



VASIREDDY VENKATADRI INSTITUTE OF TECHNOLOGY

Entrepreneur and Startup Policy 2020

Foreword by Chairman



For last seven years, we at VVIT have been working along with Ministry of Education and APSSDC to develop an Ecosystem for Social and Economic growth. Various activities have been initiated with special focus on Startups, as these sectors have the potential to solve the social and economic issues through innovative ideas and generate a plethora of employment opportunities.

Entrepreneur and Startup Policy of VVIT has been prepared keeping in view the teething problems faced by the Entrepreneurs. Various initiatives such as formation of Incubation Cells, Seed funding, Student Entrepreneurship and IPR awareness, have been provided in the Startup Policy.

I would like the young generation and budding Entrepreneurs to take advantage of the provisions made in the “Entrepreneur and Startup” policy and resolve issues in the field of healthcare, education, social infrastructure of the community.

In line with the PM’s ‘Startup India Policy’, this policy aims to foster entrepreneurship and promote innovation by creating an ecosystem that is conducive for growth of Start-ups. Further, I am sure it will create an innovative centric atmosphere at “Most Happening Place VVIT” and encourage young talent to build Startups with their creativity and skills to be “Job Creators rather than Job seekers”

Vasireddy Vidyasagar

Chairman, VVIT

Foreword by Principal

Identification of untapped demand and underdeveloped markets, has given opportunities to various Entrepreneurs in India to launch new Business Platforms. These Entrepreneurs and Startups were further supported by the wide spread IT Infrastructure and IT services, available in India, which helped them automate the process and reduce the inefficiencies in the system.

Flipkart, Snapdeal, Paytm, OYO, Ola, Paperboat, BigBasket, Urbanladder are a few names of successful “Startups” in India, which has not only led organic growth in India but also helped in the development of support industries. With the Vision to give impetus to ‘Entrepreneurship’ and generate ‘Employment’, VVIT has formulated “Entrepreneur and Startup Policy”.



VVIT provides excellent Infrastructure, access to markets, Mentor Network, Patent Protection as a basic ecosystem for Entrepreneurs. “Entrepreneurship & Startup” policy has been prepared to capitalize from the opportunities available and create a win-win situation between State & Private sector.

By the virtue of provisions made in the policy, VVIT would help “Entrepreneurs and Startups” through strong network of incubators and various funding agencies. Emphasis has been given on Infrastructure augmentation, Seed funding, and Regulatory initiatives, to spur the entrepreneurial drive at VVIT.

I firmly believe that by the launch of this policy, a robust ecosystem would evolve that would promote entrepreneurship culture among students.

Dr.Y.Mallikarjuna Reddy
Principal, VVIT

Preamble

India is currently placed 3rd on the global list of the top five startup communities. The country has been able to establish a strong footprint in becoming a globally recognized Startup Nation. India has improved its innovation ranking in GII to reach 66th position from its last year's rank of 81st, India is the top-ranked economy in Central and Southern Asia, showing particular strengths in tertiary sector and R&D, the quality of its universities and scientific publications, its market sophistication and ICT service exports where it ranks first in the world. India also over-performs in innovation relative to its GDP. It ranks second on innovation quality amongst middle-income economies, overtaking Brazil. Several Indian companies that started as humble startup have been able to make a mark in the global investor fraternity. Unlike most of the developed economies, India is a young country with about 63% population currently being in the working age group of 15-59 years. It is the energy and enthusiasm of this youth which is the real driving force behind the entrepreneurial and Startup success. The perfect blend of rising aspirations of youth, audacity to pursue their interest and the enterprising bent of mind is helping the country to emerge as the leaders of new age entrepreneurship. The government is keen to channelize this energy by providing the right ecosystem, proactive policies and ready talent pool to the budding entrepreneurs.

VVIT Established E-Cell in 2012 and in Association with Ministry of Education and APSSDC taken initiatives to develop the Eco system to support the budding Entrepreneurs at various stages of IDEA to Business. VVIT is keen to further harness the potential of young entrepreneurs by providing the necessary policy push and maximum convergence by linking the policy with the larger perspectives of MINISTRY OF EDUCATION, Government of India initiatives including Digital India, Make in India, Standup & Startup India and Skill India. At this juncture, when Government of India is fiercely pursuing the goal of creating an enterprising India, VVIT also need to take initiative on its part to reinforce these initiatives by creating the enabling atmosphere; it is imperative for VVIT to place Startups and entrepreneurship at the core of policy making and come up with the dedicated policy to support entrepreneurs at every stage and to create a holistic and sustainable eco-system. The core objective of this policy is to provide distinct levels of government support at every stage and to create a holistic and sustainable ecosystem.

Vision, Mission and Objectives

Vision

To become a resourceful Venture Development Centre by supporting & assisting the new-age innovators and entrepreneurial talents among the student community.

Mission

- Establishing an Venture Development Centre with Pre-Incubation
- Build contacts with Incubation Centers across the Country
- Creating a sustainable ecosystem of Innovation, R&D and Engineering.
- Aligning VVIT with the 'Startup India' flagship initiative of Ministry of Education, Govt. of India.
- Enhancing links between universities, research institutions, Industry and the business community.
- Promoting businesses that are aligned with a region's unique areas of opportunity

Objectives

- Establish at least 1 Technology /Business Incubators / Accelerators in each of the different sectors.
- Facilitate Venture Capital funding of a minimum of INR 1 Crore
- Encourage/Facilitate/Incubate at least 10 innovative Technology Solutions in sectors like Health Care, Food security-Agriculture, Clean environment, Education

STRATEGIES

This Policy document recognizes the fact that the seeds of Entrepreneurship and innate ability to innovate must be nurtured in Academic Institutions. It is need of the hour to develop a culture that produces innovators who dare to dream an original idea and pursue till fruition. VVIT would therefore work towards creating such an ecosystem using strategies in alignment with few Ministry of Education-Government initiatives

Initiatives by Government of India

<u>Initiative</u>	<u>Commencement</u>	<u>Description</u>
National Innovation & Startup Policy 2019	September 2019	The National Innovation and Startup Policy 2019 for students and faculty of Higher Education Institutions (HEIs) will enable the institutes to actively engage students, faculties and staff in innovation and entrepreneurship related activities. This framework will also facilitate Ministry of Human Resource Development in bringing uniformity across HEIs in terms of Intellectual Property ownership management, technology licensing and institutional Startup policy, thus enabling creation of a robust innovation and Start up ecosystem across all HEIs.

Entrepreneur and Startup Policy 2020

Make in India	September 2014	The intent of the campaign is to attract foreign investments and encourage domestic companies to participate in the manufacturing, thereby contributing to the country's growth story. To promote manufacturing sector, government is giving impetus in the form of single-window clearances, minimal procedures & cutting out of any redtapism to set up businesses
Standup India	August 2015	The campaign aims at promoting entrepreneurship among women and scheduled castes and tribes. Some of the salient features include: <ul style="list-style-type: none"> ▪ Loans under the scheme would be given for Greenfield projects in the non-farm sector ▪ Intention of the scheme is to facilitate at least two such projects per bank branch ▪ The scheme is expected to benefit at least 250,000 borrowers in 36 months from the launch of the scheme.
Digital India	July 2015	The vision of the program is to transform India into a digitally empowered society and knowledge economy The program aims to ensure that government services are made available to every citizen through an online platform. Private sector has committed funds at the launch of this initiative to fund new ventures, representing a huge business opportunity for startups.
Micro Units Development Refinance Agency (MUDRA)	April 2015	The Indian government launched Mudra Bank to boost the growth of small businesses, manufacturing units and small entrepreneurs The bank would provide credit facility of up to INR 50,000 to small businesses, loan of up to INR 5 lakh to little bigger businesses and loan of up to INR 10 lakh to the MSME sector at low rates In January 2016, the Union Cabinet gave approval for the conversion of MUDRA Ltd to MUDRA-Small Industries Development Bank of India (SIDBI) and for the creation of a credit guarantee fund for MUDRA loans. The MUDRA scheme is expected to benefit 1.73 crore people.

<u>Initiative</u>	<u>Commencement</u>	<u>Description</u>
India Aspiration Fund	August 2015	The finance minister also announced the India Aspiration Fund to encourage the startup ecosystem and allocated INR 400 crore to various venture funds. He also launched another program called SMILE (SIDBI Make in India Loan for Small Enterprises) with an allocation of INR 10,000 crore. The objective of the scheme is to offer soft loans in the form of quasi-equity and term loans on soft terms to MSMEs.

Startup Action Plan 2016*	January 2016	It is an initiative of the Government to build a strong eco- system for nurturing innovation and Startups in the country. The action plan covers three aspects – simplification and handholding; funding support and incentives; and industry-academia partnership and incubation
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Other Supporting Programs for Start-ups

Program	Initiated by	Objective	Core Functions
Atal Innovation Mission	NITI Aayog	To serve as a platform for promotion of world-class Innovation Hubs, Grand Challenges, Start-up businesses and other self-employment activities, particularly in technology driven areas	1. Entrepreneurship promotion 2. Innovation Promotion
Scale-up Support to Established Incubation Centers	NITI Aayog	To scale-up support to enable Established Incubation Centers	Grant-in-aid support of INR 10 crore will be provided in two annual installments of INR 5 crore each
www.1000startups.com	NASSCOM	Startups will be also offered 3 to 4 months of incubation at leading incubators of India, along with co-working space at affordable cost	Close to 500 entrepreneurs who will be eligible for funding ranging from INR 25 lakh to INR 2 crore through leading angel investor networks of the country

Pillars of the Policy

1. Infrastructure augmentation
2. Funding
3. Regulatory Acts
4. Student Entrepreneurship

1 Infrastructure augmentation

Infrastructure will be key to the growth of startups. Innovation and incubation does not limit itself to Information technology sector alone but has its scope in all the sectors including agriculture, energy & environment and Health Care, which are currently not tapped optimally. For this VVIT aims to develop world-class physical infrastructure in the Campus that will provide conducive environment for ideas to originate, scale-up and see business

fruition.

PRE-INCUBATION CENTRE

VVIT will establish a pre-incubator in the given discipline and encourage student projects. All such incubators would be networked with external Incubators to facilitate exchange of thoughts, ideas and collaboration across institutions and disciplines. VVIT will encourage students to do intern with start-up incubators recognized by the State Government to do their mini-projects or summer projects or internships.

TRAINING- CENTRES

VVIT has initiated a number of measures to improve the start-up ecosystem in the Campus. VVIT established four World class Facilities Google Code Lab ,Siemens Centre of Excellence (with over 15 state of art labs under Siemens Centre of Excellence) Dassault systems Lab and, CM skill center to impart students the basic skills which gives competitive edge in Global Market.

The Centres would also facilitate mentoring support in business and technology plans, networking of business resources, entrepreneurship cum skill development, identification of appropriate technology, hands on experience on Projects, Projects/ Products selection, project report preparation, credit facilitation, seed capital assistance, marketing assistance, professional assistance to make the enterprise successful. Some specific infrastructures will be developed as access to equipped laboratories, prototyping, testing and demonstrating facilities

Training & Coaching: The idea here is to train start-up minds with some real-time scenarios wherein, they will develop skills to tackle specific challenges on a daily basis, for example; technology commercialization, presentation/pitch skills, human resources, identifying market opportunities, and customer relation. External experts and/or experienced entrepreneurs will be appointed to act as a mentor and coach during the incubation phase. The mentor is also involved to provide support in obtaining the essential knowledge about the product and the market to be addressed

- a) Business Support: Guiding is one factor that can boost start-up ecosystem in right direction. Every incubation programme also gives business support to assist the start-ups in managing their future market and business related issues. A start-up can look up for guidance in business strategy development, sales and marketing, or web design. Another important service is added recently i.e. legal services that includes intellectual property rights of the new product, the establishment of the new company as a legal entity and on regulation compliance.
- a) Mentoring & Training: In order to provide mentoring for priority issues such as fundraising, scaling, recruitment and product interface, Incubators data base shall be provided by VVIT
- b) Assistance for participating in Fair/Exhibition: The Industry association/Incubators leading a

delegation of startups to National and International Fair/Exhibition or for organizing such fair/exhibition/seminars would be supported by VVIT annually by providing the facility or by encouraging student participation.

- c) Technology Entrepreneurship Programme VVIT in association with Government of Andhra Pradesh support students participating in two programs 1. “Diploma in Venture Development” run by Northeastern University, USA and 2. “Technology Entrepreneurship Program” run by ISB, Hyderabad.
- d) Startup Competition assistance: To encourage entrepreneurship culture among colleges, Eligible Institutes of National Importance, State Universities & Central Universities based in the region VVIT to organize such startup competition fest annually.

2. FUNDING

Seed Funding

A Seed Grant up to INR 12 Lakhs per Department shall be provided for validation of idea, prototype development, assistance towards travelling costs and carrying out field/ market research/ skill training/ marketing and initial activities to setup a startup etc. Seed funding to startups would be routed through implementation Committee. Student would apply for the grant to pre-incubation center and in turn would forward the case to the Implementation Committee. The Implementation Committee would further give its recommendation & accordingly sanction the grant on merit of the idea.

3. REGULATORY ACTS

Awareness on Regulatory Framework

Starting up a business involve getting various stages of departmental approval and clearances. Most of the startups are unaware of the complex policies and regulatory framework, which may hinder their regular operations. Therefore, it is imperative for VVIT to provide support /awareness to these propellers of next stage economic growth on these following Acts

- i. The Factories Act, 1948
- i. The Maternity Benefit Act, 1961
- ii. The Shops and Commercial Establishments Act, 1958
- iii. The Contract Labour (Regulations & Abolition) Act, 1970
- iv. The Payment of Wages Act, 1936
- v. The Minimum Wages Act, 1948
- vi. Payment of Gratuity Act, 1972
- vii. Child Labour (Prohibition & Regulation) Act

4. STUDENT ENTREPRENEURSHIP

Inculcating the habit and embedding the idea of innovation and entrepreneurship in the minds of citizens in every aspect of economic activity is essential for promoting the culture of innovation. This needs to be achieved through strong educational support to bring out innovators and technopreneurs among the youth. VVIT would work with universities, educational institutions and the industry to provide pre-trained manpower in emerging technologies and to foster a culture of entrepreneurship in all sectors

Academic Intervention

- a) Update Institute Syllabus: The Academic Council will be advised to upgrade the course curriculum to be in tune with the emerging technologies and align to the requirements of the Startup sector, and to introduce courses in skill training and entrepreneurship development.
- b) Faculty Upgradation: A special training programme shall be designed for faculty development to be equipped with the know-how of start-ups in order to cultivate entrepreneurship intellect.
- c) Mandatory apprenticeship: VVIT will implement a mandatory scheme of internship/ apprenticeship with the Government departments or other enterprises in the last year of the course under the aegis of Industry department.
- d) Credits to MOOCs and insertion as electives: The Academic Council will be advised to give credits to the students successfully completing notified online courses related to Entrepreneurship.

4.1 Annual Hackathon Competition

VVIT would be actively participating in Smart India Hackathon, conducted by Ministry of Education and organize HackThons on various subjects.

4.2 Scientific Conferences for Industry-Institute collaboration

Scientific conference would be conducted annually by inviting scientists and researchers from around the world in participation with Research Institutions with the aim to create collaborations with VVIT and scientists that can lead into new products and business opportunities through research.

Establishing Policy Implementation Committee

A Committee shall be constituted under the chairmanship of Principal, VVIT and it also include professionals from diverse field which would include Banking Professional, Industry, Academician, Association Member etc. the composition of committee shall be:

Principal	Chair Person
Dean of Studies	Deputy Chair Person
Convenor	Member
Industry Representative	2 Members
Representative from Bank	Member
Representatives of Association	1 Member
Special Invitee members (Subject/Sector Expert)	2 Members


 5/10/2020
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