



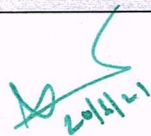
**Sona College of Technology**  
(An Autonomous Institution)



**SONA BUSINESS INCUBATION CENTER POLICY**

**Document Number: SCT/IQAC/PS/2018-19/15**

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# **SONA BUSINESS INCUBATION CENTER POLICY**

## **Introduction**

Sona Business Incubation Center (SBIC) is set up to promote innovation and entrepreneurship among the Faculty, Staff, Research Scholars, Students of Sona College of Technology and Entrepreneurs in the region by converting and translating technology ideas and innovation in various disciplines of Engineering and Technology into products, processes and services for commercial exploitation and the benefit of society. Sona College of Technology (SCT) runs and manages a Business Incubator (BI), recognized by MSME to facilitate incubation of new enterprises with innovative technologies by admitting them in BI and providing them physical, technical and networking supports and services.

## **Vision and Mission Statement:**

### **VISION**

To be a prosperous, friendly and secured springboard for start-ups and incubatees that catalyzes the potential of the region for entrepreneurial and business ventures.

### **MISSION**

- Provide opportunities to students and bring out their inherent talent and thereby enhance their employability.
- Establish centres of excellence in emerging areas of research and product development and commercialize the new products.
- Motivate entrepreneurs in the region to evolve with innovative ideas and to use of state-of-art technology.
- Interact regularly with industry in the area of R & D, and offer training, consultancy and services.

This document contains policy and procedures for operational matters related to BI at SCT. It covers the following processes:

1. Steering Committee
2. Eligibility
3. Admission process
4. Intellectual Property
5. Infrastructure
6. Common infrastructure
7. Other services
8. Periodic assessment
9. Information submission
10. Consideration
11. Tenure in BI
12. Exit Policy

13. Conflicts of interest

14. Disclaimer

15. Agreements

The policy is subject to periodical review and amendments. It will be the responsibility of the Enterprises admitted to BI to update themselves from time to time on amendments in Business Incubator policy and procedures. SCT reserves the rights to make an exception of all or any of the terms of policy for a particular company or a promoter on a case to case basis.

**1. Steering Committee:**

1. Dr.S.R.R.Senthilkumar, Principal- Chairman,
2. Dr.R.Malathy, HOD/CIVIL and Dean (R & D) Sona Coin,
3. Dr S. Chandrasekar, Professor & Dean (R&D) Sona Pert,
4. Dr.P.Suresh, Prof./Mech.,
5. Dr. Anjani, Joint Director/ MBA,
6. Shri V.R.Lakshminarayan, Accountant,
7. IPR – M/s NSD Blue Mind Technology, Chennai,
8. Prof. G. Suresh, AP/EEE- Joint Coordinator (SBIC),
9. Dr.M. Dhanasu, Director (SBIC)-Coordinator.

**2. Eligibility:**

2.1 Admission to SBIC is open to:

- i. Faculty members,
- ii. Scholars, Students and alumni,
- iii. Entrepreneurs.

2.2 The proposals for business incubation must meet with one or more of the following parameters:

- i. Proposals with Intellectual Properties (IP) generated within SCT,
- ii. Proposals with IP belonging to faculty, student or alumni (created outside SCT),
- iii. Proposals with potentials for strong identifiable involvement or interaction with SCT faculty with / without usage of SCT facilities,
- iv. Proposals which will have social and strategic impacts,
- v. Proposals with potential for large resource generation, impact value and visibility to SCT and incubation activities,

2.3 Applicants must fulfil any of the above criteria for making an admission in the SBIC, to become an Incubatee.



### **3. Admission Process:**

The applicants will be required to submit business plan for admission in SBIC. Based on the documents submitted, the Business Plan will be screened by the pre-selection team for assessing the suitability of the proposal for further evaluation by expert members regarding its potential for incubation. Detailed scrutiny including financial and technical due diligence of the proposal shall then be carried out by the expert members for evaluation of the proposal. Business Plan will be reviewed by experts having technical, business and financial expertise. Applicants may be invited with their teams to make a presentation on their proposal. In order to enable the expert members to take an appropriate decision, members may ask for any additional information from the applicants and/or revision in the proposal. SBIC will have a sole discretion whether to admit or reject a proposal for incubation and the decision of SBIC in this regard shall be final. SBIC is not bound to give any reason in case a proposal is rejected.

### **4. Intellectual Property**

Following details will be considered during the assessment of Intellectual Property (Patents, Trademarks, Copyrights, Designs and any other form of IP) for incubation purpose:

- i. Details relating to IP ownership, joint IP development, IP transfer, IP licensing and cross licensing etc.
- ii. If the IP is developed at SCT, whether any SCT infrastructure (hardware, testing setup, instrumentation, computing resources, processes) has been used in developing the technology that will go into the product(s).
- iii. If the IP is developed at SCT, whether any consultancy projects were executed in the proposed area.

### **5. Infrastructure**

#### **5.1 SBIC Infrastructure:**

Upon admission to SBIC, the following infrastructural facilities will be offered to the Incubatee companies on an individual basis, apart from a set of shared/ common infrastructure mentioned hereinafter:

- i. Office space: Company specific
- ii. Personal Computers,
- iii. Internet connection,
- iv. Telephone lines – one line through internal exchange for communication within SCT campus, and one external line. BI will do the processing and acquire the lines. Each company will pay the rentals and bi-monthly bills

## **5.2 SCT Infrastructure:**

Besides, SBIC will facilitate the Incubatee companies to access departmental laboratories and other resources of SCT for their products development purposes. Access to departmental resources is possible through Research and Development Centre (R&D Centre) of SCT and usage of such resources should be with permission of the concerned department to avoid conflict with departmental activities and objectives. Further usage of such resources shall be on commercial basis and in conformity with the policies of R&D Centre at SCT for consultancy/sponsored projects prevailing from time to time. The consideration payable to R&D Centre for usage of departmental resources will generally be in the form of cash (payable by cheque or demand draft).

## **6. Common infrastructure**

Apart from company specific infrastructure as stated above, SBIC will provide certain facilities be shared by all Incubatee companies which would include:

- i. File Server
- ii. Fax machine
- iii. Laser Printer
- iv. Photocopier
- v. Scanner
- vi. Shredder
- vii. 3D Printer
- viii. Teleconferencing facilities
- ix. Meeting/Conference room with projection equipment
- x. SBIC Library facilities
- xi. Common secretarial pool/staff (depending on availability of such staff with SBIC)

## **7. Other Services**

Apart from physical infrastructure as stated above, SBIC intends to create certain other supports and services which would include:

- i. Pool of mentors, experts in technology, legal, financial and related matters, with or without consideration,
- ii. Organising events to help companies in networking and showcasing their technologies,
- iii. Meetings with visitors of SCT (such as alumni, Consultants, industry professionals).



Incubatee companies can avail of the above support and services when offered by SBIC. In addition, SBIC will also build up information and knowledge pool to be useful generically for start-up companies.

**8. Periodic assessment**

SBIC will evaluate the performance of Incubatee companies periodically. Incubatee companies will submit information to SBIC on quarterly basis in a prescribed format. The companies may also be subject to an annual assessment by a committee comprising of external experts.

**9. Information Submission**

Incubatee companies will submit information to SBIC about all material changes or developments taking place in their companies from time to time. Such information could be (but not limited to) change in name of the company, change in business or product profile, change in directors, promoters or shareholders, acquisition of a new office.

**10. Consideration:**

In lieu of support and services to be provided by SBIC / SCT, the Incubatee companies will be subject to consideration on following accounts to the extent applicable:

- i. Monthly rent/ facilities charge at discounted rate for physical infrastructure to be paid to SBIC.
- ii. Consideration as per R & D Centres policy for usage of departmental laboratory facilities.

**11. Tenure in SBIC**

Companies will be permitted to stay in SBIC, to begin with, for a period of 18 months. A nominal monthly charge will be levied to a company for the period of first 18 months. SBIC may, at its own discretion, permit companies to extend their stay for a maximum period of another 18 months. Companies will have to pay the charge at the prevailing market rate for the extended period, which would be for:

- i. Office space
- ii. Personal Computers
- iii. Internet connection
- iv. Electricity charges including air-conditioning
- v. Any other facility as may be provided at that time

If a company is provided with specialised capital equipment, rent on the same will be decided on a case-by-case basis. This would, however be finalised prior to approval of a



proposal for admission to SBIC or at the time of procurement of the equipment as the case may be.

**12. Exit Policy:**

Incubatee companies will leave the incubator under the following circumstances:

- i. Completion of stay for eighteen months, unless the stay is extended by SBIC.
- ii. Underperformance or unviability of the business proposition: criteria for the same will be decided and applied by SBIC on the case to case basis.
- iii. Irresolvable disputes between promoters/ founders. SBIC will decide the position or point when disputes are deemed to be irresolvable.
- iv. When the company enters in an acquisition, merger or amalgamation deal or reorganisation deal resulting substantially a change in the profile of the company.
- v. Change in promoters'/ founders' team without concurrence of SBIC.
- vi. Any other reasons which SBIC may find it necessary for an Incubatee company to leave SBIC.

Notwithstanding anything written elsewhere, SBIC's decision in connection with the exit of an Incubatee company shall be final and shall not be disputed by any Incubatee company.

**13. Conflicts of interest and confidentiality of information:**

When a person plays two separate roles in two different positions and he/ she uses one position for his/ her personal benefit in the other role, a situation leading to conflict of interest arises. SBIC endeavours to draw a line between appropriate and inappropriate interactions among its board members, employees, mentors, consultants, affiliates, Incubatee companies, their employees, persons connected to them or their promoters, employees and staff, various service providers and suppliers. Conflicts between private interests and official responsibilities of all stakeholders must be handled in a transparent manner, and SBIC considers the full voluntary disclosure as the best mechanism for managing conflicts of interest.

Since situations leading to conflicts of interests are inevitable, a transparent policy, based on full disclosure of relevant information by the concerned parties, and discouraging their influence on decisions and activities to avoid personal benefit to them. The policy is not exhaustive, and hence situations having potentials for conflicts of interest though not covered in the policy will nonetheless be subject to the policy. The policy makes all stakeholders related to SBIC and Incubatee companies aware that no one should use his/ her position in one role for the personal gains in the other role,

and when necessary, explicit permission of relevant stakeholder may be obtained. Appropriate judgement should be applied by all concerned parties while assessing the genuineness of conflicting interests. This policy also deals with maintenance of confidentiality of proprietary information.

A committee may be set up by SBIC to resolve any dispute over such situation causing conflicts of interests.

#### **14. Disclaimer:**

The Incubatee Company will understand and acknowledge that SBIC intends to provide supports and services to the Company in good faith to pursue its objective to promote entrepreneurship by converting innovative technologies developed in the Institute to commercialization by incubating and supporting new enterprises. It is understood that by agreeing to provide various supports and services, SBIC does not undertake responsibility for:

- i. Ensuring success of an Incubatee company, its products/ process/ services or marketability,
- ii. Ensuring quality of support and services provided by SBIC to the complete satisfaction of the Incubatee companies or their promoters/ founders.
- iii. Ensuring quality of services of the consultants engaged by the Incubatee companies through SBIC / SCT network. Incubatee companies will have to apply their judgements before getting in to a relationship with them.

The Incubatee companies agree that SBIC/ SCT or their employees shall not be held liable for any reason on account of the above.

#### **15. Agreements:**

The following agreements are required to be signed by the companies to the extent applicable:

##### **Service agreement:**

Between SBIC & an Incubatee company for admission of the company in Business Incubator.

##### **Usage of Departmental Lab:**

Between SCT R & D Centre & an Incubatee company for usage of departmental resources of SCT by the Incubatee company as per the prevailing policy of R & D Centre of SCT.