

# **BBD Entrepreneurship & Incubation Centre**

## **Policy, Procedures & Guidelines**

The goal of BBD Entrepreneurship and Incubation Centre at BBD University is to promote technology-based entrepreneurship and thereby facilitate practical application of knowledge for public use. The Centre aims to facilitate the creation of ideas and inventions that benefit society. To this end the Centre shall follow the policy and guidelines provided in this document to facilitate development of entrepreneurship.

The scope of this document is to define the policies and procedures for the operational matters related to BBD Entrepreneurship & Incubation Centre. It covers the following processes:

1. Eligibility
2. Admission procedure
3. Facilities for incubates
4. Mandatory Mentorship
5. Period of Incubation/ Exit
6. Intellectual Property
7. Seed funding
8. Business Plan template
9. Agreements
10. Conflict of interest

The policy is subject to periodical review and amendments. The incubates must update themselves from time to time on amendments in Incubation policy and procedures. BBD University reserves the right to make an exception of all or any of the terms of policy for a particular incubate on a case to case basis.

### **1. Eligibility**

Any current student or ex-student of BBD University or an external students enrolled in any UGC recognized university/institutions is eligible to apply for incubation support. The students desirous of availing incubation facilities at BBD Entrepreneurship and Incubation Centre may apply in the prescribed format along with required documents for the consideration of their original ideas.

- 2. Admission Procedure:** All the applicants shall have to read and agree to the terms and conditions of the incubation, their applications shall be processed only when they agree to the terms and conditions of BBD Entrepreneurship & Incubation Centre.

**a) Executive Summary or Business Plan.** As a first step in the admissions process, the prospective company/Start up should submit an Incubation Application containing the business plan, Certificate of incorporation and Memorandum & Articles of Association. BBD Entrepreneurship & Incubation Centre shall present the executive summary to an internal review committee for comments on technical and business feasibility of the idea.

**b) Evaluation.** Some representative criteria to be applied for evaluation (not limited to these)

- i. Strength of the product idea in terms of its technology content, innovation, timeliness and market potential
- ii. Profile of the core team/ promoters
- iii. Intellectual Property generated and the potential of the idea for IP creation
- iv. Financial/ Commercial Viability and 2 year projections of Profit & Loss Account, Balance Sheet and Cash Flows
- v. Funds requirement and viability of raising finance
- vi. Time to market
- vii. Break-even period
- viii. Commercial potential, demand and requirement in India
- ix. Scalability

**c) Presentation to Evaluation Committee of BBD Entrepreneurship & Incubation Centre:** If the initial evaluation of the business plan / executive summary is positive, BBD Entrepreneurship & Incubation Centre will arrange a meeting at BBD Entrepreneurship & Incubation Centre with the startup company founders, during which the company will be expected to present a presentation describing critical aspects of the business plan to an evaluation committee. The presentation will be followed by

questions. After the presentation, a final decision will be made regarding the company's entry into the incubator. The company will be informed of final decision execution of the Minutes of the said Meeting. Such presentation through video conferencing is also permitted. The constitution of the evaluation committee will be according to BBD University & comprising of representatives of BBD University along with technical, financial and other experts.

- d) Research & Due Diligence:** Throughout the application process, on an as-needed basis, BBD Entrepreneurship & Incubation Centre will perform research and due diligence of the company, the management team, the industry, and current and future competitive elements facing the business. BBD Entrepreneurship & Incubation Centre may require further information from the applicant, and may ask the applicant to revise the executive summary and/or presentation.
- e) Non-Disclosure:** BBD Entrepreneurship & Incubation Centre adheres to strict confidentiality throughout the application process but it will not sign any "non-disclosure" agreement to this effect.

### **3. Facilities for Incubates**

- a)** On acceptance of the application, the incubate may be offered as per the requirement, the following facilities at BBD Entrepreneurship & Incubation Centre,:
  - Working Space
  - Computers, Printer, Phone & Internet connection.
  - Guest House facilities on payment basis.
- b) Common infrastructure:** BBD Entrepreneurship & Incubation Centre provides a common pool of hard and soft infrastructure to be shared by all incubate companies. Following resources are provided:
  - Library: Books, Subscription to IT, Business, Management and Trade journals and newspapers
  - Meeting/Conference room with projection equipment
  - Tele or Video conferencing facilities
  - Laboratories and other as per norms of BBD University.

c) **Services:** BBD Entrepreneurship & Incubation Centre may associate with professionals for accounting, IP, legal and management expertise to provide further facilities to Incubates. The cost of all such services shall be charged from incubates.

d) **Intern Support:** BBD University will provide intern support (BBDU students) if needed.

e) **Mentoring and Advisory Services**

- Strategic Checkups: The BBD Entrepreneurship & Incubation Centre evaluation committee will meet with startup/company CEOs at least once per month for strategy reviews and discussion of operational issues.
- A incubate company has to take a faculty advisor as a mentor on technology issues.
- Specialized mentors are also available to the companies to assist with particular strategic areas or to provide project-oriented consultation. These arrangements may begin as a pro bono arrangement with an option for both parties to graduate to a paid relationship.
- A incubate company may avail of consulting services by empanelled professionals of BBD Entrepreneurship & Incubation Centre.

**4. Mandatory Mentorship**

a) **Faculty Mentor:** One of the objectives of Incubation is to utilize the technical expertise and lab infrastructure of BBD University, thus every company that is offered incubation at BBD Entrepreneurship & Incubation Centre has to select one faculty from BBD University who shall act as mentor of the Incubate and guide the company on product develop.

b) **Industry Mentor:** BBD Entrepreneurship & Incubation Centre shall create a database of Industry mentors. The incubate company incubated at the BBD Entrepreneurship & Incubation Centre may select one Industry mentor within six months from the date of joining the Centre.

**5. Period of Incubation/ Exit**

a) **Tenure:** Startup/Companies will be permitted to stay in the incubator for a period of two years. Maximum two extensions may be granted for 6 months each at a time at the sole discretion of the University.

b) **Exit:** An Incubate company will leave the incubator under the following circumstances:

- Completion of two year stay (if no extension granted)

- Underperformance or non-viability of business proposition as decided by the Innovation & Incubation Centre on case to case basis
- Irresolvable promoters disputes as decided by the BBD Entrepreneurship & Incubation Centre on a case to case basis
- Violation of any BBD University's policy
- When the company enters in an acquisition, merger or amalgamation deal or reorganization deal resulting in a substantial change in the profile of the company, its promoters, directors, shareholders, products or business plan.
- Notwithstanding anything written elsewhere, the Centre's decision in connection with the exit of an incubate company shall be final and shall not be disputed by any incubate company.

## **6. Intellectual Property:**

- a) Incubates must follow the IPR policy of the university for all issues related to Intellectual property rights.
- b) Incubates may consult and avail the services of the IPR Cell of the university.

## **7. Seed Funding**

BBD Entrepreneurship & Incubation Centre may provide seed loan subject to the availability of funds/ grants/ schemes meant for this purpose.

- a) A company desirous of getting seed loan may submit an application for seed fund after three months from the date of admission in the BBD Entrepreneurship & Incubation Centre. Sanction of seed loan will be decided based on the eligibility criteria as decided by the Innovation & Incubation Centre.
- b) Though seed loan may be sanctioned at the time of approval of the proposal for admission, disbursement shall be as per the recommendation of the Centre Coordinator and the decision of the University.

## **8. Business Plan Template**

The following template shows a recommended structure for a comprehensive business plan.

- Introduction / Start-up /Company overview
- Concept / Proposition / Product description
- Market opportunity
- Competition survey

- Development plan and milestones
- Marketing plan
- Management / Organizational chart
- Financials
- Risks and de-risking strategies
- Time Line
- Necessary permissions

#### **9. Agreements**

All incubates will have to enter into required agreements with the BBD Entrepreneurship & Incubation Centre, BBD University

#### **10. Conflict of interest**

In case of the conflict of interests the decision of University shall be final and binding upon the incubator (s) and the parties involved.

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