INNOVATION INCUBATION AND START-UP POLICY

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1. PREAMBLE

Malla Reddy (MR) Deemed to be University (MRDU) acknowledges the importance of fostering innovation and nurturing entrepreneurial culture among students, faculty, staff, and researchers. This Innovation Incubation and Startup Policy is framed in line with the guidelines issued by the National Innovation and Startup Policy (NISP), Ministry of Education's Innovation Cell (MIC) and AICTE, to systematically integrate innovation, incubation, and entrepreneurship into the academic and research ecosystem of MRDU.

2. VISION

To build an innovation-driven, entrepreneurial ecosystem across MRDU that empowers students, faculty, and staff to transform ideas into viable products, services, and startups contributing to the socio-economic development of the nation.

3. MISSION

- To create a conducive environment for nurturing innovation and startups.
- To strengthen institutional capacity for ideation, incubation, and entrepreneurship.
- To facilitate collaboration with industry, government, investors, and other stakeholders.
- To align MRDU with the vision of **Startup India** and **Atmanirbhar Bharat**.

4. OBJECTIVES

- To promote the culture of innovation and entrepreneurship in all constituent units and Schools of Eminence.

- To establish a **dedicated Innovation, Incubation, and Entrepreneurship Cell (IIEC)** across MRDU.
- To integrate innovation and entrepreneurship into academic curricula.
- To provide mentorship, funding support, and incubation facilities for startups.
- To encourage faculty and student participation in consultancy, IP creation, and startup ventures.

5. SCOPE

This policy applies to:

- Students (UG, PG, PhD)
- Faculty & Research Scholars
- Non-teaching staff with entrepreneurial interest
- Alumni and external innovators (through MRDU incubation centers)

6. POLICY FRAMEWORK

6.1 Institutional Infrastructure

- Established **"Chandramma Foundation"** as a Section-8 company.
- Dedicated **Pre-incubation, Incubation, and Accelerator programs**.
- Access to laboratories, prototyping facilities (Maker Space), co-working spaces, and digital resources.

6.2 Academic Integration

- Introduction of **credit-based courses** on innovation, design thinking, and entrepreneurship.
- Flexibility in academic requirements for student innovators/startups (e.g., semester break, credit transfer).
- Inclusion of **Entrepreneurship Development Programs (EDPs)** and internships in startups.

6.3 Funding & Incentives

- Seed funding support through **Chandramma Foundation**.
- Access to government schemes such as **DST, DBT, MSME, Startup India, Atal Innovation Mission, Yukti, AICTE Fellowship**.
- Provision of **innovation grants, fellowships, and scholarships**.
- Revenue sharing model between university and innovators (aligned with Consultancy & IPR policies).

6.4 Faculty Participation

- Faculty allowed to mentor and establish startups in their area of expertise.
- Recognition of innovation and entrepreneurship contributions in **Performance Appraisal Systems (PAS)**.
- Consultancy and startup involvement to be considered equivalent to research output.

6.5 Collaboration & Networking

- Partnerships with **industry, incubators, accelerators, venture capitalists, angel investors, and alumni**.
- International collaborations for exchange programs, joint ventures, and global exposure.

6.6 Intellectual Property (IP) Support

- IPR Cell at MRDU will provide support for all Intellectual Property (IP) developed within the University
- Clear guidelines on **IP ownership, revenue sharing, and commercialization**.
- Encouragement of technology transfer and licensing models.

6.7 Awareness & Capacity Building

- Regular organization of **Hackathons, Ideathons, Bootcamps, and Startup Challenges**.
- Entrepreneurship awareness programs in collaboration with NGO's, National and state agencies.

- Training for faculty and staff on innovation management and incubation.

7. GOVERNANCE & IMPLEMENTATION

- **NISP Implementation Committee (NIC)** at the University level.
- **Institutional Innovation Councils (IICs)** in all constituent units.
- **Chandramma Foundation** acts as the central coordinating body for incubation activities, startup support, and industry collaborations.
- Annual review of policy implementation by the Vice-Chancellor and Governing Body.

8. MONITORING & EVALUATION

- Key Performance Indicators (KPIs):
    - Number of ideas generated.
    - Startups incubated and graduated.
    - Patents filed and commercialized.
    - External funding mobilized.
    - Student and faculty participation rate.
- Annual **Innovation & Startup Report** to be published by MRDU.

9. INCENTIVES & RECOGNITION

- Awards for best innovators, startups, and faculty mentors.
- Annual **MRDU Startup Fest** to showcase entrepreneurial achievements.

10. POLICY REVIEW AND CONTINUOUS IMPROVEMENT

MRDU is committed to sustaining a dynamic ecosystem that promotes innovation, incubation, and entrepreneurship in line with the National Innovation and Start-Up Policy (NISP) of the Ministry of Education (MoE) and AICTE.

1. The Innovation, Incubation and Start-Up Cell (IISU-Cell), in coordination with the Institution’s Innovation Council (IIC), Chandramma Foundation, and IQAC, shall review

this policy once every two (2) years or earlier if directed by MoE/AICTE or the Board of Management (BoM).

2. Revisions shall consider:
    - Amendments to national innovation frameworks or start-up regulations.
    - Feedback from incubatees, faculty mentors, and industry partners.
    - Annual MRDU innovation audit reports and outcomes of incubation programmes.
    - Strategic changes under the MRDU Institutional Development Plan (2025 – 2040).
3. The revised draft shall be reviewed by the **Registrar** and approved by the **BoM**.
4. The **IQAC** shall maintain version control, track implementation status, and document all updates for audit and accreditation purposes.
5. The updated policy shall be circulated to all Schools, Centers, and incubation units, and published on the University website.

MALLA REDDY (MR) DEEMED-TO-BE UNIVERSITY

DOCUMENT CONTROL SHEET

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1.0	0	01 Nov 2025	First Release	Director – IISU Cell / IQAC	EC

Annexures

- **Annexure A:** Startup Proposal Submission Format
- **Annexure B:** Seed Fund Application Form
- **Annexure C:** Incubation Agreement Template
- **Annexure D:** Revenue Sharing & Equity Guidelines
- **Annexure E:** Annual Startup Report Format

Annexure A: Startup Proposal Submission Format

1. General Information

- Startup Name: _____
- Founder(s) Name: _____
- Contact Details: _____
- Institution/Organization (if any): _____

2. Business Idea Overview

- Brief Description of Startup Concept: _____
- Problem Statement & Need: _____
- Proposed Solution/Innovation: _____

3. Market Potential

- Target Customers: _____
- Market Size & Trends: _____
- Competitive Advantage: _____

4. Business Model & Revenue Plan

- Proposed Business Model: _____
- Revenue Streams: _____

5. Technical Feasibility

- Technology/Platform Used: _____
- IP/Patent Status (if any): _____

6. Team Details

- Core Team Members & Roles: _____

- Mentors/Advisors (if any): _____

7. Support Required from Incubator

☐ Infrastructure (Space, Labs, Equipment)

☐ Mentorship

☐ Seed Fund

☐ Networking/Market Access

☐ Other: _____

Declaration:

I hereby declare that the information provided is true and original.

Founder(s) Signature: _____

Date: _____

Annexure B: Seed Fund Application Form

Section 1: Basic Information

Startup Name: _____

Founder(s): _____

Date of Incorporation: _____

Registered Entity Type:☐Pvt Ltd ☐ LLP ☐ Partnership ☐ Sole Proprietor

Website / Social Media Links (if any): _____

Contact Details:

- Mobile: _____
- Email: _____

Section 2: Team Details

Name	Designation	Qualification	Experience	Role in Startup

Section 3: Startup Overview

1. **Brief Description of the Startup Idea / Product / Service:**

   _____

2. **Problem Statement:**

   _____

3. **Proposed Solution / Innovation:**

   _____

4. **Current Stage of Development:**
   ☐ Idea Stage ☐ Prototype ☐ MVP ☐ Early Revenue ☐ Scaling

Section 4: Market & Business Potential

1. **Target Market / Customer Segment: _____**
2. **Competitors (if any): _____**
3. **Unique Selling Proposition (USP): _____**
4. **Revenue Model: _____**

Section 5: Financial Details

1. Amount of Seed Fund Requested: ₹ _____

2. Purpose of Fund Utilization:

Purpose	Amount	Justification
☐ Product Development		
☐ Market Validation		
☐ Technology/Patent Filing		
☐ Marketing & Outreach		
☐ Working Capital		
☐ Other: _____		

3. Proposed Milestones with Timeline:

- Milestone 1: _____ (by //____)
- Milestone 2: _____ (by //____)
- Milestone 3: _____ (by //____)

4. Financial Projections (Next 3 Years):

- Year 1 Revenue: ₹ _____
- Year 2 Revenue: ₹ _____
- Year 3 Revenue: ₹ _____

Section 6: Bank Details of Startup:

Bank Name: _____

Account No: _____

IFSC Code: _____

Section 7: Declaration

I hereby declare that all the information provided above is true to the best of my knowledge. I understand that any false information may lead to rejection of this application.

Founder(s) Signature: _____

Date: _____

Incubator Approval: _____

Annexure C: Incubation Agreement Template

This Agreement is made on //____ between:

[Incubator Name], hereafter referred to as "Incubator"

AND

[Startup Name], represented by Founder(s) _____, hereafter referred to as "Incubatee."

Terms & Conditions:

1. **Duration of Incubation:** _____ months/years.
2. **Facilities Provided:** Office Space, Lab Access, Mentorship, Networking.
3. **Obligations of Incubatee:**
    - Adherence to institutional rules & policies.
    - Submission of quarterly progress reports.
    - Proper utilization of funds and resources.
4. **IP Ownership:** Startup retains IP rights; incubator may facilitate support.
5. **Revenue/Equity Sharing:** As per Annexure D.
6. **Exit Clause:** Either party may terminate with ___ days written notice.

Authorized Signatures:

Startup Founder(s): _____

Incubator Head/Director: _____

Witnesses: _____

Annexure D: Revenue Sharing & Equity Guidelines

1. Revenue Sharing (Non-Equity Model):

- If incubator provides only space/mentorship: 2–5% of revenue generated for __ years.
- If incubator provides infrastructure + fund support: 5–10% of revenue for __ years.

2. Equity Sharing (Equity Model):

- Incubator may hold **2–10% equity** in startups availing seed funding or extended support.
- Equity shall be non-dilutable up to next funding round.

3. IP Commercialization Revenue:

- If IP developed jointly with incubator facilities, revenue sharing shall be negotiated (typically 70:30 between Startup & Incubator).

4. Exit Guidelines:

1. Purpose

These guidelines define the process and conditions under which a startup may exit from the incubation or seed fund support provided by the University / Chandramma Foundation. The goal is to ensure a smooth transition while maintaining accountability and proper closure of institutional support.

2. Applicability

These guidelines apply to all startups that have been incubated, mentored, or funded (seed fund / grant support) under the University Innovation & Incubation Ecosystem.

3. Exit Conditions

A startup shall be considered for exit under any of the following conditions:

1. **Successful Graduation:**

    - The startup achieves self-sustainability or commercial viability.
    - The startup secures external funding or investment from angels, VCs, or other agencies.
    - The startup attains significant market traction or profitability.
2. **Completion of Incubation Tenure:**
    - Completion of the defined incubation period (generally 18–24 months), unless extended by the Incubation Committee.
3. **Voluntary Exit:**
    - The founder(s) may voluntarily withdraw from incubation after submitting a formal exit request with reasons.
4. **Non-Performance / Inactivity:**
    - Failure to meet milestones or inactivity for a prolonged period (e.g., 6 months) without valid justification.
5. **Breach of Agreement or Policy:**
    - Violation of any terms in the incubation/seed fund agreement, misconduct, or non-compliance with institutional policies.
6. **Acquisition or Merger:**
    - The startup is acquired, merged, or otherwise absorbed by another entity.

4. Exit Process

1. **Submission of Exit Request:**
    - The startup shall submit an *Exit Application Form* stating the reason for exit and the current status of operations.
2. **Review and Approval:**
    - The Incubation Review Committee / Seed Fund Management Committee shall assess the application and recommend the exit.
3. **Settlement of Dues:**
    - The startup must clear all pending financial dues, return university-owned assets/equipment, and fulfill reporting obligations.
4. **Final Exit Report:**
    - The startup must submit a *Final Progress & Impact Report* summarizing activities, outcomes, and future plans.

5. Post-Exit Support

Even after exit, startups may:

- Continue to access mentorship and networking opportunities.
- Be showcased as success stories on institutional platforms.
- Reapply for collaboration or advanced acceleration programs in the future.

6. Documentation

All exit-related decisions, reports, and communications shall be documented and archived by the Incubation Cell & Startup Cell.

Annexure E: Annual Startup Report Format

Startup Name: _____

Founders: _____

Year of Reporting: _____

1. Business Progress

- Key Achievements: _____
- Products/Services Launched: _____
- Customer/Client Growth: _____

2. Financial Performance

- Revenue Generated: ₹ _____
- Net Profit/Loss: ₹ _____
- Funds Raised (if any): _____

3. Employment Generation

- No. of Employees at Start of Year: _____
- No. of Employees at End of Year: _____

4. Research & Innovation

- Patents Filed/Granted: _____
- Publications/Prototypes: _____

5. Future Roadmap (Next Year):

Founder(s) Signature: _____

Date: _____

Incubator Review/Comments: _____