



K.R. MANGALAM UNIVERSITY

THE COMPLETE WORLD OF EDUCATION

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OFFICE ORDER

Subject: Innovation and Start-Up Policy of K.R. Mangalam University.

The Innovation and Start-Up Policy of K.R. Mangalam University is notified for information and implementation (as annexed) with immediate effect.

Registrar

Encl:

- As above

Copy to:

- Vice Chancellor : For kind information
- VC Office
- Dean (Academics Affairs)
- Dean- Research
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K.R. MANGALAM UNIVERSITY
THE COMPLETE WORLD OF EDUCATION



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K.R. Mangalam University

The Innovation and Startup Policy



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1. Preamble

Entrepreneurial endeavors are inherently linked with the economic growth of a country. Ever since the Government of India launched the *Startup India Initiative* in 2016 to make India a conducive space to start and grow a business, there has been a paradigm shift in terms of how investors and potential entrepreneurs view Startups. This shift has transformed startup culture by promoting, encouraging, and empowering the youth to be innovative with their startup ideas. The Indian government has envisioned making the youth future-ready by transforming the Indian education system, which can be achieved by providing accessible, equitable, accountable, and quality-based education. In November 2016, a pivotal development emerged with the creation and release of a Start-up Scheme document by the All-India Council of Technical Education (AICTE) specifically designed for AICTE-approved institutions. This strategic initiative was driven by the imperative to contemporize the academic milieu, placing greater emphasis on fostering a culture of innovation and entrepreneurship across all higher education institutions (HEIs).

The National Innovation and Start-Up Policy is an amplification of the Start-Up Policy, centering on providing guidance and facilitation to educational institutions in aligning with the 'Start-up Action Plan' endorsed by the Government of India. Following extensive deliberations and insights garnered from diverse educational establishments regarding the Start-up Policy, it became apparent that there was a compelling need for a more methodical and comprehensive framework. Consequently, the "National Innovation and Start-up Policy (NISP)" was conceived, encompassing all the enhancements and refinements not covered within the conventional Start-up Policy.

In the context of implementing the NISP, a K.R. Mangalam Entrepreneurship and Incubation Centre (KEIC Foundation) was convened to meticulously explore the facets to be encompassed within K.R. Mangalam University's (KRMU) Innovation, Incubation and Start-Up Policy. This policy at KRMU is poised to furnish not only a comprehensive set of directives to foster the assimilation of a broader ethos conducive to innovation and entrepreneurship.

The policy outlines the desirable approaches, expected outcomes, and likely impacts created at the micro and macro levels over the short and long term. The policy covers aspects of Intellectual Property ownership, revenue-sharing mechanisms, norms for technology transfer and commercialization, equity sharing, etc. Resource mobilization plans will be made for supporting pre-incubation, incubation infrastructure, and other facilities. The policy defines a sustainable financial strategy to reduce the organizational constraints to work on the



entrepreneurial agenda.

This document describes startups enabling institutional infrastructure and techniques for fostering innovations and startups. It also describes the innovation pipeline and paths for entrepreneurs at the institution level and the pedagogy and learning interventions for entrepreneurship development collaboration. Institute engagement in co-creation, business relationships, and knowledge exchange are also extensively covered. This policy also addresses the problem of Entrepreneurial Impact Assessment. This policy is consistent with K.R. Mangalam University's IPR policy, which addresses all intellectual property and product ownership rights issues. This policy aims to be instrumental in bringing about a startup revolution.

2. Definitions

Following is a compilation of key terms to provide a common understanding crucial to implementing and interpreting the policy. The terms are broadly defined as stated in the 'National Innovation and Startup Policy 2019' (NISP 2019) to enhance clarity and align with the objective.

1. **Accelerators:** Startup Accelerators design programs in batches and transform promising business ideas into reality under the guidance of mentors and several other available resources.
2. **Angel Fund:** An Angel Fund is a money pool created by high-net-worth individuals, generally called angel investors, for investing in business startups. An angel investor is a wealthy individual who invests their personal capital and shares experiences, contacts, and mentors (as possible and required by the startup in exchange for equity in that startup). Angels are usually accredited investors. Since their funds are involved, they are equally desirous of making the startup successful.
3. **Business Incubator:** It is an entity which helps startup businesses with all the necessary resources/support that the startup needs to evolve and grow into a mature business.
4. **Cash Flow Management:** It is the process of tracking how much money is coming into and going out of the business.
5. **Co-creation:** It is the act of creating together. When applied in business, it can be used as an economic strategy to develop new business models, products and services with customers, clients, trading partners or other parts of the same enterprise or venture.
6. **Equity:** An equity share, commonly referred to as an ordinary share, also represents the form of fractional or part ownership in which a shareholder, as a fractional owner, undertakes the maximum entrepreneurial risk associated with a business venture. The



holders of such shares are members of the company and have voting rights.

7. **Corporate Social Responsibility:** It is a self-regulating business model that helps a company be socially accountable to itself, its stakeholders, and the public.
8. **Cross-disciplinary practices:** It refers to teaching, learning, and scholarship activities that cut across disciplinary boundaries.
9. **Entrepreneurial Culture:** A culture/society that enhances the exhibition of the attributes, values, beliefs, and behaviors that are related to entrepreneurs.
10. **Entrepreneurial Individual:** An individual who has an entrepreneurial mindset and wants to make their idea successful.
11. **Entrepreneurial Education:** It seeks to provide students with the knowledge, skills, and motivation to encourage entrepreneurial success in a variety of settings.
12. **Experiential Learning:** It is the process of learning through experience and is more specifically defined as learning through reflection on doing.
13. **Financial Management:** It is the application of general principles of management to the financial possessions of an enterprise.
14. **Hackathon:** A hackathon is a sprint-like event in which computer programmers and others involved in software development, including graphic designers, interface designers, project managers, and others, often including domain experts, collaborate intensively on software projects.
15. **Host Institution:** It refers to well-known technology, management, and R&D institutions that work for developing startups and contributing towards developing a favorable entrepreneurial ecosystem.
16. **Incubation:** It is a unique and highly flexible combination of business development processes, infrastructure, and people, designed to nurture and grow new and small businesses by supporting them through the early stages of development.
17. **Institute:** It refers to the K.R. Mangalam University/KEIC Foundation in this document.
18. **Intellectual Property Rights Licensing:** It is a partnership between an intellectual property rights owner (licensor) and another party (licensee) who is authorized to use such rights in exchange for an agreed payment (fee or royalty).
19. **Knowledge Exchange:** It is a process that brings together academic staff, users of research and wider groups and communities to exchange ideas, knowledge and expertise.
20. **Pedagogy and Experiential Learning:** It refers to specific methods and teaching practices (as an academic subject or theoretical concept) applied to students working



on startups. The experiential learning method will be used for teaching 'startup related concepts and contents' to introduce a positive influence on the thought processes of students. Courses like 'business idea generation' and 'soft skills for startups' would demand experiential learning rather than traditional classroom lecturing. Business cases and teaching cases will be used to discuss practical business situations that can help students to arrive at a decision while facing business dilemma(s). Field-based interactions with prospective customers and support institutions will also form a part of the pedagogy, which will orient the students as they acquire field knowledge.

21. **Pre-incubation:** It typically represents the process which works with entrepreneurs who are in the very early stages of setting up their company. Usually, entrepreneurs come into such programs with just an idea of an early prototype of their product or service. Such companies can then graduate into full-fledged incubation programs.
22. **Prototype:** It is an early sample, model, or release of a product built to test a concept or process.
23. **Science Park:** A science park, also known as a research park, technology park, or innovation center, is a purpose-built cluster of office spaces, labs, workrooms, and meeting areas designed to support research and development in science and technology.
24. **Seed Fund:** It is a form of securities offering in which an investor invests capital in a startup company in exchange for an equity stake in the company.
25. **Special Purpose Vehicle:** A special purpose vehicle, also called a special purpose entity, is a subsidiary created by a parent company to isolate financial risk. Its legal status as a separate company makes its obligations secure even if the parent company goes bankrupt.
26. **Startup:** An entity that develops a business model based on either product innovation or service innovation and makes it scalable, replicable, and self-reliant as defined in Gazette Notification No. G.S.R. 127(E) dated 19th February 2019.
27. **Technology Commercialization:** It is the process of transitioning technologies from the research lab to the marketplace.
28. **Technology Licensing:** Agreement whereby an owner of a technological intellectual property (the licensor) allows another party (the licensee) to use, modify, and/or resell that property in exchange for compensation.
29. **Technology Management:** It is the integrated planning, design, optimization, operation, and control of technological products, processes, and services.
30. **Venture Capital:** It is the most well-known form of startup funding. Venture



Capitalists (VCs) typically reserve additional capital for follow-up investment rounds. Another huge value that VCs provide is access to their networks for employees or clients for products or services of the startup.

3. K.R. Mangalam University

K.R. Mangalam University (KRMU) is a beacon of educational excellence and innovation, recognized as the fastest-growing higher education institution in Gurugram, India. Established in 2013, the university has been dedicated to transforming young lives through groundbreaking pedagogy, global collaborations, and world-class infrastructure. Part of the prestigious K.R. Mangalam legacy, the university continues to redefine educational standards, fostering intellectual and personal growth among its students.

KRMU is committed to providing 360° exposure to its students through seminars, industrial visits, expert lectures, internships, symposiums, and more, ensuring diverse viewpoints and comprehensive learning experiences. The university places a strong emphasis on co-curricular activities, including vibrant festival celebrations, social responsibility initiatives, and tech training, promoting holistic development.

Recognized for its virtues of quality, equality, inclusiveness, sustainability, and professional ethics, KRMU aspires to become an internationally acclaimed institution of higher learning. Through excellence in interdisciplinary education, research, and innovation, KRMU prepares socially responsible, lifelong learners to contribute to nation-building.

In the innovative world, KRMU offers limitless learning and employment opportunities beyond social and geographical boundaries, attracting knowledge-seekers globally. The university has signed MOUs with prestigious institutions like Middlesex University, London, and Roehampton University, enabling advanced learning programs and global collaborations.

A secure and welcoming environment characterizes KRMU, ensuring a pleasant atmosphere for students and staff. The university diligently adheres to UGC and AICTE regulations to maintain campus safety and integrity.

Launched in 2021, the K.R. Mangalam Entrepreneurship and Incubation Centre (KEIC Foundation) embodies the university's vision of nurturing an entrepreneurial mindset among students. KRMU believes that fostering entrepreneurship provides students, faculty, and staff an edge, helping them excel in every aspect of life.

KRMU, approved by the University Grants Commission (UGC), supports KEIC Foundation's initiatives by offering start-up incubation through mentoring, networking, and funding support. Recognized and supported by the Haryana Government under its IT Start-up Policy, KRMU aims to secure similar recognition and funding from other government and non-government



entities. These accolades significantly enhance KRMU's ability to secure government funding, establish valuable networks, and access diverse support forms for startups under its incubation. KRMU's achievements empower the university to develop top-tier support systems for startup incubation on a global scale, reinforcing its commitment to academic excellence, innovation, and entrepreneurship.

4. K.R. Mangalam Entrepreneurship and Incubation Centre (KEIC Foundation)

Nestled within the vibrant ecosystem of K.R. Mangalam University, the K.R. Mangalam Entrepreneurship and Incubation Centre (KEIC Foundation) stands as a beacon of innovation and an enabler of the entrepreneurial spirit. Established as a Section 8 company on 26th June 2023, KEIC was formed to foster an entrepreneurial mindset among students, positioning itself at the forefront of nurturing visionaries and change-makers who will shape the future.

The genesis of KEIC lies in the university's commitment to transforming education and empowering students with the skills and mindset necessary to succeed in the ever-evolving global landscape. Since its inception, the KEIC Foundation has been dedicated to cultivating a culture of entrepreneurship on campus, providing a nurturing environment where creativity and innovation can flourish.

Our core mission is to empower the next generation of entrepreneurs by harnessing the boundless creative potential of our students. KEIC encourages the creation of innovative companies and non-profits that address the pressing challenges facing our nation, offering groundbreaking solutions that have a meaningful impact.

KEIC provides a comprehensive support system, including mentorship, networking opportunities, and funding, to help students turn their ideas into viable ventures. By collaborating with industry experts, alumni, and successful entrepreneurs, KEIC ensures that students receive the guidance and resources they need to succeed.

The center's initiatives are recognized and supported by the Haryana Government under its IT Start-up Policy, reinforcing KEIC's role as a leader in startup incubation. This recognition enables KEIC to secure government funding, establish valuable networks, and access diverse support forms for startups under its incubation.

At KEIC, we believe in empowering students to become entrepreneurs who can drive change and innovation. By fostering an entrepreneurial ecosystem, KEIC is committed to shaping the future leaders of tomorrow and contributing to the nation's growth and development.



The **Vision and Mission** of the KEIC Foundation are as follows:

KEIC Foundation aims to foster a culture of entrepreneurship on campus. We believe in unlocking our students' creativity to enable them to create the next generation of innovative companies and non-profits to solve some of the most pressing problems facing the nation.

KEIC Foundation remains committed to supporting students in their entrepreneurial endeavors, providing them with the tools, resources, and mentorship necessary to transform their ideas into impactful ventures.

4.1 Objectives of KEIC Foundation

KEIC Foundation was established as a Section-8 Company with CIN number U74899DL1991GOI046402, as per the 2013 Companies Act of Govt. of India. The company runs a Business Incubator (BI) at K.R. Mangalam University. KEIC Foundation was established with the following objectives:

- i. To promote, incubate and nurture entrepreneurship and innovations among the students, teachers, and community at large and to encourage budding student entrepreneurs by providing them with required information, building confidence, and nurturing their skills by conducting workshops and events and to assist the trained and amateur entrepreneurs/innovators for encouraging self-learning and growth and along with that to connect the start-up aspirants with the respective domain experts, entrepreneurship mentors, consultants, investors.
- ii. To set up infrastructure and establish incubation centers to encourage exchange of knowledge, build capacity and enhance skills among stakeholders.
- iii. To create a facilitating environment, promote and disseminate knowledge, create awareness, and provide platform for interaction among students, teachers, academicians, professionals, research institutions and to work and collaborate with other incubation centers, government departments, private sector, NGOs and Educational institutions.
- iv. To extend consultancy, advisory, market research and other services in connection with entrepreneurship development in India and abroad and to conduct seminars, workshops, training programmes, entrepreneurship development programmes, skilled development programmes etc whether online or offline to the entrepreneurs.

The Foundation intends to support entrepreneurs in developing and validating their business concepts, obtaining the necessary business skills and knowledge, and establishing connections with other actors in the innovation ecosystem. It aims to host various seminars, speaker sessions, unique games, ideathons, hackathons, workshops, startup summits and contests for



budding and visionary entrepreneurs, and provide them with working space, seed capital, mentorship, consulting, and networking opportunities.

4.2 Financial Strategies

The financial strategies of the Foundation are as follows:

1. Access to finance is pivotal to addressing the funding needs of a startup. The University will play a decisive role in enabling the youth by providing seed money through the KEIC Foundation.
2. Capital Funding for all activities about policy implementation, innovation and entrepreneurship shall be met by the KEIC Foundation.
3. KEIC Foundation may consider mobilizing additional resources by conducting various programs.
4. External funding through government (state and central) such as DST, DBT, MoE, AICTE, TDB, TIFAC, DSIR, CSIR, BIRAC, NSTEDB, NRDC, Startup India, Invest India, MeitY, MSDE, MSME etc., may also be encouraged to cater to support-funding at the suitable time.
5. Private and corporate sectors may be approached to generate funds under the Corporate Social Responsibility (CSR) initiative as per Section 135 of the Company Act 2013.
6. Sponsorship and donations may be obtained from the business community and alumni networks for promoting and strengthening entrepreneurial spirit and culture.
7. Financial institutions may be approached for the best possible economic avenue.

The K.R. Mangalam University, through KEIC Foundation, will support startup activities and technology development by providing access to the Institute's infrastructure and facilities according to the entrepreneur's preferences in the following manner:

- (a) Short-term (8-12 months), part-time entrepreneurship training.
- (b) Ongoing mentorship support.
- (c) Assistance in various areas, such as ideation, creativity, design thinking, technology development, fundraising, financial management, cash flow management, new venture planning, business development, product development, social entrepreneurship, product costing, marketing, brand development, human resource management, and legal and regulatory matters affecting a business.
- (d) Linking startups to other seed-fund providers/angel funds/venture funds or providing seed funding.
- (e) Licensing the Institute's IPR by policy/guidelines.



4.3 Guidelines for Disbursement of SEED Funding to Start-ups

To facilitate the aim of the K.R. Mangalam Entrepreneurship and Incubation Centre (KEIC Foundation) and to develop and strengthen entrepreneurial qualities in budding professionals who are interested in starting their ventures. KEIC Foundation has developed the corpus of Pre-SEED Funding, which can be availed by the students willing to commercialize the projects they ideate at the campus.

The KEIC SEED Fund will be deployed to the startups for prototyping, the funding would be an add-on to the attendance rebate.

Apart from the funding and attendance support, the KEIC Foundation will also assist all the aspirants with mentoring, planning, and executing their startup idea into a real business. The KEIC Foundation has maintained a pool of Mentors, Industrialists, Sponsors and Govt. Agencies like Banks, EDII, and DST.

Checklist required for availing the Pre-SEED Funding Support

1. Pathways for Entrepreneurs

- Students can directly approach to KEIC Team
- Boot camps organized by KEIC
- Faculty Mentor

2. Evaluation

- Presentation to Expert Committee.
- Evaluation Sheet, Mentioning the remarks of the committee

3. Post Evaluation

- Pre-incubation letter of Intent Signed with KEIC
- Faculty mentor (If required) will be assigned by the Expert Committee.
- Disbursement of Rs. 5,000/ Grant to the startups, with the mutual set-up of Milestones.
- Attending 100% mentoring calls
- 20% attendance rebate and in addition to this, attendance marks will be given.
- Decided Milestones to be submitted by the startup to avail follow-on tranches.
- The signing of the Incubation Agreement on the Stamp.
- Disbursement of the funds to the account of the Founder.

Follow-up grant disbursement criteria

Up to Rs. 50,000/-(Fifth Thousand) as a follow-up grant can be disbursed to the startup showcasing the timely progress on the set milestone. The milestones can be related to prototype



development, product testing, building a product ready for market launch, etc.

Subsequent disbursement would be linked to the achievement of the previously specified milestones, as per the 2 submitted milestones, each of which will be for a quarter.

The startup is requested to submit 2 milestones after the evaluation of these milestones; a follow-up grant approved by the expert committee will be disbursed.

4.4 Facilities Available at KEIC Foundation

Transforming innovation initiatives into creating new value, growth, and revenue always comes with a risk. But with the right support and guidance, it's also where the greatest rewards can be won. On these lines, the KEIC Foundation aims to help startups establish the growth path, setting clear ambitions, guidelines, and operational frameworks through its pre-incubation and incubation facilities. KEIC Foundation is committed to providing resources, support, and guidance to help early-stage startups grow and succeed. Here are some facilities that the KEIC Foundation provides:

1. **Co-working Space:** It provides startups with a dedicated co-working space fully equipped with desks, chairs, and other necessary office equipment. This office space is designed to provide a professional working environment for startups, which can help them build credibility and foster collaboration among team members.
2. **High-Speed Internet:** Fast and reliable internet access is essential for any modern startup to operate effectively. KEIC Foundation provides startups with high-speed internet access to ensure that they can communicate and work online without any disruptions or delays.
3. **Meeting Rooms:** A private meeting room is an important facility provided by the Foundation. The room provides startups with a quiet and professional environment to meet with potential investors/ partners/ clients and discuss important matters without any interruptions.
4. **Pre-incubation Facilities:** These have been tailor-crafted in consultation with the experts to deliver comprehensive solutions for the initial stages of startup. This makes the entire process smooth during the incubation process and allows autonomy in decision-making for executing the programs about innovation, IPR and Startups.
5. **Mentorship and Coaching:** Access to experienced mentors and coaches is a valuable resource that the Foundation provides to startups. Mentors and coaches can provide startups with guidance, advice and networking opportunities that can help them navigate the challenges of starting and growing a business.



6. **Networking Events:** KEIC Foundation regularly organizes networking events and workshops to help startups connect with other entrepreneurs and industry experts. These events provide startups with opportunities to learn from others, share experiences, and develop new partnerships.
7. **Access to Funding:** The Foundation has partnerships with venture capitalists or angel investors who are interested in investing in early-stage startups. These partnerships provide startups with access to funding and investment opportunities that can help them scale their businesses.
8. **Legal and Financial Services:** Legal and financial services such as accounting, legal advice, and tax consulting are important resources that the Foundation may provide to startups. These services can help startups navigate complex legal and financial issues, which can be challenging for early-stage businesses.
9. **Shared Services:** Shared services such as IT support, administrative assistance, and marketing support can help startups save money and focus on their core business activities. The Foundation may provide access to these shared services to help startups minimize their operational costs and improve their efficiency.
10. **Round-the-Clock Support:** The Foundation provides access to its facilities and extends round-the-clock support to all the startups.

Additionally, the Foundation provides startups with access to other essential resources and services. For example, it provides startups with access to prototyping labs and testing facilities depending on the nature of the business and the availability of the resources with the Foundation and K.R. Mangalam University. These resources can be expensive for startups to acquire on their own, so having access to them through the Foundation can be extremely beneficial. Furthermore, the KEIC Foundation offers workshops and training programs that help startups develop their skills and knowledge in areas such as marketing, sales, and financial management. These programs can help startups build a strong foundation for their businesses and avoid common mistakes that can hinder their growth.

4.5 Activities Conducted by the Foundation

The activities conducted by the Foundation include, but are not limited to, the following:

1. KEIC Foundation is determined to build a thriving community of entrepreneurs by regularly organizing training programs, ideathon/hackathons, workshops, boot camps, etc. imparting startup learning solutions with pedagogical and practical impact.
2. A diverse range of activities and programs consisting of counselling, consulting, mentorship, and networking services will be outlined to bridge the gap between theory



and practice, leading to achieving a commercial aptitude required for the success of any startup.

3. Talk shows and lecture series involving industry experts will be planned to inspire and encourage the youth to enthusiastically take charge of their professional journeys by gaining a deep understanding of core business trends and competencies.
4. Awareness drives emphasizing the significance of creating new business avenues and the entrepreneurial process as a whole; showcasing testimonies of our country's entrepreneurial culture and activities will form an intrinsic part of the Foundation's calendar of activities.

5. Who can be an Incubatee?

The four categories of Incubatees are as follows:

1. Category I (Student)

It includes all the students who are enrolled in any course/program (Undergraduate/ Postgraduate/ Ph.D./ Other) of the K.R. Mangalam University. This category shall also include all the alumni of K.R. Mangalam University.

2. Category II (Faculty Member)

It includes Senior Professors, Professors, Associate Professors, and Assistant Professors (Permanent) working at the Departments/ Centres/ Colleges of the K.R. Mangalam University. This category shall also include reemployed Professors, Emeritus Professors, Adjunct Professors, Professors of Eminence, Honorary Professors, Former Faculty Members, etc., of the Departments/ Centres/ Colleges of the K.R. Mangalam University.

3. Category III (Staff Member)

It includes non-teaching employees (Permanent) of the University. This category shall also include all former non-teaching employees of K.R. Mangalam University.

4. Category IV (Others)

It includes any individual/group of individuals who do not fall in any of the above categories but are prospective entrepreneurs.

6. Rules and Regulations for Startups

This section focuses on various rules and regulations that are required to be adhered to by every incubated registered for support from the KEIC Foundation.

6.1 General Rules and Regulations



This section includes the rules and regulations that apply to any individual belonging to Category I-IV and who is a founder/owner or co-founder/co-owner/direct promoter/board member or having an operational role (such as Consultant, Technical Adviser, CEO, Marketing Manager, etc.) in a company funded/supported by KEIC Foundation.

1. Category to be defined based on the largest shareholder of the company.
2. Co-founders can be from different categories.
3. The majority of the founders or shareholders, or the members of the core team must hold Indian citizenship.
4. Incubatee registration requests can only be submitted to the KEIC Foundation on behalf of registered unlisted businesses as defined by the Companies Act 2013. If a company has not yet been incorporated, an application may be made on behalf of all promoters or founders. However, the promoters or founders must ensure that the firm is registered in the incubator no later than three months after the application's approval date.
5. Human-subject-related research in startups should get clearance from the Ethics Committee. The Ethics Committee shall be constituted by the competent authority of the KEIC Foundation/K.R. Mangalam University.
6. There will be no restriction on shares that an individual can own in the company.
7. The Foundation may consider providing accommodation on campus for registered incubatees for a limited period, subject to the availability of accommodation.
8. Startups can acquire licenses for technology jointly held by the K.R. Mangalam University or KEIC Foundation or incubator of constituent colleges (in case the incubatee is registered with the incubators of such colleges) on favourable terms, including equity in the venture, license fees, and/or royalty payments.
9. The individual whose startup is in the incubation process with the KEIC Foundation can use the address of the Foundation with prior permission from the authorities.
10. The period of Pre-incubation and Incubation will be as follows:
 - (i) Pre-Incubation period from 8 months to 1 year and extendable up to 18 months subject to the recommendation of the KEIC Foundation.
 - (ii) The Incubation Period is 24 months and extendable up to 36 months subject to the recommendation of the KEIC Foundation.

6.2 Specific Rules and Regulations for Category I

The following rules and regulations are specific to the individuals belonging to the Category I:



1. The individual is permitted to work on their startup or intern/part-time with startups incubated at recognized higher education institutions/incubators while studying, subject to approval from the University, based on the committee's recommendation.
2. The individual can choose to pursue a startup instead of their project (minor/major), seminars, summer training, etc. However, they must explain how they will distinguish their work at the startup from academic activities at the Departments/ Centres/ Colleges of the K.R. Mangalam University.
3. The individual may be allowed to sit for examinations even if their attendance is lower than the minimum required percentage, as he will be given 20% extra attendance subject to the recommendation from the KEIC Foundation.
4. The individual may be allowed by the University to take a break of one year or longer to work on their startups and resume their academic studies after the break. The Individuals must apply to the KEIC Foundation or incubator at the respective college of K.R. Mangalam University, which shall be forwarded to the concerned Dean/Principal for permission and approval after due diligence.
5. The K.R. Mangalam University may offer a two-year deferred placement opportunity for students to pursue their startup ventures, with the implementation guidelines developed by the KEIC Foundation.

6.3 Specific Rules and Regulations for Category II and III

The following rules and regulations are specific to the individuals belonging to Category II and III:

1. The individual should sign an undertaking for 'Conflict of Interest' to ensure that their regular duties shall not suffer owing to their involvement in the startup.
2. If the individual holds an executive or managerial position for more than three months in a startup, then they shall go on a sabbatical leave/ leave without pay and will be subject to the recommendations of K.R. Mangalam University.
3. Participation in startup-related activities shall be considered as a legitimate activity of the individual in addition to their duties at the Departments/ Centres/ Colleges of K.R. Mangalam University.
4. The involvement of an individual (only for Category II) in a startup ecosystem in an administrative or executive position or direct involvement in a startup shall be counted in their academic score for their career advancement or shortlisting of candidates for interview, in a manner as specified by the K.R. Mangalam University.
5. The individual will have to take NOC from the Vice-Chancellor of K.R. Mangalam



University.

6.4 Finance Rules and Regulations

The following financial provisions shall apply to all the startups registered with KEIC Foundation:

1. The start-up must have its own funding and accounting procedures in line with existing industry norms and ensure annual audits and other regulatory compliance.
2. Startups must open a current account immediately upon registration of the company, and all KEIC Foundation funding will be transferred to the company account.
3. In the pre-incubation stage, money will be given to the savings account of the incubated post the receipt of the utilization certificate and bills. However, in special cases, the pre-incubation committee may recommend a stipend, sustainable allowance, or prototype grant to the incubatees before the expenditure subject to the approval of the Board of KEIC Foundation.
4. Startups must submit an annual Utilization Certificate.
5. KEIC Foundation may take 2% to 5% equity/stake in the startup/company based on brand used, faculty services, faculty contribution, support provided by the K.R. Mangalam University/ KEIC Foundation, and use of the University's IPR. Other factors considered include space, infrastructure, mentorship support, seed funds, support for accounts, legal, patents, etc. The KEIC Foundation equity/stake in the startup will be based on the recommendation of the Finance Review Committee.
6. In the case of a compulsory equity model, startups shall be given a cooling period of 45 days to use incubation services on a rental basis, to make a final decision based on satisfaction of services offered by the KEIC Foundation.
7. In that case, during the cooling period, the University/KEIC Foundation will not force startups to issue equity on the first day of granting incubation support.
8. The faculty member associated shall ensure that at no stage any liability shall accrue to KEIC Foundation because of any activity of any startup.
9. The University's/KEIC Foundation's decision-making bodies concerning incubation / IPR / technology licensing will consist of faculty and experts who have excelled in technology translation.
10. The students involved must ensure that the K.R. Mangalam University or KEIC Foundation shall not be liable for any of the activities of the startup at any time.
11. The seed support will be based on the recommendation of the Finance Review Committee/Investment Committee of the KEIC Foundation.



12. Proposals/projects/ideas that have already been evaluated by national/international organizations and received funding will be given priority for support.

7. Gateway to Pre- Incubation Stage

The KEIC Foundation offers multiple channels for submitting applications to ensure wide accessibility and encourage participation from diverse sources. The application process is categorized as follows:

1. **Online Submissions:** Individuals and teams can submit their applications through Google Forms, ensuring accessibility and ease of submission.
2. **Event-Based Entries:** Participation in events such as Ideathons, Hackathons, Bootcamps, and other similar events organized by KEIC Foundation offers a direct channel for submitting innovative ideas.
3. **Direct Approaches:** Applications and inquiries can also be made through direct outreach, allowing for personalized engagement and support.

8. Process of Admittance at the Incubation Stage

The provisions concerning admittance of funding shall be governed by the decision taken by KEIC Foundation from time to time. The process for admittance at the incubation stage is as follows.

1. **Application and Screening:** Startups typically need to apply the incubation foundation that includes information about their business idea, team, market research, financial projections, and progress made during the pre-incubation stage. The application may also require the submission of other documents, such as a business plan or pitch deck. The incubation foundation will screen and evaluate the applications based on the criteria outlined in the application guidelines.
2. **Interviews and Due Diligence:** After the screening and evaluation process, the Foundation will select a group of startups to be invited for further discussions. These discussions may include interviews, due diligence, and presentations to a selection committee. The Foundation may also verify the information provided by the startup through reference checks, background checks, or other means.
3. **Selection and Acceptance:** After the interviews and due diligence process, the Foundation will select a group of startups to be invited for incubation. These startups will receive an offer of acceptance and will need to sign a contract that outlines the terms and conditions of the incubation program. Once the idea/prototype is eligible for a startup, as decided by the committee, it must be registered under a form of a



business entity like a Partnership Firm, LLP, Private Limited Company, or One Person Company, and startups must be able to provide a copy of the registration certificate/letter.

4. **Incubation Program:** Once accepted, startups will have access to all the facilities and resources of the Foundation, as well as ongoing mentorship and support to help them grow and succeed. The incubation program may include training workshops, mentorship sessions, networking events and access to legal and financial services. The program is designed to help startups accelerate their growth and achieve their goals.
5. **Graduation and Follow-up Support:** After completing the incubation program, startups may graduate from the program and continue to receive follow-up support from the incubation foundation. This may include ongoing mentorship, access to networking events and additional resources to help them continue to grow and scale their businesses.

Startups should research the specific requirements and guidelines of the KEIC Foundation and follow the instructions provided.

9. Process of Admittance for Virtual Incubation

Virtual incubation is an incubation model that allows startups to participate in an incubation program remotely, using online tools and resources. The process for virtual incubation may include the following steps:

1. **Application:** Startups interested in virtual incubation will need to apply to the KEIC Foundation, which typically includes information about their business idea, team, market research, and financial projections. The application may also require the submission of other documents, such as a business plan or pitch deck.
2. **Screening and Evaluation:** The Foundation will screen and evaluate the applications based on the criteria outlined in the application guidelines. This may include assessing the viability of the business idea, the commitment and skills of the team, the clarity of the goals and objectives, and the plan for funding and revenue generation.
3. **Selection and Acceptance:** After the screening and evaluation process, the KEIC Foundation will invite selected startups for further discussions. These startups may be invited to participate in an online interview or pitch session to further assess their fit for the program. The program will then extend offers of acceptance to successful applicants.
4. **Onboarding and Orientation:** Once accepted, startups will go through an onboarding



and orientation process to familiarize themselves with the virtual incubation program and the online tools and resources available to them. This may include setting up access to online collaboration tools, scheduling mentorship sessions, and attending online training workshops.

5. **Virtual Incubation Program:** During the virtual incubation program, startups will have access to all the online facilities and resources of the incubation program, as well as ongoing mentorship and support to help them grow and succeed. The program may include online training workshops, mentorship sessions, networking events, and access to legal and financial services. The program is designed to help startups accelerate their growth and achieve their goals, even when participating remotely.
6. **Graduation and Follow-up Support:** After completing the virtual incubation program, startups may graduate from the program and continue to receive follow-up support from the incubation program. This may include ongoing mentorship, access to networking events, and additional resources to help them continue to grow and scale their businesses.

It's important to note that the specific process for virtual incubation may vary depending on the virtual incubation program. Startups should research the specific requirements and guidelines of the program they are interested in applying to and follow the instructions provided.

10. Exit Policies

Any of the following policies may be adopted by the KEIC Foundation for different startups to exit from an incubation program. The terms and conditions of the exit policy shall be decided by KEIC Foundation at the time of signing the contract and may vary on a case-to-case basis.

1. **Graduation:** Graduation is the most common exit policy from incubation programs. Graduation typically occurs when a startup has completed the incubation program and is ready to move on to the next stage of its growth. Graduating startups may receive a certificate or other recognition from the KEIC Foundation for their completion of the program.
2. **Time-based Exit:** Some incubation programs may have a time-based exit policy that requires startups to exit the program after a certain period, regardless of their progress or success. This period shall be determined by KEIC Foundation or may be negotiated as part of the contract.
3. **Milestone-based Exit:** Some incubation programs may have a milestone-based exit policy that requires startups to achieve certain milestones or goals to remain in the program. If a startup fails to achieve these milestones, it may be required to exit the

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program.

4. **Mutual Agreement:** Some incubation programs may have a mutual agreement exit policy that allows both the startup and the Foundation to terminate the contract if either party is not satisfied with the progress or results of the program. This may be negotiated as part of the contract.
5. **Equity-based Exit:** Some incubation programs may have an equity-based exit policy that allows the KEIC Foundation to take an equity stake in the startup in exchange for continued support and resources. This equity stake may be determined by the terms of the contract.

It's important for startups to carefully review the terms of the contract and understand the exit policies of the incubation program they are applying to. This can help them plan their growth strategy and ensure that they can exit the program successfully and continue to grow their business.

11. Intellectual Property and Product Ownership

By the guiding framework- National Innovation and Startup Policy 2019, the following provisions shall apply to incubatees.

1. Any intellectual property or product developed while utilising the facilities/ funds/ support of KEIC Foundation will be jointly owned by creators/ authors/ inventors and KEIC Foundation.
2. Such intellectual property or product can only be licensed jointly by creators/ authors/ inventors and KEIC Foundation to any commercial organisation. The inventors shall have the primary say in such transactions.
3. The Consideration for License as mentioned above shall be in the form of a license fee to be paid by the licensee, which could be either/ or a mix of:
 - (i) Upfront fees or one-time technology transfer fees.
 - (ii) Royalty as a percentage of the sale price.
 - (iii) Shares in the licensee company.
4. The License fee shall be examined and recommended by a separate committee of the Technology Transfer Office (TTO) of the University on a case-to-case basis.
5. All the Benefits of clauses 3(i), 3(ii), and 3(iii) shall be transferred to KEIC Foundation.
6. KEIC Foundation will hold equity on behalf of the K.R. Mangalam University.
7. In case one or more of the inventors wish to incubate a company within KEIC Foundation and license the intellectual property or product to their own company, then:



- (i) The License fees would be exempted for an initial period of three years.
 - (ii) The license agreement shall be revisited and modified into an exclusive and extended period with royalty considerations, the quantum of which shall be determined by KEIC Foundation once the startup venture establishes commercial viability within the limited exclusive period.
 - (iii) The exclusivity of the license to the startup shall be forfeited in case the startup fails to achieve commercial breakthroughs within the stipulated period.
8. In case one or more of the inventors wish to incubate a company outside KEIC Foundation and license the intellectual property or product to the company, then:
 - (i) The royalty shall be paid to KEIC Foundation, and
 - (ii) The rate of royalty shall not be more than 4% of the sale price
 - (iii) The royalty shall preferably be at the rate of 1% to 2% to KEIC Foundation and if it is equity in the company, then equity will be at the rate of 1% to 4%.
9. All the issues related to royalty/equity between KEIC Foundation, and the incubated company will be examined and handled by a separate committee of theTTO office of the University on a case-to-case basis within the ceiling as mentioned in this policy and other relevant guidelines of the government.
10. The IPR cell of the University or incubation centre will have no say on how the invention is carried out, how it is patented or how it is to be licensed. They will only play the role of a coordinator and facilitator in providing services to faculty, staff and students. If the University is to bear the cost for patent filing, then a 3-member committee shall be constituted consisting of an experienced faculty with expertise in technology translation. The committee will be constituted of:
 - (i) Two faculty members (having developed sufficient IPR)
 - (ii) One legal advisor with experience in IPRThe role of the committee will be to examine the strength of the IPR/invention, i.e., whether the IPR/invention is patentable/ protectable or whether it is worth patenting/ protecting.
11. All the decisions concerning incubation/ IPR/technology licensing will be taken by all the decision-making bodies of the University, which will consist of seasoned faculty and experts in technology translation, according to the guidelines of the Ministry of Education, Government of India. Other faculty members in the Department/University, including Heads of Department, Heads of Colleges, Deans or Registrars, will have no say in this regard.



References

1. National Innovation and Startup Policy 2019 for Students and Faculty, Ministry of Education, Government of India
2. The Innovation and Incubation Policy, Delhi Technological University, Delhi
3. <https://www.jru.edu.in/wp-content/uploads/NISP>