



## **Innovation, Incubation and Entrepreneurship Cell Policies**

### **About SIMATS:**

Saveetha Institute of Medical and Technical Sciences (SIMATS) is a vibrant community of learning that is recognized globally for its academic excellence. It is one of the premier universities in India running Programmes in Medical, Dental, Allied-health sciences, Engineering, Law and Management. The institute achieved the deemed to be university status under section 3 of the UGC Act 1956 by the Government of India on 18th March 2005. The University is governed by Saveetha Institute of Medical and Technical Sciences, which was established by Saveetha Medical and Educational Trust.

### **Innovation and Incubation Cell (IIC)/StepUP**

The goal of **Innovation and Incubation Cell (IIC) / Saveetha Transdisciplinary Entrepreneurship Promotion and Up liftment Park (StepUP)** at SIMATS is to promote and support entrepreneurship spirit.

IIC, **SIMATS** wishes to facilitate the creation of ideas and inventions that benefit society. To this end, IIC, **SIMATS**, has adopted this Incubation Policy to provide guidance and management structure to facilitate the development of entrepreneurship.

**Incubation Center at IIC, SIMATS** mentors and nurtures ideas, startups and entrepreneurs. Virtual incubates can operate from anywhere in India. We are looking for:

- Innovative Ideas
- Early-stage startups
- Mid to large sized companies to incubate new concepts
- Mentors to help our startups
- Angel Investors
- Fund support from Industries through CSR

### **INCUBATOR'S GOVERNANCE STRUCTURE:**

**SIMATS** through **IIC** intends to extend its expertise, experience and network to promote, nurture and incubate impact ventures, supporting alumni, students, faculty and others. This document establishes the context, policy and procedures for operationalizing this vision by creating dedicated resources. The Incubator will have a Governing Council (GC). The GC will have the following composition: The GC will have members, as specified below:

- 1) Chief Mentor, Chancellor, SIMATS.
- 2) Board of Directors, IIC and STEPUP
- 3). An external Expert having a good track record in incubating companies.
- 4) An Alumnus Entrepreneur with an interest in social venturing

The GC shall constitute, appoint, monitor and dissolve standing committees, that shall support executive team on various functions of incubator. The GC will set up the following standing committees:

- 1) Investment Committee;
- 2) Screening committee;
- 3) Progress review Committee;
- 4) Innovation and Immersion Committee; and
- 5) Alumni and Industry Engagement Committee

In addition to its above members, the GC may invite experts in finance, audit, IPR, and other such areas, to its meetings as needed. It may also constitute sub- committees including such outside experts for specific tasks when needed. Any changes in this document, addition, deletion, modification, rephrasing, etc., are to be approved by GC adopting a due process of meeting to discussion the changes an adopting them with a consensus. The scope of this document is to define the policies and procedures for the operational matters related to the IIC, **SIMATS** wishes 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. Periodic Assessment
8. Conflicts of interest
9. Disclaimer
10. Agreements

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

1. Any person 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.
2. The companies promoted by Faculty of **SIMATS** shall be governed by **Faculty Entrepreneurship Policy** as approved by the Institute.
3. A company if promoted by regular staff or employee of an organization shall be granted incubation only upon submission of 'No Objection Certificate' from the competent authority or employer. However, companies having employees as shareholders are eligible to apply for incubation.
4. Any company that is engaged or proposing to be engaged in imparting educational courses and/or training programs including vocational trainings or is planning to undertake such activities during or after its incubation at **IIC** is not deemed eligible for incubation and their application will not be entertained.

## **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. **IIC** then shall present the executive summary to an internal review committee for comments on technical and business feasibility of the idea.

Here are the 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 years projections of P&L, Balance Sheet and Cash Flows.
6. Time to market.
7. Break-even period.
8. Commercial potential, demand and requirement in India.
9. Scalability.

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

If the initial evaluation of the business plan / executive summary is positive, **IIC** 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. The presentation through video conferencing is also permitted.

#### **Non-Disclosure:**

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

#### **Infrastructure and services provided to the Incubatees**

We will offer three types of facilities/services to incubatee companies.

##### **(A) Individual Infrastructure Facilities:**

1. Office Space: One cabin is approximately 100-110 sft
2. Office furniture (workstation with storage and ergonomic chairs)
3. Personal Computers & printer depending on requirement

##### **(B) Common Infrastructure and Services:**

1. Xerox/Fax Machine/Laser Printer / Scanner
2. Teleconferencing facility
3. Conference Hall with projection equipment

4. Utilities (power, water and HVAC)
5. Design studio (Rapid prototyping services) and design services
6. Introduction to expert opinion on legal & financial matters depending on requirement

**(C) Academic Infrastructure and Services:**

1. Access to the institute's technical and lab facilities as per the rules of **SIMATS**
2. Access to specialized faculty expertise (consultation) as per the rules of **SIMATS**
3. Access to student interns as per the rules of the **SIMATS**
4. Access to the library of **SIMATS** for reference purposes only

The incubatee companies will be required to pay fees for the above services offered by **SIMATS**, Chennai. The fees will be at subsidized rates and will be different for first and second years, and for startups and MSMEs and by the nature of agreement.

**IIC** 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 Technology and management, incubatees will be assigned from M.E and B.E/B.Tech student, if desired.

**Mentoring and Advisory Services:**

- Strategic Checkups: The **IIC** 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. These arrangements may begin as a pro bono arrangement with an option for both parties to graduate to a paid relationship.
- An incubated company may avail the consulting services by empanelled professionals.

**Mentorship**

One of the objectives of Incubation is to utilize the technical expertise and lab infrastructure of **SIMATS**. Therefore, every company that is offered incubation at **IIC** has to select one faculty member from the Institute 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:** **IIC** has created a database of Industry mentors. Every company incubated at **IIC** may select one Industry mentor within six months from the date of joining the centre. 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 Institute.

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

- Completions of two years stay (if no extension granted).

- Underperformance or non-viability of business proposition as decided by **IIC** on case to case basis.
- Irresolvable promoters dispute as decided by **IIC** on a case to case basis.
- 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 **IIC**.
- Any change of more than 50% of equity ownership would require a prior approval of **IIC**.
- Any other reason for which **IIC** may find it necessary for an incubated company to leave.

**Notwithstanding anything written elsewhere, IIC '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 **IIC** will evaluate the performance of incubatee 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 disbursal 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 **SIMATS**
- Full scale business Graduation
- Post incubation Survival

The incubatee may be asked to provide more frequent updates to **IIC**.

**Conflicts of Interest**

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

**Disclaimer:**

**IIC, SIMATS** does not guarantee success and/or feasibility of the technology transferred from the Institute. **IIC / SIMATS** 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 **IIC / SIMATS** or any person representing them harmless from any loss including damage, penalty.

**Agreements:**

All incubatees shall enter into the following agreements with the Institute:

1. *Incubation Agreement*: Contain rules and other incubation norms, consideration, equity holding, etc. (Applicable to all.)
2. *Technology Commercialization Agreement*: Applicable to incubatees using technology or IP developed by **SIMATS**.

(Copies of Agreement rules can be put under Readable)



MoE's  
**INNOVATION CELL**  
(GOVERNMENT OF INDIA)



# National Innovation and Startup Policy (NISP)

## Certificate

This is to certify that  
**S. Srinivasan** from  
Saveetha Institute Of Medical And Technical Sciences

has attended online training sessions  
'Orientation and Adoption of NISP at HEI level' &  
'Policy Implementation Strategy and Progress  
Monitoring at HEI level'

7 August & 21 August 2020, Duration: 4 Hours

*Sanjay Inamdar*

Sh. Sanjay Inamdar  
Chairman, AICTE Startup Policy  
Implementation Committee

*Dr. Mohit Gambhir*

Dr. Mohit Gambhir  
Innovation Director  
MoE's Innovation Cell

*Sh. Dipan Sahu*

Sh. Dipan Sahu  
Asst. Innovation Director  
MoE's Innovation Cell