

SRI DEVARAJ URS ACADEMY OF HIGHER EDUCATION AND RESEARCH

**A Deemed to be University
Tamaka, Kolar, Karnataka.**

**Declared under Section 3 of the UGC Act, 1956
vide MHRD, Government of India Notification
No.F-9-36/2006-U.3 (A) dated 25th May 2007**



R.L JALAPPA INCUBATION OPERATIONAL POLICY



SRI DEVARAJ URS ACADEMY OF HIGHER EDUCATION & RESEARCH

A DEEMED TO BE UNIVERSITY, (DECLARED UNDER SECTION 3 OF THE UGC ACT, 1956)

TAMAKA, KOLAR 563101, KARNATAKA, INDIA

| | | |
|--------------------------------------|---|-------------|
| Name of the Policy/ Guidelines | R.L Jalappa Incubation Operational Policy | |
| Short Description | The policy and procedure related to incubatees and entrepreneur resources | |
| Scope | This policy is applicable to all students and faculty of the constituent colleges and departments of SDUAHER (Deemed to be University). | |
| Policy status | <input checked="" type="checkbox"/> Original <input type="checkbox"/> Revised | |
| Date of approval of Version 1 | 12 October 2020 | |
| Policy No. | SDUAHER/KLR/POLICY/018 | |
| Brief description of last revision | Not Applicable | |
| Date of approval of current revision | Not Applicable | |
| Effective date | | |
| Approval Authority | Board of Management | |
| Responsible officer | Registrar | |
| Name of the Policy/ Guidelines | | |
| Details of Revision | Date of Revision | Approved by |
| | | |
| | | |

1.0 PURPOSE OF THE POLICY

Sri Devaraj Urs Academy of Higher Education and Research is a Deemed to be University declared under section 3 of UGC Act, 1956. The Academy currently offers academic programmes in the domain of health sciences. The Academy aims to produce new generation of health professionals who are trained not only in knowledge but also with skills. Education is meaningful only if it can enable the student to gain employment opportunities and the society gains from the knowledge and skills of the new work force. The Academy aims to support this by establishing an incubation centre which shall bear the name of our beloved founder in the style of R. L. J. Health Science Incubator. The purpose of this centre is to provide resource for establishing companies that convert knowledge into societal benefits. Through the incubation centre of the Academy, entrepreneurs gain access to our technological platforms, skilled students and faculty mentors. The involvement of the industry in the academic environment increases employability of our students and enables knowledge transfer. The increment of new companies lead to job creation and economic growth of the country. This will results in a longer queue of job providers than job seekers. Through this centre, the Academy will also become a participant in the 'Make in India' initiative of the Government of India.

The objective of our incubation centre are:

- i. To create an ecosystem for establishing start-up companies
- ii. To motivate our students to become entrepreneurs
- iii. To extend the resources of Academy to entrepreneurs
- iv. To mentor entrepreneurs to convert their idea into a viable business

This policy governs the use and operation of R. L. J. Health Science Incubator sponsored by the Academy.

2.0 COMPONENTS OF THE POLICY

2.1 ELIGIBILITY:

- i. Students who are enrolled in an academic programme of the Academy
- ii. Teachers of the Academy
- iii. Any entrepreneur

2.2 SELECTION PROCESS:

| Step | Event |
|------|--|
| 1 | Submission of application in the prescribed format |
| 2 | Scrutiny and shortlisting of applicants by the Incubatee Selection Committee |
| 3 | Panel discussion - Shortlisted applicants will present their business idea and plan before the Incubatee Selection Committee. The business plan is expected to cover the basics of the business, namely, value proposition, products and services, market analysis, competition analysis, funding requirements, capital structure, milestones and timelines, development and marketing plan, organizational structure, team, risk analysis and projected financials. |
| 4 | Selected applicants will be granted a formal admission letter along with Incubatee Guideline document |
| 5 | Formal induction program for the incubatee by head of the incubation centre |

2.3 INCUBATEE SELECTION COMMITTEE:

A committee of five members will be constituted and notified by the Academy, this will include external experts. The committee will serve for a period of three years and can be reappointed for further periods. The decision of the committee will be final and shall not be open for review or appeal.

2.4 AGREEMENT:

The Academy and the incubatee shall sign a Memorandum of Understanding prior to the issue of the incubator admission letter. Minimum standard is given in Appendix 1.

2.5 INFRASTRUCTURE:

Exclusive:

- ✓ Each Incubatee will be assigned with an office space.

Shared:

- ✓ Conference room
- ✓ Seminar room
- ✓ Testing lab
- ✓ Lounge/ Break room

2.6 ACCESS TO ACADEMY RESOURCES:

The incubatee will be eligible to use the following resources of the Academy after prior permission. The Academy may prescribe fees at cost basis if specific expenditure is incurred due to the use.

- ✓ Auditorium

- ✓ University Library
- ✓ Central Research Laboratory
- ✓ Media Lab

2.7 MENTORSHIP:

The incubator shall create a pool of advisers who mentor the incubatee on aspects such as technology, corporate law, finance and entrepreneurship. These experts may be drawn from the faculty of the Academy of external experts. The incubatee will be eligible to seek advice and consultation from these experts.

2.8 INTERNSHIP:

The incubatees are encouraged to engage the students of the Academy on 'earn while you learn' model after office hours and upon due permission from the respective programme coordinator. The incubatee shall make a formal offer to the students with specific terms of engagement.

2.9 TENURE:

The tenure of incubation shall be 12 months and renewable on annual basis at the discretion of the incubator.

2.10 SEED FUND:

The incubator may offer seed fund to incubatees in exchange for a share in the equity of the company.

2.11 RENT:

The incubator may charge a nominal rent of Rs. 5000/- towards the overhead expenses of the incubator like utilities and internet charge. However, the same may be waived on a case-to-case basis in order to ensure the financial viability of the start-up.

2.12 PERFORMANCE REPORTING:

The incubatee shall submit an annual report indicating the performance of the start-up.

2.13 EXIT:

The incubatee will leave the incubator under the following circumstances:

- i. On completion of the tenure period without renewal.
- ii. Irresolvable disputes between promoters of the incubatee company.
- iii. When the number of full-time employees of the company is more than two.
- iv. When the annual revenue of the incubatee company exceeds Rs. 10 lakhs per annum.
- v. When the incubatees enters in an acquisition, merger or amalgamation deal or reorganisation deal resulting substantially a change in the profile of the incubatees, its promoters, directors, shareholders, products or business plans, or when a incubates plans for a public issue.
- vi. Change in the profile of promoters without the concurrence of the incubator.

3.0 LIMITATIONS:

The incubator and the Academy shall not be responsible for the following issues:

- ✓ Ensuring success of the incubatee or its products/services.
- ✓ Ensuring quality of support and services provided by the incubator to the complete satisfaction of the incubatee.
- ✓ Ensuring quality of services of the consultants engaged by the incubatee through incubators pool of mentors. Incubatee will have to apply their judgements before getting in to a relationship with them.
- ✓ Any issue that does not enjoy explicit guarantee in formal written agreement.

4.0 CONFIDENTIALITY AND CONFLICT OF INTEREST:

As per Appendix 2

APPENDIX 1
MoU Template

This agreement is made on this _____ day of --(Month) -- 20—

BY AND BETWEEN

R. L. J. Health Science Incubator, sponsored by and located in the campus of Sri Devaraj Urs Academy of Higher Education and Research, Tamaka, Kolar 563103, India (hereinafter referred to as the 'INCUBATOR' the expression which unless repugnant to the context shall be deemed to include its successors, administrators and executors) of the first part.

AND

_____ (Incubatee name) _____(hereinafter referred to as INCUBATEE, the expression which unless repugnant to context shall be deemed to include its successors, administrators and executors) of the second part.

WHEREAS the INCUBATOR has been established for encouraging and nurturing new business enterprises for the benefit of the society and has been entrusted the task of running various programs and the management of various supporting facilities/resources for the benefit of new entrepreneurs/entrepreneurial ventures.

Whereas, the INCUBATEE has sought the support for the execution of his business ideas, and its commercialization (hereinafter referred to as the PROJECT) from the INCUBATOR.

WHEREAS the INCUBATOR has reviewed the PROJECT proposal through its expert committee and approved the PROJECT for incubation on such terms and conditions mentioned hereinafter.

IT IS NOW AGREED BY AND BETWEEN THE PARTIES AS FOLLOWS:

1. SCOPE

- 1.1 The INCUBATOR shall extend support to the INCUBATEE for the execution of the PROJECT as per the agreed duration of incubation period which will be _____ months, subject to further extension at the discretion of the INCUBATOR.
- 1.2 The support extended to the INCUBATEE may include support towards one or more of the following: the validation of business idea, business model, handholding the execution of the business idea through mentoring support, providing professional help on matters related to intellectual property rights, taxation services, compliances and regulatory requirements and business planning etc, providing fully furnished plug and play office infrastructure.
- 1.3. The INCUBATEE shall use the support provided by the INCUBATOR solely for the purpose of the PROJECT accepted through this Agreement.

2. RESPONSIBILITIES OF THE INCUBATEE

- 2.1 The INCUBATEE shall follow the rules and regulations laid down by the INCUBATOR.
- 2.2. The INCUBATOR shall give a copy of the user handbook to the INCUBATEE.

3. TERM AND TERMINATION

- 3.1 The Term of this Agreement shall commence on the day of execution of this Agreement and continue till the time specified in clause 1.1.
- 3.2. The Agreement may be terminated by either party by giving 30 days' notice in writing to the other party without assigning any specific reason.

3.3. The INCUBATEE shall not claim any damages due to the termination of the Agreement.

4. LIABILITY

4.1. Both the parties shall endeavour to resolve any dispute relating to the rights, duties, terms and conditions contained in this Agreement by mutual negotiations in good faith. However if the dispute remains unresolved, the arbitration of such disputes would be handled by the INCUBATOR. The decision of the INCUBATOR shall be final and binding.

4.2. The INCUBATOR shall not be held responsible for non-fulfilment of its obligations under this agreement due to non-performance or under-performance of the resources provided.

5. NOTICES:

5.1. Every notice or other communication required to be given pursuant to this Agreement must be in writing and shall be deemed to be well and sufficiently given if delivered by hand or transmitted by facsimile with a confirmatory copy sent by certified mail to postal address of the authorise represented who has signed this Agreement.

5.2. No e-mail communication shall be construed as a valid notice given in terms of this Agreement.

5.3. INCUBATOR retains the right to replace its authorised representative without giving notice to the INCUBATEE.

5.4. INCUBATEE shall retain the right to replace its authorised representative by notifying the INCUBATOR in writing.

6.0 . RELATIONSHIP:

The Parties to this Agreement have a principal-to-principal relationship with each other. None of the provisions of the Agreement shall be deemed to constitute a partnership, agency or any other relationship. Neither Party shall have the authority to bind the other Part otherwise than under this Agreement or shall be deemed to be agent of the other in any way.

7.0. AUDIT

At mutually convenient times and at reasonable intervals, INCUBATOR may inspect and audit INCUBATEE's activities under the Agreement. INCUBATEE agrees to make all study documents and facilities for copying if requested by INCUBATOR. The INCUBATEE shall take appropriate actions to adopt reasonable suggestions of INCUBATOR to correct deficiencies identified by such audit.

8.0. LAW AND JURISTITION

This Agreement shall be governed by and constructed in accordance with the laws of India. In case of a dispute arising out of the performance and/or interpretation of the present Agreement, the parties submit to the exclusive jurisdiction of the competent Courts of Kolar, State of Karnataka, India.

9.0 CORPORATE GOVERANCE

Both Parties represent that no benefit, either in cash or in kind has been provided/received by/ to any officer or employee, or any relative/associate of any officer or employees of the other Party or of any of its associate companies in order to secure this Agreement and undertakes not provide any benefit, either in cash or in kind to any such officer/employee/relative/associate as reward or consideration either for securing this Agreement or any the matter related to this Agreement.

10.0 AGREEMENT IN COUNTERPART

This Agreement shall be executed in two originals for the benefit of the Parties and each copy shall be the original as against the other.

In witness thereof the parties have caused their authorized representatives to sign this agreement on the date mentioned hereinabove.

Signed on this _____ day of _____ (Month) 20_____.

| | |
|---|---|
| <p style="text-align: center;">Authorised representative of INCUBATOR</p> <p>Name:</p> <p>Designation:</p> <p>Postal Address:</p> <p>Phone number:</p> <p>Email address:</p> | <p style="text-align: center;">Authorised representative of INCUBATEE</p> <p>Name:</p> <p>Designation:</p> <p>Postal Address:</p> <p>Phone number:</p> <p>Email address:</p> |
| <p style="text-align: center;">Witness 1</p> <p>Name:</p> <p>Designation:</p> <p>Postal Address:</p> <p>Phone number:</p> <p>Email address:</p> | <p style="text-align: center;">Witness 2</p> <p>Name:</p> <p>Designation:</p> <p>Postal Address:</p> <p>Phone number:</p> <p>Email address:</p> |

APPENDIX 2:

CONFIDENTIALITY AND CONFLICT OF INTEREST POLICY

1.0 . SCOPE:

The R. L. J. Health Science Incubator has been established in order to encourage and support students and teachers of the Academy and also independent entrepreneurs to developing commercially viable business solutions that improve human health. Therefore, the driving force for the incubator is 'use'. However, zeal and encouragement for use may unknowingly lead to misuse. The objective of this policy to provide for safeguards for issues that arise due to misuse of the incubator.

Conflict of interest arises when an individual who holds two different positions uses one position for the personal benefits of the other position. The stakeholders of this issue are the employees, administrators, advisers, consultants, mentor, incubatees and such other persons associated with the incubator

1.1 OBJECTIVE:

The objective of this policy is to sensitise the stakeholders about the circumstances that lead to conflict of interests and provide safeguards against it.

1.2 WORKING DEFINITIONS:

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| Conflict of interest | A situation in which financial or other personal considerations compromises an individual's professional judgement and ability to perform his/ her responsibilities to the Academy, the incubator or the incubatee. |
| Interested person | Any person having a formal/official relationship with R. L. J. Health Science Incubator. |
| Incubator | Committee members, mentors, consultants, and staff who |

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| associate | are professionally associated with R. L. J. Health Science Incubator in either paid or honorary capacity. |
| Incubatee | Individual or his/her company (including its employees and consultants) whose idea is under development/incubation in the R. L. J. Health Science Incubator. |
| Confidential information | <p>Any information, whether in written, visual or oral form, disclosed by one interested person to another interested person which is :</p> <ul style="list-style-type: none"> ✓ ascribed/marked as 'confidential'; or ✓ not known to the public at large; or ✓ proprietary to the disclosing party <p>The confidentiality obligation shall not apply to that part of the confidential information which can be shown by convincing written evidence:</p> <ul style="list-style-type: none"> ✓ was already in the public domain at the time of the supply by the disclosing party to the receiving party; or ✓ has become part of the public domain after the time of supply by the disclosing party to the receiving part, otherwise than through breach of this Agreement or omission on the part of the receiving party or its associates. ✓ was already in the lawful possession of the receiving party at the time of the supply by the disclosing part to the receiving party; or ✓ has been lawfully supplied to the receiving party by a their party, without such third party being under any confidential obligation; or ✓ is required to be disclosed by operation of law, governmental regulations or court order. |

1.3 CIRCUMSTANCES AND EXAMPLES:

Some of the common circumstances that lead to conflict of interests are explained below. However the list is not exhaustive, and therefore all interested persons should exercise due judgment.

- 1.3.1 An incubator associate circumvents the incubation use and operation policy for the benefit of an incubatee in which he/ she is an interested person.
- 1.3.2 An incubator associate procures consultancy assignments or other business in name of R. L. J. Health Science Incubator or the Academy and outsources it to the incubatee in which he/ she is an interested person.
- 1.3.3 Using the students and employees of the Academy to perform a work for an incubatee without any compensation when the work is not related in any way with their official work or assigned to them specifically by the incubator.
- 1.3.4 A person who is interested in one incubatee and is also involved in a decision making process affecting other incubatees.
- 1.3.5 When an interested person acts in manner to benefit the incubatee at the disadvantage of R. L. J. Health Science Incubator or the Academy.
- 1.3.6 When an incubator associate or employee of the Academy neglects the official duties in order to benefit a incubatee.

1.3.7 Unauthorised use of proprietary/confidential information received because of being an interested person.

2.0 CONFIDENTIALITY

All interested persons are barred from using confidential information without proper authorisation.

3.0 MANAGING CONFLICT OF INTEREST:

Following mechanism are suggested for avoiding conflict of interest:

- ✓ Disclosing conflict of interest positions
- ✓ Abstain from decision making process or transactions involving such situations
- ✓ Obtaining appropriate approvals
- ✓ Reporting of the breach of the policy without deliberate intention

4.0 REDRESSAL:

If any dispute arises in terms of this policy, the same should be reported to:

- i. Coordinator of the incubator if it involves any interested person other than the coordinator
- ii. Vice Chancellor of the Academy if it involves an employee of the Academy or the coordinator of the incubator

The competent authority will adjudge the complaint with the assistance of an expert committee and disengage the interested person from the incubator is found to be valid.

Incubatee Selection Committee

R.L.J. Health Sciences Incubator is a Technology Business Incubator sponsored by Sri Devaraj Urs Academy of Higher Education and Research, Kolar. The aim of the incubator is to provide a platform for entrepreneurs to establish and nurture innovative ideas into viable companies. The incubator has advertised the availability of the incubator support on Facebook and applications have been received for consideration. The below mentioned committee is constituted for the purpose of reviewing these applications:

Chairman :

Prof. G. Pradeep Kumar

Vice Chancellor.

Members:

1. Dr. K.N.V. Prasad

Registrar of the Academy

2. Dr. Shashidhar K.N.

Director of R & I.

3. Dr. Sharath B.

Coordinator R.L.J. Health Sciences Incubator

4. Dr. Salil Chaudhary

Start-up Adviser (External Member)

Special Invitees:

1. Prof. A.V.M. Kutty

Pro Chancellor (Academics)

2. External Expert Member depending on the nature of the incubator application.

Terms of reference for committee:

1. To determine the innovativeness and the commercial viability of the proposed idea.
2. To determine the resources that the entrepreneurs expect from the incubator/Academy and examine its feasibility.
3. Select applications that can be supported by the Incubator.