

University Start-up Policy



Swami Vivekanand Subharti University, Meerut

(Established under U.P. Govt. Act no. 29 of 2008 and approved under section 2(f) of UGC Act 1956)



Start Up Policy

Sl. No.	Particulars	Description
1	Policy Number	U-242/SVSU/2020/968
2	Policy Structure	The policy covers the startups incubated on and off the campus where the University has played major role in the startups.
3	Scope of the Policy	The policy describes details of the eligibility, procedure, duration, periodic assessment, funding, revenue sharing and penalties in case of startups where university is a major partner.
4	Policy Status	Original
5	Originated By	Vice-Chancellor's Office
6	Reviewed By	Director, Internal Quality Assurance Cell (IQAC), Swami Vivekanand Subharti University, Meerut
7	Effective Date of Policy	14/09/2020
8	Approving Authority	The Academic and Executive Council, Swami Vivekanand Subharti University, Meerut
9	Amendment Number	NA
10	Effective Date of Amended Policy	NA



POLICY FOR PROMOTING START-UP

A policy for promoting Start-Ups was made so as to motivate the Students, faculty members, staff members, alumni and other eligible persons/entities to undertake start-up projects. With passage of time, it has been appreciated that some amendments may be done to make the policy more effective and clear. A revised policy after incorporating all the amendments is issued herewith.

1. OBJECTIVE-

Swami Vivekanand Subharti University Meerut, hereinafter called SVSU, has set a goal of promotion of an academic environment that aims at awareness, motivation, creativity and self-exploration & expression by students for conducting original research that is, innovative in approach, cost effective and beneficial to the society at large.

The policy guidelines delineated in this document shall be subject to periodical review and amendments and the provisions stated hereunder will be binding upon the participating organizations. In addition, SVSU reserves the right to make an exception in terms and conditions or any provision of policy for a particular organization on selective merit on case to case basis.

2. ELIGIBILITY-

- (i) An organization desirous of establishing themselves as a Start-Up in SVSU must be a partnership firm or a limited liability partnership under Indian Partnership Act 1932 or incorporated as a Private or Public Limited Company under Indian Companies Act. Such an organization can apply for Start Up facility to SVSU on prescribed form; provided the entity was registered with the relevant authority not before 5 years or as per the government policy for start-ups at the particular time and having turnover of less than 100 crores.
- (ii) Companies having the controlling position or shareholding by a student/employee



will be given preference with the condition that the position held by the student/employee in the Company does not hamper the studies/working of the particular course being pursued by the student/assigned to the employee.

- (iii) The regular employee of a public or private company, which is duly incorporated under the said act, may be considered for Start-up facility, subject to production of NOC from his/her employee.
- (iv) The Company/ Companies, that are engaged or are likely to be engaged in future for collaborating in academic courses, training programs and or vocational courses or propose to undertake such activities after availing Incubation Facility at SVSU, shall not be considered for Start-up facility.
- (v) Any other person/entity which may be considered eligible by the SPC as per the start-up laws of the Government at the particular time.

3. **COMPOSITION OF SPC COMMITTEE-**

The composition of SPC shall be as here under:-

- i. **Chairperson:** Chairman Quality Control.
- ii. **Member Secretary:** Dr. Anil Kumar, Professor-SITE in consultation with the Chairman Quality Control.
- iii. **Permanent Members:**
 - (a) Vice- Chairperson of Patent Cell,
 - (b) Nominees of Chairperson of University Research Council (Dr. Kritanjali Singh-SMC from Medical group and Er. Supritam Saha, Assistant Professor-SITE from Non-Medical group),
 - (c) Finance Officer, SVSU or a senior accounts officer nominated by him,
 - (d) Nominee of the CEO,



iv. **Technical Expert Members:**

Two Technical Experts shall be nominated by the Chairperson of the SPC on case to case basis.

4. **TECHNICAL EVALUATION COMMITTEE (TEC)**

The SPC will constitute a TEC for opinion, review and comments besides assessment of the technical and financial feasibility of proposals, having the following members;

- i. Member Secretary of the SPC - Coordinator
- ii. A nominee of the FO,
- iii. Two technical experts nominated by the Chairman SPC.
- iv. Special Invitee from Industry if required, nominated by the Chairman SPC.

5. **PROCEDURE FOR ADMISSION**

The following terms, conditions and the provisions shall be binding upon the persons seeking Start Up Facility in the SVSU and this shall have to be acknowledged under signature by the applicant.

(A) Stage One: Submission of Executive Summary/Business Plan-

- i. The prospective company, seeking Start-up Facility shall submit following documents to Member Secretary SPC for consideration of proposal;
 - a) Application on prescribed Performa,
 - b) Business Plan
 - c) Certificate of Incorporation
 - d) Memorandum & Articles of Association
 - e) Any other document like PAN, GSTN etc of the company as per statutory requirement.



- ii. Business Plan Template: a model template for submission of Business Plan, which may be customized on case to case basis, is given below;
 - a) Introduction, including an overview of Company
 - b) Concept / Proposition / Product description
 - c) Market opportunity
 - d) Competition survey
 - e) Development plan and milestones
 - f) Marketing plan
 - g) Management / Organizational chart
 - h) Financials
 - i) Risks and de-risking strategies
 - j) Critical Path Management & Performance Evaluation Review Technique Charts reflecting phased time- line of activities
- iii. The member secretary of the SPC will forward the Business Plan to the TEC specially constituted for that particular business plan, with the permission of the Chairman SPC.

(B) Stage Two: Presentation Before Technical Evaluation Committee of SPC

The coordinator of TEC shall arrange a presentation by the Company for further consideration. The Company Representative, in an interactive session, shall explain all technical, financial, commercial and critical aspects of the proposal.

- i. The presentation before the **Technical Evaluation Committee** may be permitted through video conferencing mode also under special circumstances.
- ii. Criteria for Evaluation of Proposal by the TEC: broad parameters and guidelines only;
 - a) Profile of the core team/ promoters.



- b) Strength of the product idea in terms of its technology content, innovation, timeliness and market potential.
 - c) Funds requirement and viability of raising finance.
 - d) Financial/ Commercial Viability and 5 year projections of Profit & Loss Account, Balance Sheet and Cash Flows.
 - e) Intellectual Property generated and the potential of the idea for IP creation.
 - f) Time to market.
 - g) Break-even period.
 - h) Commercial potential, demand and requirement in India
- iii. The **Technical Evaluation Committee** shall be empowered to ask for modification or recommend for acceptance or rejection of the proposal. It can also recommend for referring the proposal for availing the Incubation Facility before further consideration by the SPC.
- iv. All recommendations of the SPC shall be placed before the Chairman SPC for final decision.

6. RESEARCH & DUE DELIGENCE-

- i. Both the SPC and the Company seeking Start Up facility in SVSU shall maintain complete confidentiality during the process of submission, evaluation and consideration of application
- ii. The SPC reserves the right to investigate the management team, financial and commercial aspects, the industry, the current and future competitive element facing the business, and other such aspects of the Company that may carry relevance to the proposal.
- iii. The SPC may seek further information, clarifications and partial or complete modification of the proposal.



- iv. The SPC, at its discretion, may seek opinion or consult the Government organizations that sponsored Incubation Center in SVSU, such as DSIR, DST, TDB, NSTEDB, TIDE, MCIT, MSME etc.

7. ACCESS TO INFRASTRUCTURE FACILITIES & SERVICES OF SVSU-

- i. The SPC shall facilitate the access to the physical infrastructure, facilities and laboratories of concerned institution to the company, as per norms of SVSU.
- ii. The facilities made available to the Company shall include;
 - a. Office space
 - b. Computer – up to 02 in numbers,
 - c. Printer
 - d. Internet connection
 - e. Landline phone connection –bill to be paid by the Company
 - f. Photocopying facility
 - g. Conference room with LCD projection facility
 - h. Standard office furniture
 - i. SPC shall provide common pool of hard and soft infrastructure, in case there are more than one company seeking Incubation Facility in SVSU.
- iii. The SPC shall facilitate and organize the association and interaction of Company professionals with the Management, Legal, Accounts, IT and other such units of SVSU.
- iv. The PPSC shall provide the services of a ‘Faculty Advisor’ on technology matters to the Company on a part time basis.
- v. The Company seeking Incubation Facility of an institution of SVSU shall be under obligation to accept services of Faculty Member of SVSU as Mentor, who will assist the company during entire duration of incubation and product development.
- vi. The Company shall pay to the Mentor, thus appointed, consultancy charges as per norm determined by SVSU.



8. DURATION-

The initial duration for which the facility is granted to a company shall be 02 years only. However, the SPC may, at its discretion, consider a maximum of two extensions for a period of 06 months each.

9. EXIT POLICY-

The Company, will have to leave and vacate the premises/facility under following conditions:

- i. On completion of 02 year period, in case further extension has not been granted.
- ii. Under-/ Poor performance and/ or non-viability of proposal, as assessed periodically by the SPC.
- iii. Disputes that cannot be resolved amicably to the satisfaction of both the Company and SPC.
- iv. Any act and conduct of the company that is in contravention to the norms and policies of SVSU and / or against the interest of the Nation and or Institution.
- v. Substantial change in the profile of Company resulting from acquisition, merger, amalgamation or reorganization that leads to change in the profile of the Company, promoters, directors, shareholders, business plan, products, etc.
- vi. Change in the composition of the team of Promoters/ Founders without the prior concurrence of SPC.
- vii. Change in over 50% of ownership without prior approval of SPC.
- viii. Any other reason / ground deemed adequate by SPC for vacation of the premises/facility by the Company.
- ix. Any breach of the provisions of agreement signed by SPC and the Company on the part of the Company.



- x. Notwithstanding anything written/ mentioned elsewhere, the decision of SPC in respect of the exit of Company shall be final and irrevocable and the decision will be accepted indisputably by the Company.

10. PERIODIC ASSESSMENT & EVALUATION-

- i. The Company, shall get its accounts audited compulsorily and shall keep the book of accounts open for inspection by authorized Chartered Accountant of SVSU.
- ii. The Company shall submit to SPC 'audited statement of profit loss account' annually.
- iii. The Company shall submit to SPC the 'statement of activities' half-yearly.
- iv. The Company shall be under legal obligation to comply with the provisions of Companies Act 2013. It will provide quarterly report of compliance under the Act to SPC.

11. INTELLECTUAL PROPERTY RIGHTS-

The Promoters of Company shall fill and submit to SPC the 'IP Declaration Work Sheet' and state about the development and ownership of Intellectual Property at the time of admission

- i. The Company shall inform SPC if any student/ students have worked on the technology and if their work will be incorporated in the product(s) or not.
- ii. The company shall inform SPC if any IP has been generated as a result of collaborative work with faculty members (who are not promoters) and also about it being incorporated into the products/ products.
- iii. The company shall inform if any infrastructure (hardware, testing setup, instrumentation, computing resources, and processes) of Swami Vivekananda Subharti University, Meerut has been used in developing the IP or technology that will go into the products/ products.



- iv. The Member Secretary shall be responsible for ensuring the compliance of Clause 8 (i to iv) by the Company.
- v. Not with standing anything mentioned above, Intellectual Property Rights shall be governed by the IP Right Policy of SVSU.

12. FUNDING THROUGH START-UP SUPPORT-

- i. The Company desirous of obtaining START-UP SUPPORT from SVSU may submit application, justifying the need and amount of loan money, through SPC to respective Research Committee of SVSU after three months of admission. However the SPC/ respective Research Committee of SVSU shall recommend and forward such application only after getting fully convinced about the technical & financial viability of the proposal.
- ii. The consideration of the application for sanction of loan amount shall be solely at the discretion of SVSU and its policy in this respect and subject to recommendation of SPC, technical and financial feasibility of proposal, justification of demand and the availability of funds.
- iii. The START-UP SUPPORT, if approved at the time of admission, shall be disbursed by SPC subject to suitable progress as reviewed by the Chairman of SPC.
- iv. The mere recommendation of SPC shall not entitle the Company to sanction of loan by SVSU.
- v. The SVSU shall not be under any obligation to explain the grounds for non-sanction of loan money to the Company.

13. CONSIDERATION FOR SERVICES & SCHEDULE OF CHARGES-

All agreements shall be done and signed between the Company and the SPC.

- i. The SPC shall charge the Company for the infrastructure, facilities, loan money, IPR and other services and facilities provided by SVSU to Company.



- ii. The considerations, as mentioned above, shall be charged under head 'Service Charges', which shall be payable to SVSU on half-yearly basis.
- iii. The Service Charges shall be increased at the rate of 5% per annum.
- iv. However, the Service Charges may be revised by the SVSU at its discretion anytime during the period of agreement with the Company.
- v. The Company will be required to furnish a refundable security deposit of ₹ 50,000.00 at the time of admission, which shall be refunded at the time of exit of Company.
- vi. The schedule of Service Charges is given in the Table below.

S.NO.	SERVICE	RATE
1.	Office	As per policy
2.	PC at Rs 1000 per PC per month	₹ 2,000
3.	Printer at Rs 500 per month(inkjet)	₹ 500
4.	Internet connection per login per month as per actual	As per actual uses
5.	Electricity charges including air conditioning	as per actual
6.	Telephone Bills	as per actual
7.	Any Other	as per actual

- vii. In case the company is in need of any facility from any of the sister institution of PPSC and/or University under MOU, in this case all the charges will be borne by the company.

14. CONFLICT OF INTEREST & ARBITRATION-



In case of any dispute/ and or contentious issue, the matter shall be settled through mutual discussion between SPC and the Company amicably. In case of unsettled issues the matter shall be referred to the VC of SVSU whose decision shall be final and binding on both SPC and the Company.

15. AGREEMENTS BETWEEN SPC AND THE COMPANY-

All agreements shall be done and signed between the Company and the SPC:

- i. Main Agreement: shall contain norms, rules, infrastructure, facility, services to be provided, considerations, equity holdings and all other provisions mentioned hereunto for both the Company and PPSC.
- ii. START-UP SUPPORT Agreement: shall contain rules and regulations in respect of sanction and disbursement of START-UP SUPPORT by SVSU to the Company.
- iii. Technology Commercialization Agreement; to be signed if the Company makes use of a technology or Intellectual Property developed by SVSU.

16. PENALITY CLAUSE-

- i. The non-compliance of any provision by the Company, given herein above, shall attract a written warning to Company besides financial penalty of ₹5,000.00, which shall be billed as 'Miscellaneous Charge' by SPC/ SVSU.
- ii. A repeat default by the Company shall earn another warning letter and financial penalty of ₹10,000.00, besides stoppage of release of next installment of the START-UP SUPPORT to the Company, if sanctioned earlier.
- iii. In case the Company further, after second default, does not adhere to laid down provision of agreement or rule or regulation or any other guideline, it shall be asked to vacate the premises and clear all dues till the day of exit from premises



- iv. Any penalty may be adjusted in the security deposit if the company doesn't clear the dues.
- v. The SPC will be well within its rights to realize the loss if any done by the company while using the facility provided by the University to the Company.
- vi. The SPC may also penalize the company if the damage to the property/facility has been caused by mishandling/misuse.
- vii. The company shall use the premises and other properties/facilities of the University Strictly for the Purpose those may be allotted/provided. In case of misuse of the same, the SPC will be well within its rights to take action against the company, whatever it deems fit. In the case of gross misuse/ use against the National or Social interest/ illegal acts/ against the overall interest of the University/ repeated acts of breach, the SPC may even withdraw the facilities from the company.

17. DISCLAIMER CLAUSE-

- i. SPC and/or SVSU does not guarantee to the Company incubated about success and/or feasibility.
- ii. SPC and or SVSU or any person representing SPC and or SVSU shall not be liable for any acts or omissions on the part of Company. However, in case of any such event, the Company shall do all that is required to hold SPC, SVSU or any person representing SPC. SVSU harmless from any loss including damage, penalty, etc.

18. REVENUE SHARING:

The start-up companies may use SPC facilities in following manner:

- i. With financial start up support.
- ii. With infrastructural support.



iii. With the support of mentor or faculty advisor from SVSU.

In all the case as above there will be no revenue sharing with Start-Up company but after financial success and from the production stage the start-up company is bound to pay off SPC in following manner:

- iv. In case of the category 'A' as above the startup company has to fulfill its obligation as per the terms and condition of the 'Start Up support agreement' with SVSU/PPSC.
- v. In case of the category 'B' as above the startup company has to give 20% of the Net profit of the company as consultancy to the University/PPSC. Apart from this the company will provide internship support along with placement to the students of SVSU as per their requirement.
- vi. In case of the category 'C' as above the startup company has to give 10% of the Net profit of the company as consultancy to the University/PPSC out of which 50% of this (5%) will be shared with mentor or faculty advisor from SVSU.

19. **PATENT CONSULTANCY:**

Company who seeks support or uses the facilities of the UPC for the patent consultancy has to sign an agreement for patent consultancy. The consultancy will be the 4% of the shares of the company which are required to be nominated in the name of the University/UPC.

20. **FINANCIAL INVOLVEMENT BY THE UNIVERSITY:**

Not with standing anything written in any clause in the above policy, if there is financial involvement of the University anywhere, prior approval of the proposal from the Empowered Committee, having the Vice Chancellor as its Chairman and CEO and the FO as other members, shall be taken by the SPC.