



F-1/28A/2017 (Anveshan Foundation)

Date: 03-10-2017

Notice

With reference to the recommendation of the committee formed for finalizing policy document for 'Entrepreneurship, Innovation & Incubation, the submitted policy is approved for practice w.r.t. 03rd October 2017.

Any changes in the policy document will be communicated separately.

Attached: Policy Document


(Dr. V K Arora)
CEO

Copy forwarded for information to:

1. PS to Honorable Vice Chancellor, IGDTUW
2. PA to Registrar, IGDTUW
3. Dr. Arun Sharma, Director- Anveshan Foundation
4. Notice Board of the University
5. Notice Board of the Anveshan Foundation
6. System Analyst, IGDTUW for uploading on website
7. Guard File

IGDTUW Anveshan Foundation

Promoted by

Indira Gandhi Delhi Technical University for Women

Kashmere Gate, Delhi – 110006

Policy for Innovation, Entrepreneurship, and Incubation

1. INTRODUCTION

Delhi NCR region over the past few years has been growing rapidly and has seen a steady growth rate of 12 to 15%, which has led it to become one of the biggest start-up hubs across India, followed by cities like Bengaluru and Mumbai. Delhi NCR which now encompasses over 7000 start-ups, has a collective valuation of more than \$50 Billion. The region has also produced 11 unicorns, the highest among all Indian startup hubs with at least one new unicorn emerging each year since 2013. The proliferation of start-ups in Delhi-NCR is also driven by the fact that Delhi, Noida, and Gurugram, provide a bigger market base and have top-notch investor ecosystem support besides being the policy hub. Despite all, it is safe to assume that given the resources available at its disposal, the Delhi NCR region is yet to achieve its full potential.

‘IGDTUW – Anveshan Foundation’ is a business incubator, as a section 8 company promoted by Indira Gandhi Delhi Technical University for Women (IGDTUW) Delhi and recognized by the Department of Science & Technology (DST), GoI as Technical Business Incubator.

IGDTUW – Anveshan Foundation was set into stone on 13th October 2016 to develop an entrepreneurial eco-system, start-ups, and all business incubation-related activities that can contribute towards the expansion of the employment sector, and social and economic development while imparting real-world, relevant professional experience.

Working towards the advent of a new age of entrepreneurial pursuits of youth that focus on the autonomous generation of employment opportunities and global competition by nurturing budding innovators to tap into their uncharted reserves of prowess and potential, Anveshan Foundation facilitates Next Generation Entrepreneurship, expediently blending creativity, innovation and engineering, product design, and leveraging emerging technologies to evolve out-of-the-box applications.

Indira Gandhi Delhi Technical University for Women IGDTUW is a technical university exclusively for women and therefore it is our commitment also towards the upliftment and empowerment of women in society by promoting and assisting Women Entrepreneurs and Enterprises. The main objective of our business incubator is to facilitate the inception of start-ups and entrepreneurial culture among pioneering innovators.

2. STRATEGIC INTENT



Vision

- To serve as a national platform for innovation and business incubation in order to support and assist women in entrepreneurship and to promote the concept of technology entrepreneurship and convert business ideas into successful business opportunities.

Mission

- To encourage technological innovation and accelerate the development of commercially viable businesses in technology and allied sectors by providing a nurturing and supportive environment in fostering entrepreneurial ecosystem.
- To accord significant contribution in the economic health through attracting new women enterprises in technological and allied sectors/industries and helping existing businesses to be more successful.
- To promote excellence in learning and training, technology development & transfer and external engagement that promotes innovation and entrepreneurship through collaboration and partnership.

Objectives

- To conduct good numbers of programs, sessions, workshops, boot camps and competitions in the domain of entrepreneurship and start-up to motivate students and scholars.
- To motivate students to become job provider in the society through creating successful business ventures.
- To facilitate the availability of IGDTUW –Anveshan Foundation’s resources and seed-money to the incubatees in a mutually beneficial way throughout their incubation period.
- To provide guidance and mentoring to budding entrepreneurs, boosting their confidence and helping them to take their business ideas to market in minimum possible time frame.
- To provide a conducive working environment to the e-cell members and incubatees to nurture their innovative ideas.

3. CREATING A CULTURE OF ENTREPRENEURSHIP, START-UPS AND INTELLECTUAL PROPERTY CREATION

- University shall promote entrepreneurship, innovation among the students, faculty and staff members. Sustainable Innovation will be supported by the University through IPR Cell. A separate IPR Policy is created by the University and is attached in the Annexure.
- Promote start-ups by creating incubation infrastructure, friendly guidelines for start-up funding, helpful labor law reforms, liberalized guidelines allowing overseas partnering, use of start-up products in government sector, start-up spaces and marketing support programs for start-ups on the basis of Preferred Market Access (PMA).
- Changes to curricula with the aim of developing entrepreneurship in students from the



first year of the courses.

- Include entrepreneurship as a subject / add-on course / elective in Institutions.
 - Conduct entrepreneurship boot camps during summer to encourage students participate in entrepreneurial activities.
 - Offer start-up founders the option to participate in placement in the year after graduation to increase risk-taking ability.
 - Offer incentives to faculty for risk-taking and start-up incubation/ commercialization of technology.
- Conduct Boot Camps for start-ups, Business Plan competition etc. where the winners get a chance to utilize the incubation centers being set-up.
 - Create entrepreneurship challenges based upon existing problems to foster Innovation.
 - Develop a mentorship body to provide support to entrepreneurs, partner with ecosystem players as possible.
 - Create entrepreneurship clubs amongst the student and alumni (global/national/local) community.
 - Students at idea stage to motivate towards pre-incubation and at MVP stage for incubation stage.

4. FACILITATE CREATION OF INCUBATION CENTRES WITHIN THE EDUCATIONAL INSTITUTIONS

- Indira Gandhi Delhi Technical University for Women (IGDTUW) has incorporated a Section 8 company with the name of 'IGDTUW Anveshan Foundation' on 13th October 2016. Multiple companies can be created by the University of different projects, if required.
- The Section 8 company shall have the budget to create the incubation infrastructure – shared office space, conference rooms, meeting rooms, connectivity infrastructure, computing and specialized equipment as needed etc.
- The Section 8 company also create the plans for start-up on-boarding, mentoring, growth, fund-raising and exit processes.
- A set of operational guidelines for incubators shall be prepared and each section 8 company shall be provided the same as best practices.

5. INFRASTRUCTURE RECOMMENDATIONS FOR ESTABLISHING AND OPERATING INCUBATORS

- The Section 8 company will enter into a MOU with the participating stakeholders to facilitate setting-up of an incubation center within the campus.
- The incubator centers in institutions should have a broad-based specialization. There



could be some natural selection biased by the special infrastructure, labs, machines and resources available at the Institutions.

- The University will provide 20,000 square feet space for innovation, entrepreneurship and incubation related activities.
- Center will have space for meeting rooms, conference facility, open sitting plan offices and limited number of office rooms.
- Infrastructure for tea/coffee/snacks can be created with the pantry / kitchen supplies coming from authorized vendors.
- Incubator should be based on a modular plug and play model with essential infrastructure such as 24x7 access, 24x 7 electricity & back up, internet, LAN, desk tops, telephone connection and instrument, printers, scanners, copiers, tea / coffee and rest room facilities, conference / discussion rooms.
- The furniture needs shall be modern, light and functional in keeping with trends at other incubators / accelerators.
- Specialized labs can be made available to incubate companies at terms that can be decided by the management.
- Selected specialist support agencies like advertising, PR, logistics, facilities management can be common for start-ups using this incubation facility to cut operational costs.

6. ELIGIBILITY

The incubation center should be accessible to:

- a. Current students
- b. Alumni
- c. Faculty / Staff including retired person
- d. Any other person not belonging to any of the above category may be considered as per merit and space availability, after giving preference to Sr. no. a to c categories. On rare case basis, the students of other institutions may also be considered eligible.

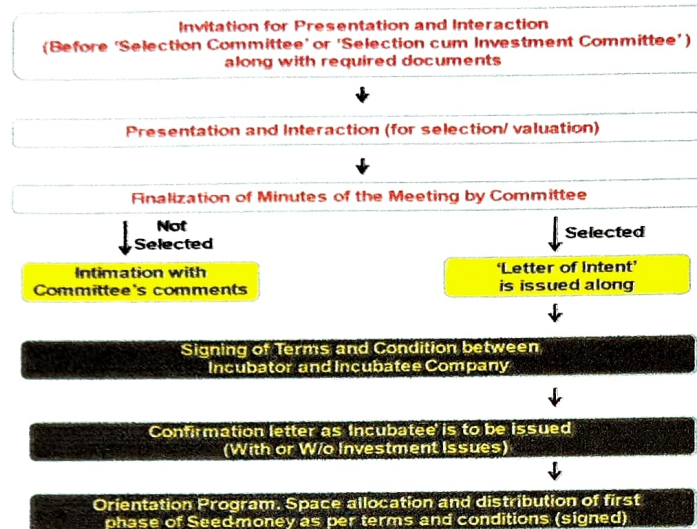
7. SELECTION PROCESS/CRITERIA

- An evaluation process should be put in place to select relevant incubatees for the program.
- Ideas should be assessed through a written application and interview process including detailed technical and financial due diligence. Applications may be shortlisted on certain criteria such as strength and novelty, strength of core business team, funds needed, and time to market. The final selection should be through interview (including a presentation of the business case) by an expert panel consisting of MDs/CEOs of successful start-ups, technical and legal experts along with faculty and investor representatives.
- Special preference and encouragement shall be given to women entrepreneurs and specially-abled entrepreneurs business startups focusing on rural/weaker communities' welfare/transformation under these guidelines. This may include advisory services to



create plans to meet the business plan requirements, relaxed conditions for appraisal of business plans and preferred seed funding access subject to availability of resources.

- Mentors may be available to help budding entrepreneurs along every step of this application process.



8. TRACKING PERFORMANCE

- Create and oversee a reporting mechanism to track performance and success (Revenue, Product Line, Awards, Job creation, etc, in the prescribed format, as annexed)
- Tracking of success and failure, as well as the factors leading to both, will help in understanding the usefulness of the centers and provide a knowledge base to up-coming entrepreneurs.
- Pitch Deck/ Business plan evaluation should be done at different stages of the incubation program.

9. MENTORSHIP

- A systematic proactive mentorship program must be provided.
- Workshop on mentorship to be conducted which includes interested faculty members of the University.
- Both, technical and business mentoring will form part of the incubation program.
- MOUs / tie-ups with the leading trade and industry associations like Corporate established section 8 companies (CSR funds), FICCI, ASSOCHAM, PHDCCI, CII, and All India Management Association (AIMA) to strengthen the Institution-Industry interface and access to industry mentors.
- Alumni networks of the institutions and specialist government institutions like banks will be leveraged to act as mentors and business evangelists for the start-ups being incubated.



- Successful ventures will also act as mentors to other start-ups in the same field.
- Provide access to some training workshops aimed at specific business skills such as strategy planning, finance, intellectual property, marketing, HR, operations' innovations, raising debt and equity finance, etc.
- Mentors profile and compensation details for each mentorship program has to be approved.

10. FUNDING SUPPORT RECOMMENDATIONS

- The University/ section 8 company shall have access to grants from the Government (State and Central) – government to provide seed funding to the start-up in the incubation centers.
- The Section 8 company shall arrange access to SME or Micro loan schemes available from State-owned or Private Banks.
- The Section 8 companies shall provide the funds to create the infrastructure at the educational institutes.
- The Section 8 companies shall pay for the operating expenses of the incubators from the annual budget.
- The University can approach alumni to create a start-up incubation fund and deploy the funds into the incubate companies.
- The incubator shall organize 'Demo Days' and VC/ funding agency visits aimed at raising investment finance and providing feedback to incubators.
- Most start-ups need seed capital to get off the prototype stage. Many non-IT start-ups may need larger seed capital and perhaps even later stage capital to commercialize the idea. The Start-up Incubation guidelines strongly recommends creation of a Seed Fund to support early-stage investments needed to bootstrap this ecosystem. The fund may be used to acquire minority equity in the venture with reasonable exit clauses that makes the scheme self-sustainable by ploughing back any gains into the program to compensate for investments that may not yield any returns (in keeping with high-risk nature of start-ups).

11. EXIT

- Entrepreneurs should be allowed to buy back shares at a specified internal rate of return (IRR) as decided by the Institutions and the holding company (depending on if the investment was made by Institute or the holding company). If the start-up has risen external funding at some valuation and the external funding agency wants to acquire the incubator shares in addition to the investment, the shares held by the incubator can be acquired at the same value as the investment or at the IRR whichever is higher.
- Exit money should be utilized as per prescribed guidelines of Institution. For the Incubation Center, the funds should be ploughed back into the seed fund. The aim of the Incubation Center should be achieved financial break-even through accrued sources within 10 years.



- Exit criterion: The incubate companies should leave the incubator, if,
 - They have completed the maximum tenure (recommended 24 months). An extension of 12 months can be given at the end of the 24-month period based on review by the managing board as exceptional case. No extension after 36 months is permitted.
 - The growth of the incubatee company exceeds the maximum space that is available to be allocated to an incubate (15 seats can be considered as the outer limit).
 - Underperformance or un-viability of the business case (inability to pay for the infrastructure for 3 months; inability to sustain day to day expense and/or decision by founders to terminate the operations.
 - Incubate meets any of the following criteria
 - Enters into an acquisition, merger or amalgamation deal or reorganization deal resulting substantially a change in the profile of the company, its promoters, directors, shareholders, products or business plans, or when a company plans for a public issue.
 - Change in promoters / founders' team without approval from the center management.
 - Gross indiscipline or unacceptable behavior towards other incubates companies, incubator staff/officials, service providers or mentors/advisors. Such cases should be reviewed and decided by the holding company management with careful attention to detail.
 - A separate Exit Policy is prepared and is in practice by the Incubation Center.

12. ANNEXURE

- A – IPR Policy
- B – Tracking Performance Format
- C – Pitch Deck Format
- D – Incubatees Agreement Format
- E – Exit Policy

