/ product?



- Will any of your family/friend are ready to partially support your project financially?
- What is your return on investment (ROI) plan? How long will it take you to break even?
- How many products/services are you planning per month?
- How much time you will be able to spend per day, per week and per month on this venture?

### **5. Mentors Details**

- Who is the mentor of this project?
- In what way the mentor will be associated and supporting this project?

**Date -**

**Place-**

Please submit this to:-  
Director KUIC  
Kalinga University  
Kotni New Raipur (C.G)

