

## **GUIDELINES FOR SETTING UP Technology Business Incubation Unit (TBIU)**

Acharya Nagarjuna University (ANU) wishes to establish a Technology Business Incubation Unit (TBIU) in ANU Campus for enabling industry-academic collaboration in areas such as Information Technology (IT), Electronics, Biotechnology and Pharmacy. The objective of the TBIU is primarily to establish linkages and promote collaboration between industry and academia. As part of the TBIU scheme, University will provide limited modular space at ANU campus for new entrepreneurs or technology based organizations for setting up their offices or labs with an objective to

- Promote interaction among faculty and industry to provide an academic ambience as well mentorship, and to encourage students to eventually emerge as entrepreneurs.
- Incubating novel technology and business ideas into viable commercial products or services.

ANU will provide physical space and appropriate utilities like electricity, and networking arrangements etc. The entrepreneur/ industry is expected to make their own arrangements for interior decoration and furniture including air-conditioning, false ceiling etc as per their specific requirements. The activities permitted in the TBIU will include product development, product innovation, software testing, simulation, prototyping, pilot experimentation, training and similar other technology related work. These Incubator Organizations are expected to be managed in an autonomous mode, independently from the University, either as a Company or a Foundation. It provides a range of services to its clients, aimed at allowing the client companies to concentrate upon core activities and business.

An Incubator Organization is, however different from Science and Technology Parks, in that it encourages its clients to traverse the development path from almost the concept stage itself, and no regular or routine manufacturing or commercial supply activities take place in the Incubation premises. The emphasis is on R&D and technology consultations with the resident faculty experts of the parent University and simultaneously helping the

University students and scholars to get training and motivation for self employment and entrepreneurship. ANU propose to develop this concept in pilot mode and for which approximately 16000 sq. ft area has already been earmarked.

ANU is in the close vicinity of ‘Amaravathi, new capital of Andhra Pradesh. Space has already been identified in the University Campus for hosting this TBIU.

### **Membership Eligibility Admission Criteria of TBIU**

TBIU residency applications will be considered in the following order of priority for short listing:

- An incubator program initiated by one or more members of academic staff, students or alumni of ANU or other premier technological institutes, supported by the Institute or some other technology promoting body like, Technology Development Board, TIFAC, DST, DSIR, TIFR, ICICI (Government or Non-governmental), with a view out of exploring a novel technological idea or scaling up a laboratory proven concept.
- Technology based start-up companies. The product or services should be based on new technologies or technologically innovative concepts and should seek to develop a proprietary position.
- Technology/R&D unit office of an enterprise, industry association/an R&D company who desires to have a technology interface with ANU.
- **Entrepreneurial capability:** The entrepreneur should have adequate technical education or business experience to exploit the technology.
- **Written Business Plan:** The prospective TBIU member has to prepare and submit a written business plan at the time of application. The plan should indicate key focus, market analysis, customers, costs, pricing and cash flow forecasts.
- **R&D intensity:** The key focus during the incubation will be on the R&D intensity and therefore an applicant should clearly indicate in advance the areas of technology to be addressed and the departments/centres/faculties/laboratories and facilities of ANU to collaborate with on a regular basis during TBIU residency.

- Capability to network with other TBIU members, with the industry and with contacts of Institute.

Preference will be given to applicants who have good previous record and also have plans for long term collaboration with the faculty/departments/centres of ANU. Ideas generated by students, faculty members and alumni of the University will be given top priority.

### **Terms of Residency**

- Residency period will be for 5 years, extendable by another 5 years basis, depending on progress of incubation.
- Each applicant approved for availing space by the TBIU Board, will have to execute a License Agreement for space utilization with the Institute by signing on MOU on synergistic collaboration with ANU.
- Each successful applicant, admitted as a resident member of the TBIU, will have to pay to the Institute a charge of utilization of space, at a rate concessional to the prevailing market rent realizable (which at present is Rs. 50/- per sq.ft. per month) approximately Rs.7500 for 150 sq ft area per month. The utilization charges will be enhanced every 2 years by 10% including power charges.
- Each successful applicant must pay to the Institute charges towards utilization of power, water and network facilities according to usage (approx. Rs.3000 per month).
- The TBIU Board of ANU is planning to establish an advanced laboratory facility at the same premises. The users are required to pay the nominal utility charges whenever they use the facility for their activities.
- The core facilities available at ANU Engineering College, ANU Pharmacy College, Central Instrumentation Laboratory and Department of Biotechnology of ANU can also be utilized by members of TBIU on payment of nominal user charges.
- All members approved for TBIU residency will be required to give an undertaking to offer 5% of the profits or the share of mutually agreeable one.
- Marketing of products will not be permitted from the TBIU.

- The TBIU address in the ANU Campus cannot be used as the address of the Registered Office of the Resident Company.

### **Exit Policy**

Notwithstanding any issues pending between the member and the ANU at the time of completion of the agreed tenure of incubation period, the TBIU member shall unconditionally agree to vacate the office space for the next TBIU applicant (in the waiting to move in). However, the MOU and collaboration can be extended for a further period on satisfactory performance and agreement.

The industry interface organization of ANU will be given the responsibility for overall administration of the TBIU and management of its common facilities. The capital cost of the civil construction for the TBIU floor has already been borne by ANU, the costs of other renovation work (civil), if any, and common facilities would be borne by ANU, whose charter permits such expenditure from its funds, provided it is meant towards meeting the main objective of the Foundation, i.e. enhancing the interaction with industry.

### **TBIU Board**

An Institute level Empowered Committee on TBIU (to be known as TBIU Board), has been constituted for the management of TBIU. The TBIU Board would be responsible for, among other things,

- Finalization of the Membership criteria and terms and conditions (including space utilization fees)
- Screening of applications from prospective clients and final selection.
- Periodic monitoring of progress of members and review of their performance, especially relating to technical collaboration with ANU faculty/depts.
- All matters relating to interaction between the TBIU members and ANU system, including those concerning sharing of resources etc.

In short, the TBIU Board will have full authority over all matters pertaining to TBIU, including that of revoking the membership of a Resident Company if it fails to fulfill the laid down criteria of eligibility or deviates significantly from its original plans and

commitments. The ANU TBIU Board is authorizing Prof. P. Sankara Pitchaiah as Chief Liaison Officer, Technology Business Incubation Unit (TBIU), Acharya Nagarjuna University, Nagarjunanagar – 522 510, Guntur, Andhra Pradesh, India, for further information, please contact through email: [profpsanu@gmail.com](mailto:profpsanu@gmail.com), Phone – 9440010001.