



## Axis Institute of Higher Education, Kanpur

Office of Director

Ref. No: AC/DO/2019-20/126

Date: 14/10/2019

Circular

### STARTUP INCUBATION POLICY

#### Section 1: Introduction

##### 1.1 Rationale

21st century, specifically in India, with its younger population, skilled and aspiration requires creating opportunities to participate optimally in the market. The market, which is likely to ride on finances, the internet, embedded technologies, agribusiness, etc., will bring about fundamental transformations in the way a business is set up and run. India is a slow starter in setting up facilities such as Incubators to promote a culture of entrepreneurship, incubate startups, and actively contribute to product, service, and online businesses.

MHRD and AICTE and NITI Aayog have been encouraging higher educational institutions, to actively engage in the promotion of entrepreneurship, innovation and skill-building. Initiatives, such as Startup India, Make in India, Stand up India, and Credit availability have kindled entrepreneurship aspirations, particularly among youth. Innovators, students, entrepreneurs, alumni, and employees in the formal/informal sector are looking for support to commercialize their ideas.

##### 1.2 Need for promoting Entrepreneurship

Enterprises combine the professionalism of business ventures, innovative ways of solving various persisting social, economic, and environmental problems, and the potential of scaling up to reach a large segment of the population affected by a problem with an affordable solution, product, service, or alternative ecosystem. Enterprises improve efficiency, effectiveness, and problem-solving perspective to deal with developmental issues. Instead of creating alternative options for the bottom of the pyramid, they use market mechanisms to generate an impact that improves well being of the bottom of the pyramid.

Scale/replicability and sustainability improve the affordability, accessibility, availability, and acceptability of solutions designed. They are the latest innovation in business models that converge business principles, development perspectives, and sustainable solutions that are relevant for people, the planet, and prosperity.

**1.3 Business Enterprises to address persisting social, economic, and environmental problems in India.** Business Enterprises are a requirement for addressing persisting social, economic, and environmental problems and sharing of prosperity, particularly so in the 21st Century. Such efforts will boost and strengthen the formal economy and formalize the informal economy facilitating the application of efficient and effective management, technological, digital, and financial tools. Business Enterprises shall adopt fair, ethical, and effective business practices. Setting up of Business Incubator Recognizing the need and in tune with entrepreneurial trends, globally and in India, and felt need for supporting Startups, Sand Tank Startup Foundation has been set up at AIHE Kanpur to support young and emerging entrepreneurs that will specifically focus on promoting innovation, entrepreneurship, investment and accelerating impact business.

**Registrar**  
Axis Institute of Higher Education,  
Kanpur

#### Address

Village Hathipur, Maharajpur, Kanpur Nagar - 209402  
Website : [www.aihe.ac.in](http://www.aihe.ac.in) |

#### Contact

email: [info@axiscolleges.in](mailto:info@axiscolleges.in)  
Toll Free: 1800 313 2464



## Axis Institute of Higher Education, Kanpur

Office of Director

### 1.4 Sand Tank Startup Foundation

Sand Tank Startup Foundation has a focus on innovation, entrepreneurship, and businesses. Sand Tank Startup Foundation thrust on excellence, ethics and social responsibility are visible in the course, curriculum, pedagogy, evaluation emphasis, various activities, and community outreach and networking. Sand Tank Startup Foundation encourages entrepreneurship, specifically socially responsible perspective, among the Faculty, Staff, Research Scholars, Students, Alumni, Business Partners, etc. Sand Tank Startup Foundation will directly and actively support the incubation of "Sand Tank Startup Foundation Incubated Companies" by its Faculty / Staff / Research / Students / Alumni / Business Partners. Some of these companies may be founded based in part or in full on IP developed by Sand Tank Startup Foundation, or jointly with it in collaborative mode. Sand Tank Startup Foundation may also provide incubation support to external Startups with which Faculty / Staff / Research / Scholars / Students / Alumni/ Business Partners are associated as consultants or mentors. Such external Startups may sometimes license IP developed by Sand Tank Startup Foundation a priori. The commercialization of advanced solutions developed at the Incubator as a result of incubation will greatly benefit the Incubator as well as society at large and will contribute to the economic resurgence of our country.

### 1.5 About this document

To govern the functioning of the Sand Tank Startup Foundation, it has been decided to prepare a detailed policy and procedures. The policy, thus prepared and accepted by the governing council, is subject to periodical review and amendments. It will be the responsibility of the companies admitted to Sand Tank Startup Foundation Incubator to update themselves from time to time on amendments in Incubator policy and procedures. Sand Tank Startup Foundation reserves the right to make an exception of all or any of the terms of policy for a particular company or a promoter on a case-to-case basis. The Governing Council of Sand Tank Startup Foundation, through its resolution #, ratified this policy and procedures:

Whereas, over the years, AIHE(Axis Institute of Higher Education) inspired alumni's to take to entrepreneurship, setting up successful ventures, creating jobs, wealth, and prosperity; Whereas, Sand Tank Startup Foundation, having seized the need to engage entrepreneurs in solving social, economic, and environmental problems, specifically in the context of Sustainable Development Goals (SDGs) (UNSDG) which intends to specialize in promoting business enterprises; Whereas, having located in an inclusive eco-system being created by Sand Tank Startup Foundation, the mandate for to use support in addressing gaps in innovation, investments, interests, impact, knowledge/skill and entrepreneurship skills. Whereas, to contribute effectively in engaging, involving, and benefitting bottom of the pyramid (BoP) of all the sections of society. Therefore, resolved that Sand Tank Startup Foundation shall design, setup and manage to promote social / impact ventures that find solutions for various social, economic and environment problems.

The structure, policy, and procedures are outlined below. The documents outlines definitions, types of startups to be enrolled, governance structure, services provided, mentor engagement

**Registrar**  
Axis Institute of Higher Education,  
Kanpur

#### Address

Village Hathipur, Maharajpur, Kanpur Nagar - 209402  
Website : [www.aihe.ac.in](http://www.aihe.ac.in) |

#### Contact

email: [info@axiscolleges.in](mailto:info@axiscolleges.in)  
Toll Free: 1800 313 2464



## Axis Institute of Higher Education, Kanpur

Office of Director

and involvement, IP, selection criteria, the process of admission, seed funding, infrastructures, assessment, member engagement, etc.

### 1.6 Incubator's Governance Structure

Sand Tank Startup Foundation through AIHE intends to extend its expertise, experience, and network to promote, nurture and incubate impact ventures, supporting alumni, students, faculty, and others. This document establishes the context, policy, and procedures for operation this vision by creating dedicated resources.

The Incubator will have a Governing Council (GC). The GC will have the following composition: The GC will have Eight members\*, as specified below:

Structure	Governing Council Members
Director, Sand Tank Foundation- Chairperson	Director, Sand Tank
Acting Director to smooth the day to day work (Co- Chairman)	Director
Professor-in-charge – Incubator Professor to be nominated by the Director, Axis Startup Foundation.	All Department Heads
Two Faculty Experts	Nominated by Director
An external Expert having a good track record in incubating companies	EDC
An Internal Expert with experience in Venture Capital/Private Equity/Angel Investors etc	CEO
An Alumnus Entrepreneur with an interest in social venturing	Riddhima Dwivedi(The Redweek)
A nominee from Social Business Incubator in India	Manoj Kumar Jena(KNKT India)
Ex Officio Members	Legal, HR, Patent, Accounts

Except for the ex-officio members, the remaining members will serve for a period of up to two years and can be re-appointed for further periods. The Director, Sand Tank Startup Foundation, will nominate the initial GC, which will make subsequent appointments.

STSF GC cell will appoint the chairperson for each committee. GC will have to conduct 3-4 meetings in a year. GC will be a volunteer post.

The GC shall constitute, appoint, monitor, and dissolve standing committees that shall Support executive team on various functions of the incubator. The GC will set up the Following standing committees:

- 1) Finance Committee;
- 2) Screening committee;
- 3) Progress review Committee;
- 4) Innovation and Immersion Committee; and
- 5) Alumni and Industry Engagement Committee
- 6) Purchase Committee
- 7) Grievance Committee

**Registrar**  
Axis Institute of Higher Education,  
Kanpur

#### Address

Village Hathipur, Maharajpur, Kanpur Nagar – 209402  
Website : [www.aihe.ac.in](http://www.aihe.ac.in) |

#### Contact

email: [info@axiscolleges.in](mailto:info@axiscolleges.in)  
Toll Free: 1800 313 2464



## Axis Institute of Higher Education, Kanpur

Office of Director

### 8) Legal Committee

In addition to its above members, the GC may invite experts in finance, audit, IPR, and other such areas, to its meetings as needed. It may also constitute sub- committees including outside experts for specific tasks when needed.

Any changes in this document, addition, deletion, modification, rephrasing, etc., are to be approved by GC adopting a due process of meeting to discuss the changes and adopting them with a consensus.

Any procedure in this document shall be approved by Incubator in Charge with the approval of the Director –Sand Tank Startup Foundation.

### 1.7 Type of Startups and Eligibility

#### Definitions

**Incubator Fellows:** Any permanent faculty/staff on duty or on short/long leave, research Scholars, students, alumni, company/startup, innovator or entrepreneur, currently registered with the incubator.

**Incubator:** An unit in the institution set up for the primary purpose of promoting and fostering Incubation of Social /Impact Business Start-up Ventures involving one or more Incubator Member(s), by administering and implementing Incubator's policies on incubation. The Incubator entity shall act as a physical and/or virtual unit that extends various forms of support for Start-ups and engages in specified relationships with them on behalf of Incubator.

**Incubator Incubated Company (Henceforth called COMPANY):** A registered A registered company promoted and/or invested in by Incubator Member(s) singly or jointly with others, or those incubated by any of the Incubators located in STSF campus or elsewhere, and declared by the Incubator as such, or an external start-up declared by the Incubator.

**External Start-up (ESU):** A registered Company promoted and invested in by non-Incubator Member(s) and not located in the Incubator premises.

#### 1.7.1 Type of Start-ups at the Incubator

The Incubator may be actively involved in pre-incubation and incubation of a Start-up company promoted by one or more MEMBER, or by others. MEMBER may promote Incubator Incubated Company (COMPANY). MEMBER can be involved with an External Startup (ESU).

#### 1.7.2 Eligibility and Selection Criteria

A team, with at least two persons, with full-time commitment as founders, preferably with complementary skills is eligible to apply. Founders with less than 18 years will be considered with the stated consent of parents. Founding team with the following attributes or team composition will be encouraged

- 1) The founders are known each other for some time (at least one year);
- 2) Innovation of the idea
- 3) Viability of solutions – product or service

The following shall be preferred at the time of selection as one of the founders:

- i. Registered Students of colleges,

**Registrar**  
Axis Institute of Higher Education,  
Kanpur

#### Address

Village Hathipur, Maharajpur, Kanpur Nagar - 209402  
Website : [www.aihe.ac.in](http://www.aihe.ac.in) |

#### Contact

email: [info@axiscolleges.in](mailto:info@axiscolleges.in)  
Toll Free: 1800 313 2464



## Axis Institute of Higher Education, Kanpur

Office of Director

- ii. Current Faculty members of Colleges
- iii. Alumni of Colleges
- iv. Business Partners of AIHE
- v. Innovators or Entrepreneurs from BoP
- vi. Innovators or Entrepreneurs from marginalized segments – women, Dalits, tribes, rural inhabitants

The following selection criteria shall be used for selecting the incubatee.

a) Viable Product / Service: Incubates have a viable product/service, acquired reference customers, a sound business plan for gaining traction, understanding of investment requirement, and a robust set of co-founders.

b) Pre-incubation support obtained or attracted seed capital: Having gone through the pre-incubation process, acquired seed capital, and sold product/service to customers

c) Addressing profound problem/needs/gaps: The incubate solution addresses a real-life and compelling problem, needs or gaps, existing or unfolding one (not perceived but can get traction).

d) Innovation: A combination of two or more aspects of new technology, component, gadgets, goods, products, processes, or marketing are required to establish an innovation. This shall set the solution apart from existing or non-existing solutions vis-a-vis competition.

e) Impact:

- 1. Business angle: innovation, market, scalability, replicability and business sustainability.
- 2. Where feasible, social angle, job creation, wealth generation/distribution, skill-building, and expanding entrepreneurship;
- 3. Environment angle: least or no impact on environ, inclination to build green processes – procurement, production, and marketing; and
- 4. Economic angle: adopting circular / replacement economic process to reduce, reuse, recycle and Reprocess.

f) Social / Impact ventures: Innovative social ventures that have identified a core product or service to improve well being of people, society, and the environment will be encouraged. A minimum of 30% of the selected incubators will be setting up social/ impact ventures.

g) Team Strength: Successful applicants shall demonstrate startup thinking: leadership skills to bootstrap a venture in a resource-constrained scenario, vision, intelligence, risk-taking, problem-solving, resilience, curiosity, responsiveness, follow-through, working as a team, found a co-founder and know each other and worked on the idea for at least one year, inclusive and holistic perspective and flair for technology. On admission, the incubate will be encouraged to imbibe these Qualities.

h) Implementation: Performatory competence, the ability of the team to execute the big vision and overcoming obstacles is a requirement to graduate from the incubation program.

**Registrar**  
Axis Institute of Higher Education,  
Kanpur

### Address

Village Hathipur, Maharajpur, Kanpur Nagar – 209402  
Website : [www.aihe.ac.in](http://www.aihe.ac.in) |

### Contact

email: [info@axiscolleges.in](mailto:info@axiscolleges.in)  
Toll Free: 1800 313 2464



## Axis Institute of Higher Education, Kanpur

Office of Director

Applicants must provide the required details and proposal for making admission to the Incubator. Applications for admission to Incubator will be made in the name of registered (unlisted) companies within the meaning of the Companies Act, 1956. If a company has not been registered, an application may be made in the names of all promoters/ founders; however, the promoters/ founders shall be encouraged to register a company once the market fit for the product/service is established.

### 1.8 Incubation support for Companies

#### 1.8.1 Incubator's active support to startup COMPANY

The Incubator will carry out on behalf of the institute all dealings with Start-ups directly and/or through its incubators. It will also determine whether a Start-up is to be designated as an "Incubator Incubated Company" (COMPANY). The incubator will actively support the COMPANY with a combination of services, which could include:

- a) Appropriate and affordable space: Incubator will provide co-working space with access to various facilities for effective functioning with deferred payment options.
- b) Appropriate and affordable support services: Incubator will provide services such as access to office, operational space, and laboratories, fabrication of prototypes, legal and financial services, IPR, market research, the hiring of human resources, business management advice, seed fund (where applicable), logistics, storage, distributions, networking, secretarial, monitoring, etc.
- c) Mentoring Support: The Incubator will assign a designated one or more mentors to each incubate. The incubator will use AIHE' existing large pool of mentors and its network partners' BYST, MMA, and Loyola/Jesuit Institutions.
- d) Access to investment
- e) Effective professional networking: Incubator will provide access to startup network platforms
- f) Entrepreneurship Education: Incubator will provide access to learning opportunities on campus, online, and elsewhere. This continuing education format shall assist entrepreneurs and their core team to acquire knowledge, skills, and practices that will support them in running their companies sustainably and successfully. In addition, the entrepreneurship education programme at the incubator shall focus on facilitating incubate to adopt design thinking, outside-in-perspective, community immersion for customer centric focus, co-creation possibilities (amongst startups, with communities, governments, and NGOs), and collaboration for resource optimization.
- g) Co-working space: Available for incubating, local entrepreneur; and early-stage startups
- h) Branding: The startups shall be permitted to brand 'Incubated at Sand Tank Startup Foundation

Incubator' wherever appropriate. Incubator's active support will be provided nominally for duration of three years from the date of formal approval. There may be a pre-incubation period of at most one year. However, on a case-by-case basis, the Incubator may decide to support COMPANY for a maximum period of five years from the date of the formal approval, if such support is warranted.

### 1.9 Supports to Startup and ESUs - Consideration

**Registrar**  
Axis Institute of Higher Education,  
Kanpur

#### Address

Village Hathipur, Maharajpur, Kanpur Nagar - 209402  
Website : [www.aihe.ac.in](http://www.aihe.ac.in) |

#### Contact

email: [info@axiscolleges.in](mailto:info@axiscolleges.in)  
Toll Free: 1800 313 2464



## Axis Institute of Higher Education, Kanpur

Office of Director

In lieu of support and services to be provided by Incubator, the incubated companies will be subject to consideration on following accounts to the extent applicable: Monthly rent/ facilities charge at a discounted rate for physical infrastructure to be paid to Incubator.

Consideration in the form of equity and/or revenue sharing of the respective companies for transfer/ licensing of / permission to use IP in favor of the incubated companies and the facilities provided by Incubator. The percentage of Equity and revenue sharing will be decided by Incubator and is to be given in favor of Incubator. Incubators may ask for additional equity from the companies to whom Incubator has supplied specialized equipment.

The incubatee company shall allot 3% of the equity to Incubator towards incubation and shall be maintained by issuing additional shares or diluting the shares of the Promoters or in any other manner) till the Company exits from the Incubator or the Company and

Promoters raise investment from an Angel Investor, Venture Capital Fund, or any other source. Equity will be decided based on various factors such as the duration of the incubation support needed by the company, financial condition of the company, revenue of the company etc.

If the company fails to raise investment from an Angel Investor, Venture Capital Fund or any other source for a period of five years from the date of the last issuance of shares in favor of Incubator, Incubator will have a right to sell its holding to the promoters of the

Company at a value which will be higher of book value and fair value, and promoters of the Company will be bound to buy the shares from Incubator as stated above. Investment for the purpose of this section means an investment received in form of equity by the

The company from any sources other than its promoters the value of which as well as premium thereon is at least three times more than paid-up capital and premium amount respectively.

### 1.10 Member's / Incubator's involvement in ESUs

#### 1.10.1 MEMBER's / INCUBATOR's involvement in External Start-up

A MEMBER will be permitted to involve with an ESU, either on a full-or part-time basis as promoter/adviser/consultant/any other approved role. The MEMBER will be permitted to use specified physical and/or intellectual resources (e.g., workshop equipment, laboratory instruments, computing resources, and the assistance of MEMBER) of Sand Tank Startup Foundation Incubator as per its prevailing consultancy and research norms<sup>1</sup>. Any such use of SAND TANK STARTUP FOUNDATION resources will be governed by an agreement, which will include the contents and implications of the prevailing Sand Tank Startup Foundation IPR policy. If a MEMBER makes financial investments in an ESU, (1) without making any other contribution in the form of technical/managerial consulting advice, or (2) any involvement of Sand Tank Startup Foundation in the form of any commercial transactions of IP, or (3) any use of SAND TANK STARTUP FOUNDATION facilities, such investments will be treated as a private matter of the MEMBER. The Incubator will have no role to play in such instances. The MEMBER should however declare this to Sand Tank Startup Foundation in order to avoid any conflict of interest situation. If the ESU awards a consultancy project to the MEMBER, the prevailing Sand Tank Startup Foundation rules and regulations for consultancy projects will apply. If, however, the MEMBER, and/or Incubator or any of its designated entities, are provided shares in the company as compensation in part or full for technical/managerial consulting or for any support extended by Member, Sand Tank Startup Foundation, or Incubator, the MEMBER and/or Incubator may be considered to be involved in the incubation of the ESU. In such a case, the ESU may seek to be designated as a COMPANY by the Incubator. The Incubator will then

**Registrar**  
Axis Institute of Higher Education,  
Kanpur

#### Address

Village Hathipur, Maharajpur, Kanpur Nagar - 209402  
Website : [www.aihe.ac.in](http://www.aihe.ac.in) |

#### Contact

email: [info@axiscolleges.in](mailto:info@axiscolleges.in)  
Toll Free: 1800 313 2464



## Axis Institute of Higher Education, Kanpur

Office of Director

take an appropriate decision based on the significance of the role played by the MEMBER / Incubator

in the ESU. Only a Start-up formally designated as an "Sand Tank Startup Foundation Incubator Incubated Company" by Incubator may publicize itself as such. All other Startups must desist from using the name or logo of Sand Tank Startup Foundation in their publicity material in spite of any other form of engagement they may have with Sand Tank Startup Foundation.

### 1.11 Tenure and Graduation / Exit

#### 1.11.1 Tenure in Incubator

Companies will be permitted to stay in Incubator, to begin with, for a period of 12 months. The incubator may, at its own discretion, permit companies to extend their stay for a maximum period of another 12 months. If a company is provided with specialized capital equipment, rent on the same will be decided on a case-by-case basis with the final approval of GC. This would however be finalized prior to approval of a proposal for admission to Incubator or at the time of procurement of the equipment as the case may be.

#### 1.11.2 Exit from Incubator

Incubate companies will leave the incubator under the following circumstances:

- a) Raising substantial investment from angel investor / Venture Capital Fund / any another investor.
- b) Completion of stay for 12 months, unless the stay is extended by Incubator.
- c) Underperformance or unviability of the business proposition: criteria for the same will be decided and applied by the Incubator on a case-to-case basis.
- d) Irresolvable disputes between promoters/ founders. The incubator will decide the position or point when disputes are deemed to be irresolvable.
- e) When the number of employees of the company exceeds 10.
- f) When the turnover exceeds Rs. 1 Crore.
- g) When the company enters into an acquisition/merger/amalgamation deal/reorganization deal resulting substantially in a change in the profile of the company, its promoters, directors, shareholders, products, or business plans, or when a company plans for a public issue.
- h) Any other reasons which Incubator may find it necessary for an incubate company to leave Incubator.

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

### 1.12 IP, Conflict of Interest and Confidentiality

#### 1.12.1 Rules governing Intellectual Property (IP)

A MEMBER, while on duty or on leave, may be involved in the creation of IP either solely or in association with a COMPANY or ESU. If such IP is created with the involvement of the

**Registrar**  
Axis Institute of Higher Education,  
Kanpur

#### Address

Village Hathipur, Maharajpur, Kanpur Nagar - 209402  
Website : [www.aihe.ac.in](http://www.aihe.ac.in) |

#### Contact

email: [info@axiscolleges.in](mailto:info@axiscolleges.in)  
Toll Free: 1800 313 2464



## Axis Institute of Higher Education, Kanpur

Office of Director

MEMBER, then any contract between Sand Tank Startup Foundation and the Start-up specifying the sharing rights for the IP will hold good.

In the absence of such a contractual obligation, the prevailing Sand Tank Startup Foundation Policy, rules, and regulations shall serve as the reference in such a context. In case the MEMBER develops any IP while on leave at the COMPANY which leverages prior IP developed earlier at Sand Tank Startup Foundation, MEMBER must ensure the prior IP is properly licensed by the COMPANY as described below in Section 23.

### 1.12.2 Conflicts of interest and confidentiality of information

Incubator endeavors to draw a line between appropriate and inappropriate interactions among its board members, employees, mentors, consultants, affiliates, incubated companies, their employees, persons connected to them or their promoters, employees and staff, various service providers, and suppliers. Conflicts between private interests and official responsibilities of all stakeholders must be handled in a transparent manner, and Incubator considers full voluntary disclosure as the best mechanism for managing conflicts of interest. Any significant, direct or indirect, financial interests held by Incubator employees in any of the companies supported by Incubator could involve a possible conflict of interests. Persons associated with incubators in various capacities other than for employment may also face situations leading to conflict of interests. The avoidance of such conflict is important to the integrity and philosophy of Incubator. Conflict of interest guidelines policy and operating guidelines of Sand Tank Startup Foundation, if any, must be reviewed and followed by all faculty, employees, and students of Sand Tank Startup Foundation who aspire to set up a company to be incubated in Incubator. A key requirement for them is that care must be taken to separate clearly and cleanly the personal financial aspects of the entrepreneurial activities from their respective roles, duties, and responsibilities in Sand Tank Startup Foundation. On admission in the Business Incubator, such entrepreneurial activities should not be confused with the assigned duties of the Sand Tank Startup Foundation.

The use of Sand Tank Startup Foundation facilities and equipment must be free from unauthorized or conflicting uses and must be compensated for as per the policies of Sand Tank Startup Foundation.

Appropriate judgment should be applied by all concerned parties while assessing the genuineness of conflicting interests. A committee may be set up by Incubator to resolve any dispute over such a situation causing conflicts of interests.

### 1.13 Pre-seed Funding

The Incubatee Company can apply for pre-seed funding. The maximum amount allotted per incubate shall not exceed Rs. 5 lakhs.

### 1.14 Key success criteria for the incubator

Success criteria for the incubator and key performance aspects for incubates are listed in this section.

#### 1.14.1 Success criteria for the incubator

Sand Tank Startup Foundation shall document, report, and accept feedback on the following success criteria. The GC council shall periodically review annually or as informed and provide feedback and viable options for improvements. They are:

**Registrar**  
Axis Institute of Higher Education,  
Kanpur

#### Address

Village Hathipur, Maharajpur, Kanpur Nagar - 209402  
Website : [www.aihe.ac.in](http://www.aihe.ac.in) |

#### Contact

email: [info@axiscolleges.in](mailto:info@axiscolleges.in)  
Toll Free: 1800 313 2464



## Axis Institute of Higher Education, Kanpur

Office of Director

1. Funding secured for incubator: Corpus generated; government / CSR grants
2. Number of incubating enrolled
3. Number of incubating commercializing their idea
4. Number of incubating attracting seed funding
5. Follow on funding for incubators
6. Quantum of pre-seed fund disbursed
7. Diversity of networks and partnerships
8. Number of events/activities organized in collaboration with partners
9. Revenue generated from services and investment in startups

### 1.14.2 Success criteria for the incubate

1. Time is taken at each stage – Idea, prototype, revenue, scale-up / replication
2. Grants / Investment raised
3. Achievement of Business Plans in different year

### 1.15 Withdrawal of Support

Sand Tank Startup Foundation reserves the right to withdraw its support to any Start-up that it engages with, following a due process of notice. This may involve withdrawal of access to Sand Tank Startup Foundation's facilities, and/or withdrawal of permission to MEMBER to engage further with the Startup in any manner, though they and the Incubator can continue to hold the shares they already possess in the Start-up. It will also involve withdrawal of the status of the Startup as a COMPANY, from which point the Start-up will be required to desist from advertising itself as such thereafter. Should the need arise, the Incubator may also seek modifications to the agreement signed with the Start-up through an amendment, in order to protect Sand Tank Startup Foundation's fair name and its interests.

### 1.16 Protection of Sand Tank Startup Foundation's fair name

When a Start-up is designated as a COMPANY, it is permitted to advertise itself as such wherever such advertisement is appropriate. However, such advertising carries with it the risk that in case the COMPANY indulges in improper behavior or dealings, Sand Tank Startup Foundation's fair name will be tarnished by association with the COMPANY. In order to protect itself from such risks, Sand Tank Startup Foundation, through the Incubator, may seek a seat on the Board of the COMPANY, without liability, in order to ensure transparency in all its dealings. The Incubator may seek access to the unaudited and audited balance sheets of the COMPANY. In certain cases, the Incubator may even seek visibility of payments above a specified value made by the COMPANY, before such payments are made. All such requirements will be specified in the agreement that will be entered into by the Incubator with the COMPANY.

## SECTION 2: PROCEDURES

### 2.1 Incubatee

#### 2.1.1 Application

The applicants will be required to submit a document in the form of a presentation, video/audio clips, or a business plan. These could be uploaded to the designated website or email to a designated email id. The applicants will be required to present their ideas to a panel consisting

**Registrar**  
Axis Institute of Higher Education,  
Kanpur

#### Address

Village Hathipur, Maharajpur, Kanpur Nagar - 209402  
Website : [www.aihe.ac.in](http://www.aihe.ac.in) |

#### Contact

email: [info@axiscolleges.in](mailto:info@axiscolleges.in)  
Toll Free: 1800 313 2464



## Axis Institute of Higher Education, Kanpur

Office of Director

of a few members of standing committees. Viable ideas that align with Incubator expectations will be asked for an application form.

### 2.1.2 Screening and Selection

The application and documents submitted will be screened by the screening committee for assessing the potential for pre-incubation or incubation at the incubator. Detailed scrutiny including financial and technical due diligence of the proposal shall be reviewed by experts having technical, business, financial, social, economic, and environment sector expertise. Applicants may be invited with their teams (max. 2 members) to make a presentation on their proposal. In order to enable the expert members to take an appropriate decision, members may ask for any additional information from the applicants and/or revision in the proposal. The Incubator will have sole discretion whether to admit or reject a proposal for incubation and the decision of the Incubator in this regard shall be final. The incubator is not bound to give any reason in case a proposal is rejected.

### 2.1.3 Onboarding (and signing of agreements)

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

Ensuring the success of an incubator company, its products/ process/ services or marketability, ensuring quality of support and services provided by Incubator to the complete satisfaction of the incubated companies or their promoters/ founders.

Ensuring quality of services of the consultants engaged by the incubate companies through Incubator / SAND TANK STARTUP FOUNDATION network.

The incubatee companies agree that Incubator / Sand Tank Startup Foundation or their employees shall not be held liable for any reason on account of the above.

STSF is not responsible for any legal or criminal or any obligations on the company

### 2.1.4 Mentoring

The pool of mentors, experts in technology, legal, financial and related matters, with or without consideration of the incubatee shall be provided.

### 2.1.5 Progress Review

#### 2.1.5.1 Periodic assessment

Incubate companies will submit information to Incubator on a quarterly basis in a prescribed format. The companies may also be subject to an annual assessment by a committee comprising of external experts. Incubate companies will have to submit their annual reports within a period of 7 days from the date of their approval.

#### 2.1.5.2 Information Submission

Incubate companies will submit information to Incubator about all material changes or developments taking place in their companies from time to time. Such information could be (but not limited to) change in name of the company, change in business or product profile, change in

**Registrar**  
Axis Institute of Higher Education,  
Kanpur

#### Address

Village Hathipur, Maharajpur, Kanpur Nagar - 209402  
Website : [www.aihe.ac.in](http://www.aihe.ac.in) |

#### Contact

email: [info@axiscolleges.in](mailto:info@axiscolleges.in)  
Toll Free: 1800 313 2464



## Axis Institute of Higher Education, Kanpur

Office of Director

directors, promoters or shareholders, acquisition of a new office, additional equity or debt investments. Incubators may require incubatee companies to submit other information as it deems fit. Prior concurrence of Incubator should be obtained for effecting such changes.

### 2.1.6 Request for Services / Charges

- Co-working Space – Rs.5000 per Chair
- Auditorium Charge- Rs 1000 per hour
- Meeting Room – Rs. 500 per hour
- Cabin charges – Rs 15000 per cabin
- Service Charge- No charge for incubate for 6 months
- Meeting room can be used only for 6 months, post that charges will be applicable.
- Auditorium will be allotted as per the availability and the nature of event.

### 2.1.7 Infrastructure & other support

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

Office space: Company-specific (recommended - 5 persons)

Internet connection

Standard Office Furniture

Uninterrupted Power supply

Printer

Photocopier

Scanner

Teleconferencing facilities

Meeting/Conference room with projection equipment

Pantry facilities

Apart from physical infrastructure as stated above, Incubator will provide access to the following:

Organizing events to help companies in networking and showcasing their technologies, Meetings with visitors of Sand Tank Startup Foundation (such as alumni, VCs, industry professionals).

### 2.1.8 Application for pre-seed funding

As of now, no pre seed fund will be given by STSF but the will be facilitated from central government and state government and other investors whereas later, decision of GC will hold a good.

### 2.1.9 Exit process

As per Agreement

### 2.1.10 Incubator reporting

#### 2.1.10.1

Incubator Reporting

- Incubator will share progress report to GC

**Registrar**  
Axis Institute of Higher Education,  
Kanpur

#### Address

Village Hathipur, Maharajpur, Kanpur Nagar – 209402  
Website : [www.aihe.ac.in](http://www.aihe.ac.in) |

#### Contact

email: [info@axiscolleges.in](mailto:info@axiscolleges.in)  
Toll Free: 1800 313 2464



## Axis Institute of Higher Education, Kanpur

Office of Director

- Growth report will be shared every quarter.
- Annual Meeting- Discussion of yearly growth and next year plan.
- Incubator will be responsible for incubatee reporting
- Reporting will be marked in 5 phases.
  - Growth
  - Collaboration which includes both internal and external
  - Startups
  - Funding
  - Events

### 2.1.10.2

#### Incubatee Reporting

- Incubatee will give monthly reporting to Incubator.
- Reporting will be marked in 4 phases.
  - Growth
  - Collaboration
  - Customer
  - Funding
- If any incubate fails to report for consecutive 2 months, then incubator is eligible to take any action further.

### 2.1.10.3

No Watsaap or personal reporting is considerable. Reporting will be marked only by email or any designated portal. Reporting under SPOC or Director is only considered as valid.

### 2.1.11 Disclosure of other interests

### 2.1.12 Disclaimer

### 2.2 Incubator Fellow's engagement

#### 2.2.1 Incubator Fellow Registration

The MEMBER must begin his / her engagement with a COMPANY by submitting a proposal through the Head of his / her Department, who will determine the eligibility of the MEMBER to engage with a COMPANY or ESU. After ascertaining eligibility, Dean (Admin) will forward the proposal to the Incubator. After the Incubator accepts the proposal, the MEMBER will be authorized to perform the actions necessary for pre-incubation or incubation, including registration of the Start-up, fundraising, team development, product/services development, consulting, market research and development, etc. Prior to embarking on these activities, an agreement must be signed between the concerned COMPANY / ESU and the Incubator to establish the mode and nature of involvement of the MEMBER in the COMPANY / ESU. Such an agreement is necessary with a COMPANY / ESU when: its shares are given to the Member or the Incubator as compensation in part or in full for the MEMBER's contribution, and/or Sand Tank Startup Foundation's IP is licensed to the COMPANY/ESU, which wishes to pay for the same in part or full in the form of shares. In addition, the COMPANY / ESU must also enter into an agreement with Sand Tank Startup Foundation through the Office of the Dean (Consultancy) if

the COMPANY / ESU intends to pay cash in part or in full to ASIX STARTUP FOUNDATION for licensing IPR owned by Sand Tank Startup Foundation Incubator the MEMBER provides

**Registrar**  
Axis Institute of Higher Education,  
Kanpur

#### Address

Village Hathipur, Maharajpur, Kanpur Nagar - 209402  
Website : [www.aihe.ac.in](http://www.aihe.ac.in) |

#### Contact

email: [info@axiscolleges.in](mailto:info@axiscolleges.in)  
Toll Free: 1800 313 2464



## Axis Institute of Higher Education, Kanpur

Office of Director

consultancy to the COMPANY / ESU or undertakes research-based consultancy as per consultancy norms while on duty.

### 2.2.2 Modes of MEMBER's engagement with Start-ups (COMPANY or ESU)

The incubator will negotiate with the COMPANY or ESU the number of shares that the incubated company will allot to Incubator at par value in lieu of Sand Tank Startup Foundation's Incubation and other services provided. This share will be first negotiated with the company before Incubator acquires shares through faculty /staff/student involvement (as discussed below). Incubator's total holding in a company at any time should not exceed 5% of the total allotted shares of the Start-up from all kinds of services provided, IP provided, and the faculty share (as discussed below).

#### 2.2.2.1 Faculty / Staff involvement

- Capital Investment: Faculty / Staff may be involved in the Start-up by providing capital investment alone in return for shares, with no other managerial, technical or mentorship involvement whatsoever. All shares thus allotted can be retained by the concerned Faculty / Staff, and the transaction is treated as a purely private commercial transaction of no concern to the institute. The member must declare this to Sand Tank Startup Foundation / Incubator, so as to avoid conflict of interest situations.

- Sabbatical / EOL: Faculty / Staff MEMBER may avail of sabbatical / EOL as per the prevailing Sand Tank Startup Foundation leave rules and may work full time for the COMPANY or ESU. If the compensation to the faculty/staff for this is through shares of the COMPANY / ESU in part or in full, in lieu of cash payment, the MEMBER must declare the same to the Incubator. No compensation is due to SAND TANK STARTUP FOUNDATION as long as the involvement of the MEMBER, for which the compensation was paid, completely ceases after the leave period. Member must not involve himself/herself in any capacity with the company / ESU except as shareholder on re-joining SAND TANK STARTUP FOUNDATION after sabbatical /EOL. In case, he/she is involved as a mentor, consultant or any other form other than a shareholder after sabbatical / EOL, rules applicable will be the same as that of part-time.

#### 2.2.3 Role of Fellows in Start-up

The MEMBER may play an executive role / non-executive role in a Start-up depending on whether they will be engaged full-time or part-time. The MEMBER may be involved full time only after obtaining permission from the Institute for the appropriate type of leave. The part-time engagement will be as per existing Sand Tank Startup Foundation consultancy norms. The MEMBER can take up an executive role only if they are engaged full-time with the Start-up.

#### 2.2.4 Member Engagement - Conflict of interest

When a MEMBER utilizes leave of absence (Sabbatical / EOL, or any applicable equivalent) for direct, active participation in a COMPANY / ESU, it is obligatory that the concerned Head(s) of Department be informed at least three months in advance. Shorter notice needs to be specifically approved by the Head of Department. This is to ensure that the academic programs of AIHE are not affected. It is essential that the MEMBER must avoid any conflict of interest between their roles in Sand Tank Startup Foundation and in the COMPANY / ESU. This is particularly important if there are Sand Tank Startup Foundation resources in their control, which are also sought by the Start-up with which they are involved. A similar situation arises if

**Registrar**  
Axis Institute of Higher Education,  
Kanpur

#### Address

Village Hathipur, Maharajpur, Kanpur Nagar - 209402  
Website : [www.aihe.ac.in](http://www.aihe.ac.in)

#### Contact

email: [info@axiscolleges.in](mailto:info@axiscolleges.in)  
Toll Free: 1800 313 2464



## Axis Institute of Higher Education, Kanpur

Office of Director

they are developing IPR in a research activity/project in Sand Tank Startup Foundation that is closely related to the IPR they may be developing when on leave and working in the Start-up. Another situation arises when the relative shareholding of the MEMBER and Incubator is sought to be changed by infusion of fresh capital in the Start-up by the MEMBER. While such a move could be a bonafide move on the part of the MEMBER to support the Start-up, it could potentially have a mala-fide motive of changing the relative shareholding pattern prior to some anticipated upward evaluation and infusion of investment by other parties. Yet another potential conflict of interest arises when shares are allotted by a Start-up to a close relative (spouse, children, and parents) of a MEMBER who is involved with the Start-up. The Incubator will determine the potential areas/activities where there is a conflict of interest in the case of each MEMBER who applies for approval for engaging with a Start-up and arrive at an agreed-upon methodology for ensuring transparency in decision making in respect of these activities/areas. The incubator may if it chooses to, set up an - oversight committee of Faculty / Staff for specific relationships to ensure that conflicts of interest do not arise. The Incubator may also require the MEMBER to declare their financial interests, and those of their close relatives, in the Start-up, at the time of engagement, as well as whenever a change in such interests takes place due to additional investment in the Start-up, or payment/share allotment by the Start-up. In any case, every

MEMBER involved with a Start-up must file a declaration periodically with the Incubators irrespective of whether there is a change in their financial interests in the Start-up or not. The required periodicity will be determined by the Incubator. The Incubator reserves the right to obtain a third-party evaluation of the value of the Start-up's shares before a MEMBER or their evaluation will be carried out in a reasonable time frame. If the Incubator deems it fit, it may choose to make an investment in the Start-up of its own at the same price applicable to the MEMBER and obtain shares for the corresponding amount. The Incubator reserves the right to make the acceptance by the Start-up of the additional investment by the MEMBER or their close relative(s) conditional on the acceptance of the corresponding additional investment by the Incubator. In case a member of the Incubator Governing Council has shares in a COMPANY, the Governing Council will determine whether the said member should resign from the Council, in order to avoid potential conflict of interest, or only recuses himself/herself when matters pertaining to the Start-up with which he / she is involved are discussed.

Enclosure: Axis Startup Foundation Incubation Documentation Checklist.

**Dr. Ashish Malik**  
Director

- cc: 1. Office of Chairman Sir for kind information  
2. All Deans, Department Heads & In Charges for information  
3. Registrar Office for information  
4. Accounts & HR for record  
5. All Notice Board  
6. All concerned

**Registrar**  
Axis Institute of Higher Education,  
Kanpur

### Address

Village Hathipur, Maharajpur, Kanpur Nagar - 209402  
Website : [www.aihe.ac.in](http://www.aihe.ac.in) |

### Contact

email: [info@axiscolleges.in](mailto:info@axiscolleges.in)  
Toll Free: 1800 313 2464



# AXIS INSTITUTE OF HIGHER EDUCATION

Approved by AICTE New Delhi, Affiliated to CSJM University, Kanpur



## Axis Institute of Higher Education, Kanpur

Office of Director

Axis Startup Foundation Incubation Documentation Checklist	
Name of Start-up :	
S. No.	List of Documents
<b>A. Incubation Application Documents</b>	
1	Application for Incubation at ASF Icell as per prescribed format
2	Presentation Format PPT of ASF Icell
3	Resume/CV of All the Directors/Co-founders
4	A copy of ISC meeting result - by ASF Icell Office
5	A copy of Incubation Offer Letter from ASF Icell
<b>B. Company Documents</b>	
6	Copy of Certificate of Incorporation issued by ROC
7	Ministry of Corporate Affairs' Company Master Data (MCA Master Data as on the date of Agreement)
8	Copy of Memorandum of Association (MoA)
9	Copy of Article of Association (AoA)
10	Copy of PAN details of your company
11	Copy of TAN details of your company
12	Copy of GST Certificate of your company
13	Copy of Cancelled Cheque of the Bank Account in the name of your company
14	Audited Financial statements from the Date of inception
15	Income Tax Returns filed from the Date of inception
16	Aadhar Card and Pan Card of all the Directors
17	Address Proof of the Directors (in case Permanent Address and Current Residential Address is different)
18	Copy of Address Proof of your office address (Rent Agreement or Lease Agreement or Electricity Bill or BSNL/MTNL Bill or any other utility bill of recent duration with address)
19	Duly Signed and Stamped Letter on Company Letterhead regarding the Official Contact Details of all the Directors (Name, Contact No., Email address and Residential Address)
20	Copy of Board Resolution regarding the Authorized Signatory and Point of Contact with ASF Icell
<b>C. Other Documents</b>	
21	Start-up India DPIIT Recognition Certificate
22	State Govt Startup Policy Registration Certificate
23	MSME Registration Certificate
24	Govt. Scheme/Grant/Incubator Fund/Seed Fund/Venture Capitalist/Angel Investor Support received or any communication held or any application submitted (attach the supporting documents)
25	Incubation Agreement
26	Equity certificate in the name of ASF Icell (SH4/SH11, Share Certificate and a copy of the Board Resolution from the Board of Company) (to be furnished after the signing of agreement)
27	List of Shareholders/Equity Structure after the equity transfer to ASF Icell
<b>Declaration:</b>	
We, hereby declare that we have submitted all the documentation mentioned above. The information furnished through these documents is true, complete and correct to the best of our knowledge and belief, and we undertake to inform you of any changes therein, immediately. We understand that in the event of any information being found false or incorrect at any stage, our incubation at ASF Icell shall be liable to cancellation / termination without notice.	
Place:	Signature and Seal of Directors
Date:	
Executive:	CEO:
	Director:

Registrar  
Axis Institute of Higher Education,  
Kanpur

### Address

Village Hathipur, Maharajpur, Kanpur Nagar - 209402  
Website : [www.aihe.ac.in](http://www.aihe.ac.in)

### Contact

email: [info@axiscolleges.in](mailto:info@axiscolleges.in)  
Toll Free: 1800 313 2464