

# **Centre for Innovation, Incubation & Entrepreneurship (CIIE)**

## **Policy and Framework**

### **Introduction**

Centre for Innovation, Incubation and Entrepreneurship (CIIE) is a not for profit centre at the Engineering College Bikaner (ECB), Bikaner (Rajasthan), dedicated to promoting innovation and Entrepreneurship. It is a pedestal to help knowledge-driven enterprises to establish and prosper under organized scientific guidance. It also facilitates the swift commercialization of a product based on sophisticated technology. The main objective of the CIIE is to produce successful firms that will leave the program financially viable and freestanding. These incubators “graduates” create jobs, commercialize new technologies, and strengthen national economies. Incubator tenants not only benefit from business and technical assistance, but they also benefit from official affiliation with the incubator, a supportive community with an

entrepreneurial environment, a direct link to entrepreneurs, and immediate networking and commercial opportunities with other tenant firms.

### **The Ecosystem**

CIIE aims to coordinate, synergize and leverage the various strands of excellence driving innovation and entrepreneurship in a thriving ecosystem consisting of research at the cutting edge of science and technology, a highly successful body facilitating industrial interactions, and incubation in sectors such as rural technologies, industrial solutions and social impact.

CIIE supports members of the ECB including staff, students, alumni, faculty, and R&D partners, in creating successful business ventures that can translate benefits from technology and knowledge innovations to society at large.

### **Mission**

*“To motivate, build and promote out of box thinking, development of innovative ideas. To build an environment that will facilitate the creation of social enterprise knowledge through research and empower students to apply their entrepreneurship abilities to develop solutions for greater social impact through academia.”*

### **How do we achieve this?**

**Education:** Academic programs on social innovation and entrepreneurship for students across disciplines and degrees at ECB, Bikaner

**Research:** CIIE provides an enabling environment for both student and faculty researchers interested in social enterprise research within the ECB.

**Catalyzing Innovation:** Encouraging young innovators and entrepreneurs by assisting in the development of socially-beneficial products and ideas

**Collaboration:** Creating an ecosystem that extends to other technical institutions.

### **Overview**

CIIE is the umbrella body for nurturing and overseeing innovation and entrepreneurship at ECB. CIIE will leverage past experiences and give entrepreneurship a stronger push as well as serve to coordinate and promote innovation-driven activities at the institute. CIIE seeks to nurture technology and knowledge-based ventures through their start-up phase by providing the necessary support to help entrepreneurs survive in the competitive market and reach a stage where they can scale up their ventures further. The CIIE aims to build and share resources including space and infrastructure, access to business support services, mentoring, training programmes to enhance the skills of entrepreneurs and seed funds. The scope of support is broad-based, and covers technologies/IP developed wholly at the Institute or partly through collaborations elsewhere, as well as

external start-ups with which ECB members are associated as consultants or mentors. CIIE is also particularly open to proposals with strong social and strategic impact:

- Not for profit Centre.
- Technology Business Incubation.
- Training and awareness programs in Entrepreneurship (EAC, EDP, FDP).
- Competitive events, lectures and workshops on soft skill development, case studies, bplan competitions, innovators camps etc.
- Promoting Innovations in Individuals, Start-ups and MSMEs (PRISM).
- Technology Commercialization Program.

### **Objectives of CIIE**

- New Venture Creation through providing incubation and host of other support in the areas of Earth System Sciences, Aerospace Engineering, Information Technology, Computer Science and Engineering, Electrical Engineering, Instrumentation and Measurement Systems, Mechanical Engineering, Civil Engineering, Geo-Physics, Electronics and Communication Technology, Biotechnology, Biomedical Engineering, Food Technology, Agriculture and Allied sectors.
- Technology Commercialization, targeted at providing a much needed platform for speedy commercialization of technologies developed in the academic and R & D institutions to reach the end users.
- Interfacing and Networking between academic, R & D institutions, industries and financial institutions.
- Value Addition through its services provided to its incubatees as well as to the existing technology dominated SMEs, TBI aims at value addition.
- Creating value added jobs & services, fostering the entrepreneurial spirit.

### **Major Activities at CIIE**

- Creating a collaborative environment between industry and academia through joint research projects and consulting assignments.
- Incubating early stage technology based innovative entrepreneurial ventures.
- Encouraging and enabling the alignment of R&D activities to potential needs of the industry.
- Identifying technologies/innovations which have potential for commercial ventures.
- Physical infrastructure and support systems creation for business incubation activities.
- Foster and promote entrepreneurship spirit.
- Facilitate knowledge creation, innovation and entrepreneurship activities.
- Facilitate networking with professional resources, which include mentors, experts, consultants and advisors for the incubate companies.
- Enabling development of high quality personnel and motivating researchers to grow professionally within organizations through different programmes offered by the institute.

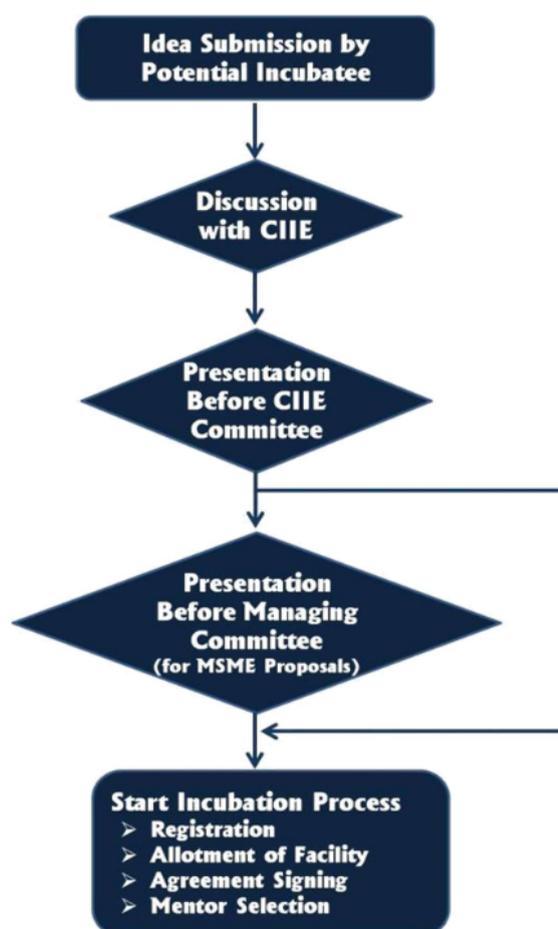
### **Value added services offered by the CIIE**

Start-ups are being counseled, mentored, given technical and business advice by experts and respective faculties of the institution. We will provide 3-tier counseling to the start-ups. CIIE will also act as home to other supportive programs which have been able to support entrepreneurs and innovators coming to CIIE. The presence of a constellation of associated programs as mentioned below has greatly assisted the CIIE ecosystem development. CIIE along with supporting agencies and programs at ECB supports innovators by

- Mentoring (round the clock)
- Technical support (Design, Simulations, Development and Testing)
- Assistance through numerous labs
- Market Information (Product Development Strategies, Business Intelligence and Business Architecture)
- Networking with Research Laboratories (For Knowledge diffusion and day to day interactions)

### Operating Model

CIIE is poised to straddle the academic community at ECB on one hand and the social and industrial bodies on the other, supported by the ECB and dedicated incubators. A Governing Board consisting of faculty, administrators, representatives from ECB incubators and alumni guide and steer CIIE activities.



At the operational level, CIIE is primarily responsible for nurturing new companies, as well as for identifying promising pre-company opportunities. In this process ECB resources including the extensive and very active alumni network play a major role.

### **Eligibility**

CIIE seeks to support all members of the ECB to translate innovations into products, processes and services that are commercially viable. Admission to CIIE is open to:

- Students and project staff of the institute
- Alumni
- Faculty and staff (current and retired) including adjunct faculty

The admission to CIIE is open to aspiring start-ups in the different areas, promoted by:

- Students and alumni of ECB.
- Faculty members (present or former) of ECB
- R&D partners (sponsors of R&D and consultancy projects)
- Industrial Collaborators

### **Beneficiaries**

A team which consists of at least one member from the ECB community who could be Students, Alumni, Faculty, Permanent Staff, Research Partner, Institute, Society at Large. The scope of support is envisaged to be broad-based, and cover technologies/IP developed wholly at the Institute or partly through collaborations elsewhere, as well as external start-ups with which ECB personnel may be associated as consultants or mentors. CIIE will in particular, also be open to proposals with strong social and strategic impact.

CIIE is also the nodal body to frame and monitor agreements regarding policy and fair use between ECB and incubated companies.

### **Broad Areas**

Different Sectors where incubation can be provided are among, but not limited to:

- Earth System Sciences (including Mining, Petroleum, Mineral, Geo-Physics, etc.)
- Aerospace Engineering
- Information and Communication Technology
- Food, Agriculture & Allied Sectors
- Augmented Reality, Virtual Reality, Mixed Reality, Big Data and Analytics, Image processing and Recognition
- Cloud Computing
- Smart, Energy and Functional Materials
- Affordable Healthcare, Early detection of diseases, Drug design
- Water & Sewage Management
- Organic Electronics, Organic Electronics
- Green Technology, Clean Energy, Renewable Energy, Non- Renewable Energy Sources
- Electric Vehicle Technology
- Battery Technology
- Biomedical Engineering

Incubation program is focused on technology and knowledge based ventures. The incubates applying at CIIE are categorized as below:

### **Type I**

Ventures in this category are typically the project initiated by one or more members of the academic staff, students and/or alumni of ECB, or other premier institutes, supported by ECB, or some other technology promotion agency (government or non-government) with a view to trying out a novel technological idea for upgradation to a commercial proposition, scaling up a laboratory proven concept, and setting up a technology business enterprise.

### **Type II**

A typical venture in this category can be a technology-based start-up company promoted by a first generation entrepreneur desirous of R&D partnership with the ECB or company with a view to trying out a novel technological idea for upgradation to a commercial proposition, scaling up a laboratory proven concept and setting up a technology business enterprise.

### **Type III**

Venture in this category typically can be a technology/R&D unit of an existing small/medium size enterprise, industry association or a R&D Company that desires to have a close technology interface with ECB. All the applicants under any of the above categories are evaluated by the evaluation committee of CIIE before the applicant can be granted admission to CIIE. For successful applicants, who are no longer part of ECB fraternity, and are approved for membership by the CIIE evaluation committee will have to execute an agreement for space utilization with the ECB as well as a bilateral MOU on synergistic collaboration with the Institute through CIIE.

### **Incubation Process and Support Available**

Admission to the CIIE involves: submission of an electronic application, rounds of screening by CIIE (where proposals are examined with attention to financial and technical due diligence) and a final approval by the Managing Committee. Incubatee companies are required to sign an agreement commencing formal incubation under CIIE.

Upon admission incubatee companies may be offered shared office space and infrastructure at CIIE on an individual case-by-case assessment basis. In addition, CIIE will actively support incubatees with a combination of inputs including:

- Branding: Incubatees can apply for permission to use ECB's name to brand themselves.
- Business support services: Accounting, tax, company secretary, legal and IP services (depending upon availability)
- Permission to use laboratories, workshop facilities and equipment at ECB
- Mentorship: with CIIE
- Skill development Training workshops: Monthly entrepreneurship meetings
- Meetings with visitors (such as academics, alumni, VCs, industry professionals)
- Showcasing incubatees through networking events

- Seed Funding for entrepreneurship: are subject to the availability of funds/grants/ schemes meant for this purpose

Incubatee companies are expected from cutting edge research at the academic departments, venture activities of students and alumni, as well as the extensive industry network available.

### **Admission**

Admission to the business incubator is based on the evaluation process carried out by the evaluation committee constituted by CIIE. CIIE will conduct periodic reviews and monitoring of the projects.

### **Facilities**

Physical Infrastructure: Internet Connectivity, Working space, laboratory facilities.

Business Support: Business plan assistance, mentoring support, Networking events to facilitate interaction with investors and industries Training programmes and seminars relevant to entrepreneurs

Shared resources: Meeting and conference rooms equipped with projectors & audio/video conferencing facilities, lab facilities, library facilities

### **Entrepreneur Infrastructure**

Common Computation facilities for the entrepreneurs have been set up. Physical infrastructure like office, workshop space is made available to the entrepreneurs (on a case to case basis).

### **Multimedia Facility**

Dedicated multimedia facilities for remote board meetings and video conferences are fully running. Regular meetings are held with the CIIE partners through video conferencing. This is to keep pace with the developing technologies in other countries.

### **Library Facility**

The incubatees at CIIE can have access to ECB's central library.

### **Access to Skilled Resources**

CIIE is strongly supported by the ECB, a reputed institute in the field of science and technology. ECB provides the incubatees at CIIE with enormous intellectual resources, laboratory, and library facilities of all the departments in the institute. Our alumni network also works for CIIE to foster incubation.

### **Other Initiatives**

#### **EAD (Entrepreneurship Awareness Drive)**

EAD (Entrepreneurship Awareness Drive) is an initiative by CIIE to identify youths to the entrepreneurs within them and to motivate them for their start-ups. For this EAC (Entrepreneur Awareness Camp) an interactive workshop is organized. The workshops are structured very intelligently to inculcate entrepreneurial skills from basic to advanced levels. The workshops included are:

- Exploring Entrepreneurial Spirit

- Practices on Entrepreneurial Thinking
- Mastering Entrepreneurship

### **Exploring Entrepreneurial Spirit**

For a successful start-up, communication skill is one of the most vital elements; it helps dealing with people and giving ideas the right direction. The workshop aims to furnish the communication skills, and at the same time, it will also introduce the business jargon. The workshop will also give the insight of marketing skills which can be the major difference between a billionaire and nothing. In this era of globalization, one needs to connect to the individuals at the very basic level for any successful venture and this is where good marketing skills come to life.

### **Mastering Entrepreneurship**

This workshop is made to bring out a blossomed entrepreneur in well-groomed aspirants. The workshop will introduce the government's role in startups .It will include various policies and incentives given by the government for development of small firms. The knowledge of these can be beneficial for initial growth and also in guarding the firm against the illegal elements. A live interactive session is also coordinated with successful entrepreneurs, which can help grasping their demeanor. A lot can be learned from their experiences and attendees will have the opportunity to take expert advice for their start-up.

### **Practicing Entrepreneurial Thinking**

This workshop is devoted to involve aspirants in an interactive session where they get fortuity to practice their entrepreneurial skills. The attendees will be given a chance to show their mantle in developing a good Business plan under seasoned guidance. Business plan is the blueprint of an entrepreneurial thinking and is very important for implementation of ideas in the right direction. Putting ideas down on paper and the act of researching and compiling data about the competitors and the market is very useful for future reference. A session will also be devoted to giving ways of finding the right physical and intellectual resources economically. Finding resources is the next step after a good B-plan but is very cumbersome and a good guidance can make a difference.

### **Entrepreneurship Development Program**

This program provides a platform for high-tech entrepreneurship to help entrepreneurs, corporate venturing executives and others involved in entrepreneurial environments learn what they need to develop ideas into successful businesses, and how to increase entrepreneurial opportunities in their corporations, institutions, and regions. It covers the entire venture creation process, from generating ideas to building viable global businesses, with a special emphasis on the nurturing roles of corporations, universities, governments, and foundations.

### **Faculty Entrepreneurship Policy**

Faculty members at ECB are continuously engaged in knowledge generation and dissemination. A large number of R&D activities are being carried out by faculty members and students in several science and technology areas. However, most of these research outcomes do not get translated into commercial products, benefiting the society in general, due to several reasons including lack of interest of the industry in commercializing new and futuristic technologies. Towards this end, ECB, in line with the best practices of other institutes of higher learning across the world, proposes to encourage interested faculty members to open companies, be on the board of such companies in the capacity of a Director, Chairman or any such role. It is expected that faculty members will make all efforts to balance their academic responsibilities while assuming the above role. This document proposes mechanisms for establishing incubation programs for technology start-ups led by faculty and students, out of the research efforts carried out at ECB, and later running them as companies as specified below.

#### **1. Kind of companies**

ECB should encourage and prioritize the companies in the following order.

- A. Companies jointly owned by the faculty members and graduating students/alumni (along with possibly others)
- B. Companies owned by the faculty members (one or many) along with possibly others.

C. Companies owned by the graduating students, alumni along with possibly others

In such cases, the faculty members and students will be known as founding members of the board of the company.

## **2. Role of faculty**

It is expected that the faculty members would be owners of such companies and be a Director on the Board. Also, the faculty member may choose to play an operational role (Technical Advisor, CEO, Marketing Manager etc.). The faculty member can choose one of the following options:

- A. Take a sabbatical and work full-time in the business
- B. Dedicate part or all of the days allocated for consultancy work to the business. However, under no circumstance the total number of days of non- institute activities would exceed the institute norms.
- C. It should be noted that the faculty should take all possible steps to ensure that his/her duties and responsibilities of ECB take precedence over all other activities.
- D. A faculty member is expected to balance his outside managerial responsibilities with his academic responsibilities on full-time active duty in the institute. This will also apply to the students/employees involved in these activities.
- E. Faculty members can undertake projects that could be conducted at ECB, and managed through their companies.

## **3. Usage of institute resources and IP Rights**

It is expected that the IP rights for the technology developed by the company shall be wholly with the company or at the disposal of the board of the company. Such companies may collaborate with other companies, sell, and share or buy IP rights from other companies. The current proposal is expected for the incubation of technologies developed at ECB. The company may choose to not take any IP from within the institute. However, to enforce such a discipline will not be practical for the institute. Therefore, in the larger interest of the institute and persons involved within the company, it will be permitted to use the lab, library and other such facilities by the founding faculty members involved in the company. In lieu of this a blanket liability free equity may be retained by the institute as outlined later in this document. This equity will enable certain rights for the company within the institute including free use of the IP developed by the persons involved in the company as employees/students of ECB. The company may also use the testing facilities as per the prevailing norms of the institute. During the incubation period within the campus, the company may be allowed to use the lab facilities (free of charge). Utilization of lab facilities will be subject to availability of the resources. Priority is granted to ECB projects and students: Free utilization will be subject to acceptance by the department concerned. Any patents/copyrights etc. filed by the company will be property of the company. It is expected that the institute will share such IP rights for the technology developed within the institute or a free use of which is permitted to be used by the company. The involved faculty member(s) and student(s) may sign such agreements with the institute.

## **4. Disclosure and Compliance**

Financial and non-financial disclosure agreement will be signed as per the existing institute

norms.

#### **5. Support from other faculty**

Support from other faculty members of the institute during and after the incubation period would be treated under the institute's consultancy norms.

#### **6. Support from students**

Any support received from students for the faculty company would be as per the existing guidelines of the institute.

#### **7. Outsourcing of sponsored research/ consultancy assignment**

Outsourcing of full/part of institute's projects to faculty companies would be governed by institutes existing policy. In case such policy is not available then the outsourcing decision would be undertaken on a case by case basis by a committee comprising of Principal, Hoc (CIIE), Head of the concerned department and a representative from sponsoring agency.

#### **8. Funding for the company**

The company will have its own funding and accounting procedures in line with the existing industry norms. Institute may also provide loans to such companies which will be governed by the institute's norms.

#### **9. Methodology**

A faculty company will necessarily be required for incubation in CIIE. However, in the exceptional cases, where faculty wants to open the company outside the institute, a sufficient justification has to be provided, which will be evaluated by a committee comprising of Principal, HoC (CIIE) and two faculty members. The recommendation of the committee will be final and binding.

For the incubation of the Faculty Company, evaluation will be as per the incubators policy of the institute. Upon approval, the institute shall exercise its discretion on:

- A. A liability free equity of 1 % in the company for a period of five years. Against this equity, the institute shall permit the use of IP developed within ECB by the founding faculty members and students. 90% of the earnings by the equity shall be utilized for development of R&D facilities and infrastructure in the department of the faculty applying.
- B. Equity against incubation will be as per Incubators Policy of the institute, if the Faculty Company is incubated at CIIE.
- C. In case the institute provides a loan to the company, Institute's rules will apply for its repayment/additional equity holding.

The founding faculty member(s) may be permitted to take sabbatical etc. for operating the company.

The money (in form of honorarium, salary or consultancy) paid to the founding members of the company will be counted entirely as income of the involved faculty members during the incubation period within the campus. After the company moves out of the campus, the faculty member may take long leave and work with the

company as per the existing rules of the institute or may earn in the form of consultancy as per the applicable rules of the institute.

#### **10. Resolution of conflicts**

In situations in which the objectivity of a faculty member could reasonably be questioned, the Principal may establish an independent committee to take steps including (but not limited to) the following: to review the appropriateness of the proposed research to be conducted at ECB, to oversee the conduct of the research, and to ensure open and timely dissemination of the research outcome.

The faculty may appeal to the Board of Governors of the institute for a review of the committee decisions. The decision of the Board, in this regard, would be final.

**Engineering College Bikaner (An autonomous Institute of Government of Rajasthan)**  
**Centre for Innovation, Incubation & Entrepreneurship (CIIE)**  
**Application Form**

To start/participate as Faculty in a Company as Faculty Entrepreneurship

Date: .....

A) Academic Information

(Separate form for each faculty involved in the Faculty Entrepreneurship activities)

1. Name of Faculty:
2. Department:
3. Emp. ID.:

4. Academic/Administrative Load on the Applicant:

- a. No of Research Students:
- b. No. of M.Tech Students:
- c. Research Projects/Consultancy Projects:
- d. Administrative:

5. Any other relevant academic information:

B) Enterprise related information:

- a. Name/Proposed Name of the Enterprise:
- b. Name, designation and address of all Faculty / Staff /students of the institute involved in this enterprise:
- c. Is the enterprise a start-up (expected date of incorporation):
- d. Already Existing (year of incorporation: \_\_\_\_\_)
- e. Is the structure other than a Private Limited Company?
- f. State Briefly the mission of the enterprise & the role of the Faculty in the Company: (add separate paper, if required)

6. Briefly summarize the activities you plan to carry out in the Enterprise. Please also attach a Copy of the Memorandum of Association & Articles

7. Are you, in this enterprise, planning to use knowledge /technology /intellectual property developed at the institute? If yes, then briefly describe the above, including the persons involved.

8. What is the planned equity structure/distribution of the Enterprise?

9. Please state the number of hours likely to be dedicated in Faculty Company a week

10. Please state, if there is any other information relevant to your Enterprise

Declaration: The activities of the Company are not in conflict with the interest of the institute and my participation in the company will not be in conflict of my assigned duties and responsibilities of the institute.

Signature (with date):

(Name of the Faculty)

Recommended & Forwarded by:

(Signature of Head of Department)

Approved by:

(Principal)

**Engineering College Bikaner (An Autonomous Institute of Government of Rajasthan)**  
**Centre for Innovation, Incubation & Entrepreneurship (CIIE)**  
**Faculty Entrepreneurship Response Form**

Date: .....

Name of the Faculty:

Department:

Name/Proposed of the Enterprise:

This is with reference to your application for the formation and participation in the proposed/existing company. We are pleased to inform you that the Principal has approved for the same subject to the following:

1. The proposed company will be incubated at CIIE at ECB. An incubation agreement will be signed between the Company and the ECB.
2. The company will sign an agreement with ECB for the terms of the engagement of the faculty in the Company.
3. The above-mentioned agreements will have to be signed within a months' time otherwise the approval for the said Faculty Entrepreneurship application would stand void and a fresh application would have to be moved for approval.
4. The faculty and the Company will strictly adhere to the norms of the institute and rules and restrictions as laid down in various paragraphs in the Faculty Entrepreneurship Policy.

These would include but are not limited to leave/consultancy rules and terms of employment in the institute.

Signature

Principal

**Engineering College Bikaner (An Autonomous Institute of Government of Rajasthan)**

**Centre for Innovation, Incubation & Entrepreneurship (CIE)**

**FACULTY ENTREPRENEURSHIP AGREEMENT**

This Agreement is made on this ..... day of ..... by and between....., a Company registered under the Companies Act 1956, having its registered office at .....through its Director and the promoters <Names>(hereinafter referred to as “.....” which expression shall include unless it be repugnant to the context or meaning thereof mean and include their successors, representatives, assigns, promoters, holding company) ..... FIRST PARTY

AND

Engineering College Bikaner (hereinafter ECB) ..... SECOND PARTY

WHEREAS ..... (First Party) is a company formed and one of the promoters is Prof./Dr..... a full-time employee of ECB. The Faculty Promoter has some technologies and is desirous to convert it into a business through ..... that is duly permitted as per the Faculty Entrepreneurship Policy (hereinafter FEP) framed by ECB.

WHEREAS the objective of the First Party shall be .....

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

- a) Objective: The Objective of the Agreement is to optimally use the ECB’s resources and infrastructure for mutual benefit, more specifically as per the Faculty Entrepreneurship Policy.
- b) Consideration: As consideration for allowing Prof./Dr.....to engage in Entrepreneurship, ..... the First Party shall pay to ECB a 1% Non- Dilutable Equity (as defined in Annexure 3) of the Total Promoter’s Shares at the time of signing this agreement and this shall be maintained at the option of ECB.
- c) Notwithstanding anything contrary herein, the Statute, Rules, Guidelines, Regulations, Faculty Entrepreneurship Policy and any regulations of Government of India as amended or introduced from time to time shall prevail over this Agreement. The permission to allow a faculty company as a Director, Promoter, Executive Director can be withdrawn by ECB at any point of time.
- d) The Company is required to submit to the Second Party the following reports: -
- e) Quarterly Financial Report as per the format given in Annexure 1
- f) Quarterly Activity Report as per the format given in Annexure 2
- g. Arbitration: Any/all disputes between the parties shall be referred for arbitration to the Principal ECB or person so nominated by him under the Indian Arbitration & Conciliation Act whose decision of the panel shall be final and binding upon the parties. The place of arbitration shall be Bikaner.

a) ECB reserves its right to nominate a representative on the Board of Director of the ..... First Party till the time ECB holds equity. .... First Party shall indemnify to ECB or nominee any loss suffered or expense incurred as a result of such nomination.

b) The infrastructure, lab and other resources used by the Company shall be as per the norms of ECB.

In witness whereof parties hereto have signed this Incubation Agreement on the date and year mentioned hereinbefore.

For & on behalf of ECB

For & on behalf of .....

Signature

Signature

Name

Name

Designation

Designation

Seal

Seal

Witness (Name & Address)

Witness (Name & Address)

1. ....

1. ....

2. ....

2. ....

Date .....

Date. ....

ANNEXURE 1

Quarterly Financial Information

<Name of the Company>

[Profit and Loss account from ..... to .....]

Name of Product/Service: .....

Total Revenue Rs.....

Total Expenses Rs.....

- Capital Rs.....
- Recurring Rs.....

Net Profit/Loss Rs.....

.....

Managing Director

Address: .....

.....

Date: .....

ANNEXURE 2

Quarterly Activity Report of

<Name of the Company>

Attach extra sheets where required

For the period from..... to .....

1. Contracts/MoU/Agreements Entered with: License/Assignment (Name, Address, Nature, Consideration)

Please attach a copy

2. Intellectual Property Generated:  
(Whether Patents, Design, Copyright)

Please attach a copy

If any student(s)/employee(s) is/are involved

3. New Product/Service:

4. Recent Clients:

4a. Details of contract/services provided to ECB:

5. Lab/Equipment of ECB used by the Company:

6. Student(s) of ECB employed in the Faculty Company:

- Name & Roll Number:
- Course/Department:
- Hours worked per month:

7. Any Employee of ECB employed:

- Name:
- Designation:
- Hours worked per month:

8. Any other facility(ies) of ECB used:

.....

Managing Director

Address: .....

.....

Date: .....

## ANNEXURE 3

**Clarification to the word “Non-Dilutable” appearing in Clause 4 of the Incubation Agreement.**

What is Non-dilutable?

This is clarified for the interests of the parties and to avoid any confusion or ambiguity. The Company and their Promoters agree to provide 10% shares of the “promoters’ holding” in the company free of cost and this shall be the duty of the promoters to maintain ECB’s 1 % equity of promoters’ shares till ECB decides to sell or give buy back option to the Company or promoters.

Who are Promoters (For the purpose of this agreement)?

Promoters are natural persons, including their close relatives and family members, who have formed the company and have signed the Articles of Association before the Registrar of Companies.

Method of valuation for Equity Disposal:

The method of maintaining the equity of ECB at the stipulated level and the mechanism for equity disposal are as follows:

- A) On a price as mutually agreed;
- B) On a price calculated by an expert so appointed with mutual consent
- C) In case the parties do not agree with the amount calculated through mode as given in A & B paras above the valuation shall be done on the basis of the expenditure incurred and/or the assets (tangible and intangible) generated. All expenditure incurred including salaries shall be compounded on a quarterly rest basis by a risk adjusted rate of return of 24%. This rate has been arrived keeping in general, that the expected rate of return in successful ventures are of order of 40-50%. The value of the company shall be treated as equal to this value. In case where the Director/promoter are working in the company without or nominal salary/remuneration, their contribution shall be calculated for this purpose as equivalent to the Total emoluments drawn on the date of valuation by the Faculty Promoter includes such emoluments like Basic, Dearness, House Rent Allowance and other allowances.

Illustration:

Suppose “A” and “B” form a Company “C”, here A & B are the promoters for the

purpose of calculation of 10% equity. Assuming that the paid-up capital of the C is 2,06,000 and authorized capital 5,00,000

with equity holding distribution given below:

Share-holding of Promoter "A" 10,000 Shares

Share-holding of Promoter "B" 10,000 Shares

1% of ECB's equity of Promoters (A+B) 200 Shares

Total 20,200 Shares

Case 1: Suppose a Venture Capitalist (VC) invests in the company against 25 % equity in the company. The structure of the shares holding will be:

Shareholding of VC 6,867 Shares

Shareholding of Promoter "A" 10,000 Shares

Shareholding of Promoter "B" 10,000 Shares

1% of ECB's equity of Promoters (A+B) 200 Shares

Total 27067 Shares

Equity holding of Promoters (A+B) remains same, so there is no requirement to give additional shares to ECB.

Case 2: Suppose Promoters increase their shares by 5000 by any mode like but not limited to issuing additional shares, bonus shares then ECB's equity will also be increased, without any consideration from ECB for the same this is to ensure that at all time the shares of ECB are equal to 1% of the equity of Promoters. However this condition shall apply only up-to a period of one year from the date of exit from SIIC

Shareholding of Promoter "A" and 'B' 25000 Shares

1% of ECB's equity of Promoters (A+B) 250 Shares

Total 25,250 Shares

*Please note that these hypothetical illustrations are only for the purpose of Clarification and should not be construed as actual which may be different from these figures.*

I/We wish to apply for patent on the following invention:

1. Title of invention:

2. Name of inventor(s):

(Including external person/organization)

Inventor: Name \_\_\_\_\_

Designation \_\_\_\_\_

Department \_\_\_\_\_

Phone/Fax/email \_\_\_\_\_

Address \_\_\_\_\_

Inventor: Name \_\_\_\_\_

Designation \_\_\_\_\_

Department \_\_\_\_\_

Phone/Fax/e-mail \_\_\_\_\_

Address \_\_\_\_\_

Inventor: Name \_\_\_\_\_

Designation \_\_\_\_\_

Department \_\_\_\_\_

Phone/Fax/e-mail \_\_\_\_\_

Address \_\_\_\_\_

Inventor: Name \_\_\_\_\_

Designation \_\_\_\_\_

Department \_\_\_\_\_

Phone/Fax/e-mail \_\_\_\_\_

Address \_\_\_\_\_

(Please add additional names if needed)

3. Date of start of R&D work :

4. Development Stage:

In your opinion which of the three best describes the current stage of development of the invention as it relates to its marketability (indicate appropriate response):

Embryonic (needs substantial work to bring market)

Partially developed (could be brought to market with significant investment)

Off-the-shelf (could be brought to market with nominal investment)

5. IP Generated from (Tick one):

In house R&D/ Sponsored R&D/ Collaborative /Other viz. Consultancy, Testing etc.

i. Details of source of funding :

- ii. Details of permission received from funding agency, if needed, for patenting:
- iii. Details of ECB infrastructure used:
- iv. Details & extent of contribution of Departmental lab (consumables/non-consumables used):
- v. Details of manpower utilized including contribution of faculty, staff & officers, if any:

6. Type of patent specification: Initial/Final (i.e. Provisional/Complete)  
 7. Short write up on the Patent along with complete specifications and diagrams (to be enclosed).

Please use additional sheets for sketches, drawing, photographs and other materials, which helps to illustrate the description. (In describing the technology, please provide if possible, information covering the following points:

- a. The general purpose
- b. A technical description
- c. The advantages and improvements over the existing methods, devices or materials
- d. The problem for which solution was researched
- e. The invention namely the solution to the problem

8. Has the invention been tested experimentally? Are experimental data available?  
 9. Was the intellectual property created in the course of or pursuant to a sponsored/consultancy research agreement with ECB? If yes please enclose a copy of MoU with a concerned project.

10. Revenue Sharing among Inventors:

Please disclose the extent of contribution of each inventor in the invention in percentage terms for revenue sharing.

NAME OF THE INVENTOR	% SHARE*	SIGNATURE
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11. Certified that

- i) I/We hereby declare that all statements made herein of my/our own knowledge are true and that all statements are believed to be true [to be signed by all inventors].
- ii) The subject matter of this invention has not been published or presented.
- iii) No one who has contributed to the invention has been excluded from the inventor(s) team.
- iv) The inventor(s) will provide further information and clarification as and when needed (Please provide details of any patent (s) filed earlier through the Institute or personally).

Name of the inventor(s) Signature of inventor(s) with date

(Including external person/organization)

.....  
 .....  
 .....  
 .....  
 .....

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.....

**For office use of CIIE**

Date of receipt of proposal:

Date of notification for objection:

Date of resolve of objection, if any:

Recommended by Technical Evaluation Committee (TEC) for filing the patent application.

(Member 1) (Member 2) (Member 3) (Member 4)

HOC, CIIE

Principal

**Engineering College Bikaner (An Autonomous Institute of Government of Rajasthan)**  
**Centre for Innovation, Incubation & Entrepreneurship (CIE)**  
**INTELLECTUAL PROPERTY POLICY DOCUMENT**

This document defines the Policy and the Procedures for Intellectual Property filing, ownership, Licensing and Research of Engineering College Bikaner (herein ECB) and is applicable to all employees full-time/part-time and students. The document may be used as guidelines to enter into Research agreements, Consultancy, NDA and other Agreements with external/funding agencies.

#### 1. DEFINITIONS

The terms used in the policy shall be interpreted as understood in their ordinary dictionary meaning unless defined herein:

1.1 INSTITUTE: Institute shall mean Engineering College Bikaner.

1.2 PRINCIPAL: means the Principal of ECB.

1.3 INTELLECTUAL PROPERTY EVALUATION COMMITTEE (IPEC): The Committee approved by the Principal, ECB to evaluate an invention on the applicable criteria, identifies inventors and ownership.

1.4 INTELLECTUAL PROPERTY DISCLOSURE FORM (IPDF): The form specified by the Institute needs to be filled by the applicant to disclose the desired information about their IP.

1.5 APPLICABILITY: This IP Policy shall be applicable to all employees, including faculty members, students and also persons engaged in sponsored schemes and projects, and any other initiatives of the Institute as well as visiting scientists/ professors/ personnel who participate in the research/project work being carried out at the Institute.

1.6 ECB PERSONNEL: ECB Personnel shall include ECB faculty whether permanent or visiting/temporary/contractual faculty), staff (including research & project staff), students, interns who may be students of other institutes and are doing projects.

1.7 INTELLECTUAL PROPERTY (IP): shall include all Confidential information, Patents, Designs, process, Copyrights, algorithms, apparatus, circuit designs and assemblies, concepts, data, databases and data collections, designs, diagrams, documentation, drawings, flow charts, formulae, gate arrays, ideas and inventions (whether or not patentable or reduced to practice), know-how, materials, marketing and development plans, marks (including registered and unregistered trademarks and service marks, brand names, product names, logos, and slogans), methods, models, net lists, network

configurations and architectures, photo masks, procedures, processes, systems, architecture, instructions, protocols, schematics, semiconductor devices, software code (in any form including source code and executable or object code), specifications, subroutines, techniques, test vectors, tools, uniform resource identifiers, user interfaces, websites, works of authorship, and other forms of technology.

1.8 CONFIDENTIAL INFORMATION: Confidential Information is information not in the public domain and declared confidential by parties as such in an MOU/Agreement that has been signed by the parties.

1.9 CREATORS/INVENTORS: Inventors or Creators are persons who have produced any original work.

1.10 INTELLECTUAL CONTRIBUTION: Intellectual Contribution means participating in the inventive step or proposing solutions in the Intellectual Property that did not exist in the prior-art as on date.

1.11 INVENTION: Invention includes but is not limited to any new and useful process, formula or the machine conceived or first reduced to practice in whole or in part, defined within the purview of the specific Statute as applicable.

1.12 LICENSING: Licensing includes renting the intellectual property to a third party against valuable monetary consideration.

1.13 NET EARNINGS: Net Earnings are the earnings resulting from the licensing or commercialization of the IP reduced by the outstanding actual expenses incurred in obtaining and commercialization of the IP.

1.14 LICENSE FEE OR ROYALTY: License fee or Royalty is the payment made to an inventor/author or an institution usually for legal use of a patented invention or any Intellectual Property when licensed.

1.15 TRADE SECRET: Trade Secret includes some information such as know-how of commercial or strategic value that is not disclosed to all and is used in a restricted manner.

## 2. INTELLECTUAL PROPERTY OWNERSHIP

### 2.1 ECB Ownership

Intellectual property of any kind created by faculty, students, staff, project staff, visitors and others, such as trainees from other institutes, participating in ECB programs or using ECB funds or facilities or with help/collaboration of the faculty, are owned by ECB when either of the following applies:

- a) The intellectual property was created with the significant use of funds or facilities administered by the ECB.
- b) The intellectual property was created either as a part of the normal professional duty or work for hire.
- c) The intellectual property was created in the course of or pursuant to a sponsored/consultancy research agreement with ECB. In such cases, specific provisions related to IP made in contracts governing such activity will determine the ownership of IP.

d) The intellectual property was created as a part of academic research and training leading towards a degree or otherwise (e.g. Project Courses).

e) The terms 'significant use of funds and facilities' and 'faculty collaboration' are context specific and shall be defined by the Intellectual Property Evaluation Committee on a case-to-case basis. Some examples are:

Example-1: If a faculty or student writes a book just using the Internet and computing facility of the Institute then the same shall be considered as "not significant use".

Example-2: If a faculty or student develops a software using the Internet and computing facility of the Institute then the same shall be considered as "significant use". As IP in the area of Information Technology can be generated merely using computational facilities thus use of space, physical resources & computing facilities and are considered to be significant use of funds and facilities for the purpose of ownership of IP so generated.

f) In all cases even if IP generated by ECB personnel is created not using funds and facilities of ECB, a No-Objection Certificate from ECB is required to use such IP for commercial purpose.

g) All ECB personnel shall inform ECB about any and all IP so generated, even in cases wherein the person is on leave and is getting salary.

h) However in cases, wherein there is a Contract or agreement defining the IP ownership the same shall prevail over this IP Policy.

2.2 All copyrights, including copyrighted software will be owned by ECB when it is created as a part of any of the academic programs and research at ECB or created pursuant to a written agreement with ECB, providing for transfer of copyright or ownership to ECB.

### 3. POLICY FOR STUDENT OR FACULTY PROMOTED START-UP

3.1 In cases where a student is creator or inventor of the IP, then ECB may grant a non-exclusive license for commercialization.

3.2 ECB may waive off the requirement of up-front payment of royalty for such start-up based on the request.

3.3 In cases where there are other creators or inventors of IP then a 'No Objection' shall be required before the non-exclusive license is granted to such start-up.

3.4 In cases where a student is not the creator or inventor of the IP, then ECB may grant a non-exclusive license for commercialization without up-front payment upon receiving the 'No Objection' from the creator(s) or inventor(s).

3.5 Royalty/License Fee by the Student or Faculty promoted Start-up: In case the start-up is not in a position to pay money up-front the Institute may defer such payment upon request from such start-up. 90% of the earnings obtained in such a manner will be transferred to the department of the concerned faculty. The transferred funds will be utilized to develop new R&D facilities and improve the infrastructure in that department. The institute may adopt following revenue sharing mechanism:

Case	Total sales	Percentage thereof
1.	Not exceeding 50 lakhs (INR)	NIL
2.	Above 50 Lakhs Less than 1 Crore	0.40 %
3.	Above 1 crore Less than 2 Crore	0.80 %
4.	Above 2 crore Less than 5 Crore	1.20 %
5.	Above 5 crore Less than 10 Crore	1.60 %
6.	Above 10 crore	2.00 %

#### 4. THIRD-PARTY OWNERSHIP

##### 4.1 Ownership of intellectual property resulting from:

a) Research projects or consultancy projects wherein the funds are provided partially or fully by a third-party to ECB will be governed by specific provisions in the contract between the third-party and ECB. The terms of which can be one of the following:

- i. Open IP, wherein is owned by ECB while the third-party is given a license to use for commercial purpose
- ii. Joint IP, wherein IP is jointly owned with the third-party.
- iii. Exclusive IP, wherein the IP is owned by the third-party commissioning the research, however, ECB has right to use for teaching, research and internal use.
- iv. Existing IP, wherein the IP is already developed and is owned by ECB.

b) Co-creation wherein ECB may enter into an agreement to generate new IP that is not yet existing, and ECB may accept equity in such company in lieu of cash consideration. The IP so generated in co-creation model may be governed by clause 4.1. (a)

c) Exchange programs between ECB and other institutions will be governed by specific provisions in the contract between the parties.

4.2 In cases where the entire IP is generated at ECB and licensed to a third party, ECB shall retain a non-exclusive, free, irrevocable license to use the IP for teaching and research activities, consistent with confidentiality agreements wherever entered by ECB.

4.3 In cases where an IP is created by ECB personnel, fully or as a part of the team, during deputation, official leave, the concerned ECB personnel should officially communicate the IP to ECB. The ownership of such IP shall be decided by ECB on a case-to-case basis.

#### 5. DISCLOSURES, CONFIDENTIALITY AND ASSIGNMENT OF RIGHTS

5.1 For all IP created at ECB, the inventors will be required to disclose their IP to the IPEC (Intellectual Property Evaluation Committee) within 1 month of completion of project / research work / thesis as per format provided (Intellectual Property Disclosure Form).

5.2 It will be mandatory for students to submit a PDF, countersigned by their supervisor(s), at the time of filing their B.Tech. Report, M.Tech. and PhD theses. In case the inventors feel that invention does not qualify patentability criteria then the Institute may waive this mandatory submission.

5.3 The inventor shall assign the rights of the disclosed IP to ECB before leaving the institute and will agree to the terms and conditions for the sharing of any financial benefits received by the Institute by commercialization of such IP.

5.4 Having made the disclosure, the inventors, both ECB and non-ECB personnel, shall maintain confidentiality of the IP during the period it is pending for the assessment of the possibility of commercialization and protection of IP, unless authorized in writing by ECB.

## 6. EVALUATION OF INTELLECTUAL PROPERTY

6.1 Evaluation of Intellectual Property will be done by the IPEC (Intellectual Property Evaluation Committee) constituted by the Principal

6.2 Evaluation of IP means:

- a) Determining ownership of IP and who made the intellectual contribution.
- b) Determining whether an IP is innovative and qualifies the eligibility so given under respective statute in India or foreign countries.
- c) Determining whether the IP has a reasonable chance for commercialization.

6.3 After evaluation of IP, if ECB decides not to take the responsibility for the protection of the IP, then it will assign all the rights of the IP to the inventors.

6.4 A decision on the annual renewal of IP rights will be taken by the IPEC. If the ECB decides not to renew the IP, fully or partially, then it will assign the rights of the IP, wherever relevant, to the “inventors.”

6.5 The IP filing will be a single step and shall be filed after the inventor(s) submit a signed IPDF and the Principal gets the approval from the competent authority.

## 7. MOUS, CONTRACTS AND AGREEMENTS

All agreements related to IP undertaken by any ECB personnel, including, but not limited to the following categories, need to be approved by the institute:

- 7.1 Allegiance, Affirmation and Confidentiality Agreement
- 7.2 Consultancy Agreement
- 7.3 Joint Research Agreement
- 7.4 License Agreement
- 7.5 Alternative Dispute Resolution Agreement
- 7.6 Classified Information Non-Disclosure (specific) Agreement

The principal, or a person duly authorized will be the authorized signatory in all categories of agreements listed above.

## 8. COMMERCIALIZATION

8.1 ECB shall market the IP and identify potential licensee(s) for the IP to which it (i) has ownership and (ii) for which rights have been assigned to it.

8.2 For the IP where exclusive rights have not already been assigned to a third party, the creators may also contact potential licensee(s) on their initiative, maintaining confidentiality and taking all necessary care to ensure that the value of the IP is not affected.

## 9. COST OF IP FILING AND REVENUE SHARING

9.1 ECB shall bear all the Cost of IP filing and maintenance.

9.2 The net earnings from the commercialization of IP owned by ECB would be shared with the inventors in following ratios:

<b>Revenue</b>	<b>ECB's share</b>	<b>Inventor's share</b>
1 crore or less	5 %	95 %
1 crore - 5 crore	7.5 %	92.5 %
Above 5 crore	10 %	90 %

9.3 The creator(s) share would be declared annually and disbursement will be made to the creator(s), their legal heir, whether or not the creators are associated with ECB at the time of disbursement.

9.4 Co-creators of IP shall sign at the time of disclosure, a distribution of IP Earnings' Agreement, which shall specify the percentage distribution of earnings from IP to each co-inventor. The inventors may at any time by mutual consent revise the Distribution of IP Earnings Agreement.

## 10. INFRINGEMENTS, DAMAGES, LIABILITY AND INDEMNITY INSURANCE

10.1 ECB shall, in any contract between the licensee and ECB, seek indemnity from any legal proceedings including without limitation manufacturing defects, production problems, design guarantee, up-gradation and debugging obligation. Suitable disclaimers absolving the Institute of such liability in all Agreements.

10.2 ECB shall also ensure that ECB employees have an indemnity clause built-into the agreements with licensee(s) while transferring technology or copyrighted material to licensees.

10.3 ECB shall retain the right to engage or not to engage in any litigation or legal action concerning patents and license infringements.

10.4 Indemnity: The Institute shall not indemnify any third party for any loss or damage on account of using IP or invention or Technology developed in the Institute. In case the licensee demands such a clause, the Institute shall take adequate insurance policy to cover loss or damage of such personnel and/or property.

10.5 Technology Disclaimer Absolving Liability: All the Technology, Patent, Intellectual Property, invention developed at the Institute shall be transferred on an as-is-where-is basis with no liability (including Monetary liability) to the Institute on the merchantability or feasibility of such deliverables. The Institute shall communicate to the licensee to ensure testing and trial before commercial launch.

#### 11. CONFLICT OF INTEREST

The inventor(s) are required to disclose any conflict of interest or potential conflict of interest. If the inventor(s) and/or their immediate family have a stake in a licensee or potential licensee company then they are required to disclose the stake they and/or their immediate family have in the company. Under these circumstances, it must be ensured by the inventor(s) that their entrepreneurial activities do not have an adverse impact on inventor(s) teaching, research and any other institutional responsibilities.

#### 12. DISPUTE RESOLUTION

In case of any disputes between or with the inventors regarding the implementation of the IP policy, the aggrieved party may approach the Dean and finally appeal to the Principal of ECB. Efforts shall be made to address the concerns of the aggrieved party. The principal may constitute a fact finding committee, the committee shall adduce all evidence and give its recommendations on the points of dispute. The Principal's decision in this regard would be final and binding.

#### 13. JURISDICTION

All the agreements to be signed by ECB will have the jurisdiction of the Civil Courts at Bikaner and shall be governed by appropriate laws in India. The Institute may consider including Arbitration clause and UNCITRAL rules in case of international technology licensing.

#### 14. SCHEME FOR STUDENTS

IP filing can be an important experience in students' professional development as it presents an opportunity to acquaint themselves with the language that industry speaks. Also, it is expected that incentives to students will bolster institute's efforts to create IP culture. Therefore, ECB shall in principle promote students' in filing IP by extending monetary support. Student IP is the IP wherein student(s) are sole creator of the IP.

The steps relating to filing of IP by the students shall be as follows:

1. All the IP generated by the students solely like but not limited to IP, UR, IS, BTP, MTP, course project, etc. shall be entitled for filing under the scheme after taking permission from the advisor/supervisor.
2. The student shall take prior approval from their adviser, thereafter the student can file the IPDF and process the IP for filing. If the adviser's contribution is minor, the same shall be eligible for filing under the student scheme.
3. In case the adviser has substantial contribution then the IP will be jointly owned and the rules governing regular filing shall apply including prior agreement on sharing of revenue between themselves.
4. The Institute shall bear the entire cost of such IP.
5. In such a student-led IP shall be shared equally with ECB (50% each).

### AGREEMENT DEED

This agreement is made on this \_\_\_\_\_ day of \_\_\_\_\_

BETWEEN

\_\_\_\_\_, a company registered under the Companies Act 1956, having its registered office at \_\_\_\_\_ through its Director and promoters \_\_\_\_\_ (hereinafter referred to as 'the company' which expression shall, unless repugnant to the context or inconsistent with the meaning thereof, mean and include its successors, representatives, assigns etc.) of the first part;

AND

Engineering College Bikaner, through its Principal or his representative, in his stead (hereinafter referred to as 'the ECB' which expression shall, unless repugnant to the context or inconsistent with the meaning thereof, mean and include its representatives, assigns etc.) of the second part.

WHEREAS, ECB has established a Centre for Innovation, Incubation & Entrepreneurship (CIIE) with a mission to foster successful entrepreneurs and develop industry in the Knowledge and Technology based area.

AND WHEREAS, the Company has entered into an agreement with the ECB by means of an agreement signed between the parties on \_\_\_\_\_ for the purpose of incubation and developing the company, represented by the first party, to become a successful entrepreneur. A copy of the said agreement is annexed hereto as Exhibit A to this agreement.

AND WHEREAS, the Company, in the process of incubation and developing into a successful enterprise, is desirous of obtaining 'Seed Money Loan' from the ECB for an amount of Rs.

\_\_\_\_\_ (Rupees \_\_\_\_\_ only) and ECB has agreed to provide the said amount being 'Seed Money Loan', on the terms and conditions mentioned hereinafter and agreed to by the Company. The company in its Meeting of the Board of Directors held on ..... has duly authorized the company to seek the said loan from ECB and has authorized its Managing Director \_\_\_\_\_ to execute all the documents and do all that is necessary to obtain the said "Seed Money Loan."

AND WHEREAS, The ECB shall, unless the context otherwise requires, be represented by SIDBI Innovation & Incubation Centre (CIIE) for the purposes of this agreement

#### ARTICLE -1 CONDITIONS NECESSARY TO DISBURSEMENT OF THE LOAN

1.1 It shall be the liability and responsibility of the Company to mobilize the pre-incorporation expenses and minimum paid-up capital, as required by ECB.

1.2 The Company has agreed that entire seed capital shall be used solely for the purpose of the project, as mentioned in the Loan Application and not for any other purpose. ECB shall have the power to ensure proper end use of funds and in the event that it is found that the end use of the Loan is contrary to the terms / conditions of this agreement or the loan application the loan may be recalled prematurely by ECB.

1.3 The Company shall involve at least one member of ECB faculty as \_\_\_\_\_ with the company. In the event that the faculty member dissociates himself from the company due to drawbacks on account of the promoters / directors / members of the company or for any other reasons, then ECB shall have the option of recalling the loan prematurely.

## ARTICLE – 2 MODE OF DISBURSEMENT OF LOAN

- 2.1 The disbursement schedule, as agreed between the parties is mentioned in Schedule-1 to the agreement.
- 2.2 The total cumulative loan amount disbursed to the company shall in no case be more than five times the paid-up capital of the company, (paid up in cash), at the time of disbursement of a loan installment. Paid up capital allotted in kind shall not be considered.
- 2.3 The loan shall be disbursed/released as per the Schedule-1 (disbursement schedule) limited till the period of incubation i.e. Rs. \_\_\_\_\_ till \_\_\_\_\_ 20..... Further loan installments shall be disbursed only if the period of incubation is extended by ECB, as per its incubation policy.
- 2.4 Notwithstanding anything contrary contained herein all dues payable by the company to CIIE or ECB shall be deducted from the sanctioned Seed Money Loan and balance amount, if any shall be disbursed to the company

## ARTICLE – 3: REPAYMENT OF THE LOAN AND INTEREST

- 3.1 The Interest on Seed Capital loan shall be levied at \_\_\_\_\_ Simple Interest. (The Interest rate is calculated as per the Prime lending rate of State Bank of India \_\_\_\_% less \_\_\_\_% on the date of Sanction \_\_\_\_\_). The Interest rate remains fixed for the tenure of loan. The Interest shall be payable monthly on the balance outstanding at the end of the previous month along with the installment of principal repayment.
- 3.2 The repayment of principal and interest shall have a moratorium period of 18 months from the first installment disbursement of the loan. The repayment shall commence from the nineteenth month.
- 3.3 The simple interest on the loan disbursed shall be applied @ \_\_\_\_\_ %per annum from the date of disbursement of each installment and shall be aggregated with the loan amount; the amount so determined shall be the principal amount that will have to be repaid as per the repayment schedule. Any delay in the repayment of installments as given in the Schedule of repayment shall be subject to a penal interest @ \_\_\_\_\_ % per month.
- 3.4 The Company shall repay the principal amount of the Loan strictly in accordance with the Repayment Schedule. The repayment schedule is appended in Schedule-2 to this agreement.
- 3.5 Notwithstanding the above, if the Company decides to exit from the incubation before the specified period, the Company undertakes to repay the entire loan and interest due thereon prior to the exit from the incubation centre.
- 3.6 If the Company raises loans from other lenders/ financial institutions, repayment of such other loans shall commence only after the repayment of the Seed Capital Loan obtained by the Company pursuant to this agreement and interest due thereon.
- 3.7 NOTWITHSTANDING anything contrary contained herein, the incubate company shall issue liability free and fully paid-up equity shares, in favour of ECB, on prorata basis of 4% equity against 5 lakhs of seed capital sanctioned, as guarantee of seed-capital amount. Subsequently after the company utilizes the seed-capital or its exit from the incubation centre, whichever is earlier, ECB shall compute the equity to be retained in accordance with repayment option selected together with any outstanding unpaid amount against incubation including seed capital and transfer the balance equity back to the incubate company. Once the company repays the entire seed capital amount ECB shall transfer shares taken as guarantee, back to the company.

## ARTICLE – 4: SECURITY

ECB shall at all times hold a lien on all the tangible and intangible assets (IPR, Patent, Trademark, etc.) of the Company till such time that the Loan is fully repaid by the Company. As additional security, the promoters / directors / members of the Company shall stand guarantee in their personal capacity for repayment of the seed capital loan in full by executing a Bond of Guarantee at the time of executing the agreement of loan.

4.1 The company shall ensure that a charge over the tangible and intangible assets is registered with the Registrar of Companies in favour of ECB prior to the release of the first installment of the loan.

4.2 In the event that the Company raises loans from other financial institutions or any other agency by securing its assets, the charge created in favour of ECB shall be a First Charge over the tangible and intangible assets of the company. Loans from other financial institutions or any other agency can be given Second Charge over the tangible and intangible assets of the company.

## ARTICLE – 5: COVENANTS

### 5.1 Particular affirmative covenants

(a) The Company shall utilize the entire loan only for the purposes as mentioned in the Loan Application, described in Schedule-3 to this agreement.

(b) The Company shall maintain an asset register of assets procured from the loan.

(c) The Company shall ensure that the physical progress of the project as well as the expenditure incurred on the project is as per the original schedule. To this end, the Company agrees to submit information to the ECB on quarterly basis in a format as may be prescribed by ECB, and such other information and data as may be required by the ECB from time to time.

(d) The Company hereby undertakes to submit information to the ECB about all material changes or developments taking place in their companies from time to time such as (but not limited to) change in name, fund raised from any third party, company, change in project or product profile, change in directors or promoters, acquisition of a new office etc. The ECB has the right to require the Company to seek its prior approval wherever necessary and to stipulate such additional conditions as the ECB in its absolute discretion deem fit for effecting any change as stated herein above.

(e) The company will submit audited annual accounts / Directors reports etc. to the ECB within a period of seven days from the approval of the account at the company's Annual General Meeting or positively by 30th, September of each year, whichever occurs earlier.

(f) The Company shall submit a utilization certificate of Loan installments already granted from a Chartered Accountant before approaching for release of subsequent installments. The Company shall also submit unaudited quarterly Balance Sheet, Profit & Loss Account and Cash flow statements to ECB within one month of the end of the quarter. ECB reserves the right to get the documents so submitted verified by its own chartered accountant. In such a case the company shall fully cooperate with the Chartered Accountant of ECB in providing to them / giving access to them all books of accounts, vouchers, registers, bills invoices over the tangible and intangible assets of the company.

(g) The Coordinator, CIIE will be inducted on the board of the Incubate Company by passing a board resolution a copy of which will be submitted to CIIE, ECB for the purpose of records. The tenure of the Coordinator, CIIE on the board of the Incubate Company will be till such time that the seed capital is repaid by the said Incubate Company.

## 5.2 Negative covenants

(a) The Company shall not utilize the loan for:

- I. Repayment of dues of promoters and their associates ,
- II. Repayment of loan from any other source nor for payment of interest on the loan borrowed from such other source,
- III. For extending loans to promoters, their associates
- IV. For making any inter corporate deposits or any speculative purpose,
- V. Personal benefit of promoters or their association.

(b) The Company agrees that the ECB shall have the right to review or cancel the undisbursed portion of the Seed Capital Loan subject to the performance of the Company. Further, if, as a result of such review, the ECB determines that the Incubatee has not progressed or is unlikely to progress in its performance, the ECB shall have a right to revise the terms of sanction and stipulate such additional condition as the ECB in its absolute discretion deem fit and require the Company to take such measures as may be stipulated by the ECB.

(c) The Company agrees that non-compliance of the above terms and conditions may invite a legal action from the ECB and may force the Company to exit from the incubation centre.

## ARTICLE – 6: REMEDIES AVAILABLE TO ECB

If one or more of the events specified in this article (here in after called “events of default”) shall have happened then the ECB by a return notice to the company may declare the entire Seed Money Loan given and all accrued interest on the loan that may be payable by the company under or on terms of this agreement and/ or any other agreements, or documents subsisting between the company and the ECB as well as all other charges and dues to be due and upon such declaration the same shall become due and payable forthwith, notwithstanding anything to the contrary in this agreement or any other agreement (s) or document (s).

### 6.1: Events of default

(a) Payment of Dues.

Default shall have occurred in repayment of principal amount and interest thereon and on payment of any other amount due and payable to ECB in terms of this agreement and /or in terms of any other agreement (s) or document (s) that may be subsisting or that may be executed between the Company and the ECB here after.

(b) Performance of Covenants.

Default shall have occurred in performance of any other covenants, conditions and agreements on the part of the company under this agreement or any other agreement (s) between the company and ECB in respect of this loan and for any other loan and such default shall have continued over the period of 30 days after notice thereof shall have been given to the company by ECB.

(c) Supply of Misleading Information.

Any information given by the company prior to or during the course of incubation & interaction with the ECB under this or any other agreement is found to be misleading or incorrect in any material respect.

(d) Inability to Pay Loan.

If there is reasonable apprehension that the borrower is unable to pay his dues or proceeding for taking him into insolvency has been commenced.

(e) Sale or disposal of Property.

If the company's properties on which the ECB has lien is sold, disposed of, changed, encumbered or alienated.

(f) Attachment or restraint on Property.

If an attachment or restraint is levied on the property or any part thereof and/or recovery certificate proceedings are taken or commenced for recovery of any dues from the Company.

(g) Failure to furnish information/documents.

If the Company fails to furnish information/documents as required by ECB under the provisions of this agreement.

## 6.2 Bankruptcy or Insolvency

If the Company shall become bankrupt or insolvent, the principal and all accrued interest on the loan and any other dues shall thereupon become due and payable forthwith and may be recovered by possessing and disposing off the assets of the company on which ECB holds lien, anything in this Agreement to the contrary notwithstanding.

## 6.3 Notice to ECB on the Happening of an Event of Default

If any event of default or any event which, after the notice or lapse of time or both would constitute an event of default shall have happened, the Company shall forthwith give ECB notice thereof in writing specifying such event of default, or such event.

## 6.4 Expenses of Preservation of Assets of the Company and of Collection:

All costs incurred by ECB after an event of default having occurred in connection with:

- (i) Preservation of the Company's assets (whether now or hereafter existing);
- (ii) Collection of amounts due under this Agreement
- (iii) Legal or any other expenses incurred in recovering the amount outstanding and interest thereon, or
- (iv) Expenses of any kind incurred in this context shall be recovered from the Company or its promoters and reimbursed to ECB.

## 6.5 Issue of certificates

ECB may issue any certificate as regards payment of any amounts paid by the Company to ECB in terms of this Agreement only if the Company has paid all amounts due under the Agreement to ECB and the Company has complied with all the terms of this Agreement.

## 6.6 Communication with third party

In the event of default ECB shall be entitled to communicate, in any manner it may deem fit, to or with any person or persons with a view to receiving assistance of such person or persons in recovering the defaulted amounts. Also, representatives of the ECB shall be entitled to visit the property and/or any place of work of the Company.

#### ARTICLE - 7: WAIVER

##### 7.1 Waiver not to impair the Rights of ECB

No delay in exercising or omission to exercise, any right, power or remedy accruing to ECB upon any default under this Agreement or any other Agreement or document shall impair any such right, power or remedy or shall be construed to be a waiver thereof or any acquiescence in such default; nor shall the action or inaction of ECB in respect of any default or any acquiescence by it in any default, affect or impair any right, power or remedy of ECB in respect of any other default.

#### ARTICLE – 8: MISCELLANEOUS

##### 8.1 Modification/Alteration of the Agreement

The terms of this agreement can be modified/ altered in writing under signatures of respective representatives from the ECB and the Company.

##### 8.2 Resolution of Disputes and Differences

In case of dispute or differences arising in connection with this Agreement, the parties hereto shall refer the subject matter of contention for a compulsory arbitration before the arbitrator appointed by the Principal, ECB whose decision shall be final and binding on both the parties. The arbitrator shall issue notice to either parties listing the matters of disputes and invite relevant evidence and submissions and give his decision based on the written submissions of the parties. The place of the arbitration shall be Bikaner and the principle of equity, faith and good conscience shall apply.

##### 8.3 Applicable Law :

This agreement shall be governed by the laws of India.

##### 8.4 Schedules and Exhibits:

The following documents are Schedules and Exhibits to this Agreement and incorporated by reference:

Schedule – 1: The disbursement schedule as mutually agreed by the parties.

Schedule - 2: Repayment Schedule & Project Management Committee guidelines containing payment option in Company's letter dated \_\_\_\_\_ exercising the option-.....

Schedule - 3: Loan Application of the Company

Schedule – 4: Board resolution of \_\_\_\_\_.

Exhibit –A: Agreement Deed dated \_\_\_\_\_ between the Company and the ECB. In witness whereof parties hereto have signed this agreement on the date and year mentioned hereinbefore.

For & on behalf of

For & on behalf of ECB

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Signature

Name:

Name

Designation: MANAGING DIRECTOR  
Seal

Designation  
Seal

Witness (Name & Address)

1. ....

2. ....

Date .....

Witness (Name & Address)

1. ....

2. ....

Date .....

**Schedule – 1**

Disbursement Plan

1. The \_\_\_\_\_ will be given a total seed fund of Rs. -----subject to following:
  - a. The disbursements will be made for the monthly expenses of the company as given below.
  - b. A total loan of Rs. \_\_\_\_\_ will be disbursed to the company for the expenses up to.....
  - c. Disbursement of loan for expenses in the month of ..... 20... and onwards will be subject to the extension of the incubation period of the company, which is ending in the month on ..... of ..... 20...
2. In no case the loan disbursement will be made for the expenses beyond incubation period.

**Schedule – 2**

### Repayment of Loan and Interest

1. The Loan Amount as calculated on the option \_\_\_\_ chosen by \_\_\_\_\_  
\_\_\_\_\_ plus interest for the moratorium period of 18 months (calculated on a simple interest as given in the Options) would be paid back with such simple interest annually calculated at monthly rests, for the tenure of the loan. The loan amount along with interest will be repaid in 36 EMIs (Equated Monthly Installments).
2. The repayment will start:
  - a. After 18 months from the date of first disbursement of loan or
  - b. As soon as the company makes operating profits and is in a position to service the loan, whichever is earlier.
3. Any default of EMI would be subject to a further penal interest @\_\_\_\_\_ % per annum for the period of default of payment of EMI.
4. The payment criteria for interest and principle as per the Option-..... chosen by the \_\_\_\_\_ vide letter dated ....., which is detailed in Terms of financial support placed as Annexure- I.

### Annexure – I

#### Terms of financial support

Following are the options in view of the rate of interest, loan and equity components, repayment criteria etc.:

#### 1. Option – I:

Full amount would be paid back with an interest, which will be Prime Lending Rate (PLR) of State Bank of India (on the date of sanction) less 4% and remains fixed for the tenure of the loan. The loan amount along with interest will be repaid in 36 EMIs (Equal Monthly Installments) and the repayment will start after 18 months from the date of first disbursement of loan.

#### 2. Option – II:

- a. 50% of the total seed fund sanctioned will be interest free loan, repayment of which would start after 18 months from the date of first disbursement of loan. The component will be repaid in 36 EMIs.
- b. 50% of the total seed fund sanctioned would be convertible into equity (@ 4% equity against loan up to Rs. 5 lakhs) at par.

#### 3. Option – III

- a. 75% of the total seed fund sanctioned will be a loan and will be repaid back with an interest of PLR less 6%. The loan amount along with interests will be repaid in 36 EMIs (Equal Monthly Instalments) and the repayment will start after 18 months from the date of first disbursement of loan.
- b. 25% of the seed fund sanctioned would be convertible into equity (@ 2% equity against loan up to Rs. 5 lakhs) at par. The company would have the option to choose any one of the options stated above and communicate to CIIE in writing. Once the option is chosen and communicated by the company, in

no case it can be changed. In case of default payment, the entire loan amount will be converted into equity of 25% at par. In addition to the nominee director from ECB against the incubation equity, there shall be one more nominee director from ECB for the equity against seed fund disbursed.

### Terms of Repayment

Place: \_\_\_\_\_ Date : \_\_\_\_\_ ( Day) (Month) (Year) of loan agreement

Rate of Interest (Tick, whichever is applicable)

1. SBI PLR as on the date of Sanction less 4% (Option I)
2. Nil Rate of Interest (Option II)
3. SBI PLR as on the date of Sanction less 6% (Option III)

Name of the Borrowers

\_\_\_\_\_

\_\_\_\_\_

Address of the Borrowers

\_\_\_\_\_

\_\_\_\_\_

Amount of Loan

Rs. \_\_\_\_\_ (Rupees) \_\_\_\_\_ only)

Interest

- a) SBI PLR : \_\_\_\_\_ % p.a. (as on the date of Sanction).(PLR notice attached)
- b) SBI PLR less \_\_\_\_\_ % p.a. = \_\_\_\_\_ % p.a.
- c) Pre-EMI Interest \_\_\_\_\_ % p.a.
- d) Penal Interest on delayed payment \_\_\_\_\_ % per .annum.
- e) Cheque Dishonour Charges/ missed payment charges Rs.\_300/- or charges actually deducted by the bank to ECB whichever is more. Repeated Cheque dishonor will attract strict legal action

EMI is calculated on the basis of monthly rests.

Amortization

- a) Terms of repayment \_\_\_\_\_ months
- b) Moratorium Period \_\_\_\_\_ months from the date of disbursement of 1st

Installment.

- c) EMI Rs. \_\_\_\_\_ /- \*
- d) Number of EMI's \_\_\_\_\_

e) Date of Commencement of EMI \_\_\_\_\_

f) Due date of payment of first EMI \_\_\_\_\_

\*will be applicable when the full disbursement is availed by the Incubate Company or the disbursement is reduced subject to the expiry of the Incubation tenure.

#### Loan Procedure/ Process

The Incubate Company (Private Limited Company) will open a Current Bank account in the name of the Incubate Company. The bank account will be operable by the Authorized Signatory of the Incubate Company along with the Coordinator, CIIE as a joint signatory of the said Bank account, for the purpose of the operation of the Seed Capital Account.

**Engineering College Bikaner (An Autonomous Institute of Government of Rajasthan)**

**Centre for Innovation, Incubation & Entrepreneurship (CIIE)**

**BUSINESS INCUBATION POLICY**

#### **PREAMBLE**

Over the last decades the Indian academia is witnessing a subtle revolution, one such change is the efforts of the academia to embrace the industry for a mutually symbiotic partnership. The industry provides both the technical problems that have academic value as well as a revenue source that can be reinvested in upgrading the research

infrastructure and laboratories for continuous research. ECB is desirous of creating a robust eco-system that facilitates technology commercialization and this necessitates having policy, rules and regulations in place.

#### **OBJECTIVE**

Technology Business incubation is an important component of technology commercialization efforts. Technology Business Incubation means allowing a company to translate the Intellectual Property into new products while being on the campus. This Technology Business Incubation Policy enunciates rules, regulations, forms and processes to be followed while permitting a company to carry its cooperative research and development. The objective of this Technology Business Incubation Policy is to commercialize the technical know-how, patents and knowledge developed in the Institute for public use through start-ups. This policy shall promote and regulate the business incubation activities within the campus.

#### **Definitions**

- ‘Technology Business Incubation’ includes but is not limited to developing technology developed at the Institute into products and services for commercial activities.
- ‘Intellectual Property’ includes but not limited to know-how, patents, design, process specifications, trade-secret, etc.
- ‘Incubatee’ or ‘Company’ bears the same meaning for the purpose of this policy. Any company permitted to be incubated by the Institute and operate from the incubator shall be called ‘Incubatee’ or ‘Company’.
- Executive position: means that person is authorized by the company to sign the documents on behalf of the company, enter into legal and binding agreement.
- Non-commercial activity: The companies shall neither be allowed to give campus address in legal registrations nor can they use Institute’s address in sales.

#### **SCOPE**

The Technology Business Incubation Policy is the policy document that is applicable to all incubation activities in the Institute, the policy has are three major components:

1. Pre Business Incubation (for the enrolled students)
2. Technology Business Incubation
3. Virtual Incubation (for companies located outside the ECB campus)

This Technology Business Incubation Policy shall apply to

- A. All the companies incubated by the Institute to carry their non-commercial research activities from the campus
- B. All students, faculty and research staff of the Institute

#### **RULES**

##### **I. Eligibility**

1. Notwithstanding anything contrary contained, all the technology business incubation activities shall be governed by the statute, rules and regulations of ECB as applicable from time to time. In case of any conflict the statute, rules and regulations of ECB shall prevail over this policy.
2. 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 (Annexure-1) 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.

3. Any company promoted by

a. Faculty of ECB

b. Students enrolled for full-time Degree

c. Regular Government staff or employees Shall be offered incubation only upon submission of 'No Objection Certificate' from the competent authority or employer. However, companies having faculty, students or

Employees as shareholders are eligible to apply for incubation.

4. Although the student promoted company shall not be offered incubation if the student is holding any Executive position; however, the companies promoted by students can apply under pre-incubation scheme.

5. Any company that is engaged or is proposing to be engaged in activities that are in conflict with ECB like imparting educational courses and/or training programs including vocational trainings or is planning to undertake such activities during the incubation period shall require explicit permission from ECB upon Institutes' approval such companies shall be offered the incubation.

## II. Consideration

The Incubation Centre shall levy charges for the services, facilities, laboratory, and equipment. These services and facilities shall be as per rules and regulations of the institute and shall be on availability basis either through empanelled service providers or through the Institute. The Incubation Centre shall take following consideration from the company permitted under the incubation:

i. Payment for use of facilities and infrastructure

S No.	Facility	Charges
1.	Space rental	As decided by ECB
2.	Internet access	As decided by ECB
3.	Electricity	As decided by ECB
4.	Laboratory & equipment	As decided by ECB
5.	Any Patent or know-how owned by ECB	As decided by ECB
6.	Common facilities rental	As decided by ECB
7.	Common Services	As decided by ECB

ii. Withholding equity against Incubation. This equity shall be held in the name of "ENGINEERING COLLEGE BIKANER" through its nominee, \_\_\_\_\_

<b>S No.</b>	<b>Facility</b>	<b>Equity</b>
1.	Incubation permission at Engineering College Bikaner	
2.	Pre-Incubation for students or any unpaid dues	
3.	Virtual Incubation	

### III. Incubation process

Step-1: The applicant forms a limited company under applicable laws.

Step -2: The applicant shall submit the application form.

Step-3: Internal due diligence of promoters/company including a preliminary background check.

Step-4: Constitution and approval of the incubation evaluation committee by the Principal.

Step-5: Presentation before the committee by the applicant.

Step-6: The Committee gives its recommendation and signed minutes are forwarded to the Principal for approval.

Step-7: Incubation Agreement is signed and company is admitted.

Step-8: Periodic review of the activities of the incubate company every quarter.

Step-9: In case the incubate company requires any facility of ECB then they shall enter into an Infrastructure Usage Agreement.

Step-10: In case the incubate company requires any seed fund, they shall submit an application giving details of fund requirement with clear budget heads and enter into a separate Seed Fund Agreement containing details of repayment, etc.

### IV. Infrastructure and Services provided to incubatee

The incubation Centre shall offer following facilities to the incubate company on availability basis

<b>S No.</b>	<b>Facility/Equipment</b>	<b>Number</b>
1.	Personal Computer	
2.	High End Computers/Laptop	
3.	Printer (All-in-one)	
4.	Chairs	
5.	Table	
6.	Air conditioner	

**Common services and facilities:**

1. Secretarial services through a common employee to take care of secretarial work.
2. Video and teleconferencing
3. Conference room
4. In case of any special or additional requirement the incubate company shall make an application to the centre. However, this special or additional requirement shall be on a case to case basis and subject to availability.
5. Mentorship: The incubation centre shall identify a faculty member of the Institute from the technical domain as requested by the company.
6. Period of Incubation/ Exit: The incubate company shall be offered an incubation period of two years. However based on the performance of the company and a written request the term can be extended by six months.
7. Seed Loan: The centre may provide seed loan subject to the availability of funds/ grants/ schemes meant for this purpose. Seed loan, if sanctioned, shall be sanctioned only to the incubated companies. There shall be no guarantee of seed loan automatically or otherwise. The sanction shall be subject to the performance and milestone achieved by the incubate company. A company desirous of getting seed loan may submit an application for seed fund after three months of incubation. The application of the seed loan shall clearly indicate the requirement, activities, expenditure heads and timeline.
8. Intellectual Property: Any intellectual property generated by the company during the incubation term shall be owned by the company. However, the Institute's IP Policy shall apply in case:
  - a. There is contribution from any faculty ECB
  - b. The IP was developed using funds, facilities and laboratory/equipment of ECB and the company has not paid the charges for such utilization.
9. Periodic Assessment: The incubation centre shall evaluate the performance of incubates every quarter. The emphasis of evaluation will be on checking if the milestones specified in the incubation application have been achieved or not. For a company which has taken a 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 disbursement will be dependent on the progress shown in previous appraisal.
10. Conflicts of interest: In case of any conflicts of interests, the decision of the centre shall be final and binding upon the parties.
11. Disclaimer: The incubation centre or ECB does not guarantee any of the following
  - i. Profitability of the incubated company
  - ii. Merchantability and/or feasibility of the technology licensed from ECB.
  - iii. The incubation centre 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 ECB or any person representing them harmless from any loss including damages and penalty.
12. Agreements: All incubate companies shall enter into the following agreements with the centre:

- i. Incubation Agreement: Contain rules and other incubation norms, consideration, equity holding, Laboratory Usage, facilities, services, etc. (Applicable to all.)
- ii. Seed-Fund Agreement: Contain rules of disbursement and repayment. (Applicable to incubate companies availing seed-fund.)
- iii. Technology Licensing Agreement: Applicable to incubate companies using technology or IP developed by ECB.

13. Types of Incubation: The centre shall offer following types of incubation:

a. Pre-Incubation: This shall be offered to students who are currently enrolled in any degree program at ECB. This is a support system to help students 'test' their ideas. However, the students cannot use the campus/hostel address as a registered office. They have to take permission from the Institute.

They shall be offered

i. Seed loan on availability

The Institute shall offer seed-loan on generous terms to promote start-ups

a. At 4% simple interest (payable after 24 months)

b. Combination of cash and equity (when they start their own company)

ii. Space in the incubation centre

iii. Use of Laboratory and Equipment

iv. Deferment of dues: In case the student is offered a pre-incubation and they are using facilities or availing seed loan, then they shall be permitted to defer such dues of the institute or incubation centre, based on a declaration to repay at a later stage.

b. Virtual Incubation: The virtual incubation may be offered in following cases

i. An existing company and intends to operate remotely, however is desirous of having some 'footprints' for handholding or technology refinement/development.

ii. Seeks a license of any patent or technical know-how from ECB.

iii. Seeks to utilize the laboratory and technical infrastructure of the ECB.

**Engineering College Bikaner (An Autonomous Institute of Government of Rajasthan)**  
**Centre for Innovation, Incubation & Entrepreneurship (CIIE)**  
**APPLICATION FORM FOR BUSINESS INCUBATION**

1. Name of Applicant Company:
2. Names of All Promoters/ Directors: (Attach a Resume of all Directors and Promoters containing Director's Identification number from ROC, Educational qualification, Experience or past achievements, Profession)
3. Company Registration no. (Attach a copy of MoA/AoA):
4. GENERAL DESCRIPTION OF BUSINESS (Provide detailed information. Attach extra sheets or business plan if necessary)
  - i. Company's business (in 3-5 lines):
  - ii. What you plan to do in the incubation period:
  - iii. Products:
    - A. Product description:
    - B. Development schedule:
    - C. Differentiation (Please attach a Patent search containing details about similar products and the difference with your products)
    - D. Technology comparison

Competitor's Name	Their Offerings	Comparison with their offerings

5. Market

- i. Who is your customer? (Customer profile)
- ii. Major competitors offering same or similar products/services

- iii. Market Potential (reports on market size, growth rate, trends)
  - iv. Demand (actual feedback from the customer)
6. How do you plan to sell your product to the targeted customer?
7. How are you planning to scale-up the sales?
8. Financial/ Commercial Viability and 3 year projections of P&L, Balance Sheet and Cash Flows
- i. Funds requirement and sources
  - ii. Time-line and milestone
  - iii. Time to market (readiness of the product)
  - iv. Break-even period

Signature	Signature
Name	Name
Date	Date

Please recommend two referees who know you professionally, at least one should be recent from your last profession/association

Name	Name
Designation	Designation
Organization	Organization
Contact Details	Contact Details

Signature

Name

Date

Place

9. Intellectual Property
- i. Source of your technology (Product and Process)
- Do you own the technology?

Are you planning to develop jointly with the ECB? If yes, please identify the laboratories and faculty experts.

Are you planning to seek a license from a third-party? (including ECB)

Signature

Name

Date

Place

10. Does your business require any governmental or regulatory approvals?

11. Why do you want to locate in the Incubator?

12. Space and equipment requirement

13. Are there any proceedings initiated against the Promoter/Director?

- i. Non-compliance,
- ii. Bank default,
- iii. Civil Suits
- iv. Criminal proceedings
- v. Any unpaid creditors from the past business

### Declaration

We, the promoters of \_\_\_\_\_ Pvt. Limited do hereby declare that all facts and information given herein is true and to the best of my knowledge and that nothing material has been concealed. We have read the rules and regulations of ECB and the incubation center and agree to abide by the same.

Signature

Signature

Name

Name

Date

Date

### Engineering College Bikaner (An Autonomous Institute of Government of Rajasthan) Centre for Innovation, Incubation & Entrepreneurship (CIIE)

Permission for engaging in commercial activity (by student)

(Please note that this permission can be withdrawn by the Institute if the applicant breaches any conditions imposed by the Institute)

1. Name, Address, E-mail, Mobile:.....

2. Contact Details of Parents:.....

3. Department: .....Program: ..... Year:..... SPI: .....

4. Commercial activity proposed: .....

5. Number of Hours per month expected towards this activity: .....

6. Name, Brand of product/service or company: .....

7. Applicant's role: .....

8. Other person(s) involved: .....

I ..... (Name of the student) declare that I have read and understood all the rules and regulations regulating the commercial activities applicable to students. I agree to abide by them. I also undertake to repay dues of ECB or incubation centre

.....

Signature

Name:

Date:

Endorsement by the Parent/Guardian

.....

Name:

Date:

Recommended

.....

Head of the Department

Date & Seal