



## **Policy on confirmation deposit applicable on selected resident incubation services and related guidelines**

*(Version: 1 Dec 2015)*

### **Purpose of this document:**

This document outlines the processes followed in confirming availability of selected resident incubation services and the rationale behind this. The document also provides guidelines for incubation managers of Venture Center.

### **The need for confirmation processes relating to selected resident services:**

Venture Center is a non-profit technology business incubator that aims to empower budding scientist entrepreneurs to pursue their dreams and plans by providing easier and convenient access to enabling resources. Since certain resources such as lab space, office space and seed funding are scarce and limited, it is important that these resources be used optimally without wastage so that as many entrepreneurs as possible can benefit from the facilities. At the same time, optimal utilization is also critical for the incubator to manage its finances efficiently. High levels of utilization ensures that the risk and cost is shouldered more widely and the organization shows greater financial stability.

It is in this context that current policy and guidelines have been developed so that utilization of key resources, especially infrastructural resources can be better managed.

### **Applicability:**

These policies and guidelines shall apply to

- For all applications requiring Venture Center to call an Admissions Committee
- For all services involving dedicated infrastructural support services (Ex: Lab suites and Office suites)

### **Policy and goals:**

The Venture Center's processes for dedicating infrastructural resources to incubatees needs to:

- Ensure maximum utilization
- Minimum unused time between transition in users
- Discourage instances of applicants dishonouring commitments or delaying entry into the incubator or unfairly blocking space
- Prioritize new entrepreneurs with promising ideas
- Prioritize to also deliver optimal financial results for the organization

### **New process:**

The process to be followed shall be as follows:

1. Venture Center receives an enquiry

2. Entrepreneur visits Venture Center and meets with the Incubation Manager. Entrepreneur visits the facilities and understand service offerings.
3. Entrepreneur in discussion with Incubation Manager decides which are the services he/she needs to apply for.
4. Entrepreneur applies for specific service needed. Formal application is submitted. **A nominal application fee may apply at this stage** in order to ensure that the applicants are not frivolous or casual in their application. Payment of application fee by the applicant. Latest application fee is listed in Appendix 1.
5. Evaluation process by Venture Center.
6. Venture Center provides a decision on whether the entrepreneur can be accepted into the incubation program at Venture Center. (DECISION 1)
7. If the DECISION 1 is negative, then the process is terminated at this stage.
8. If the DECISION 1 is positive, then Incubation Manager enters the application into a Waiting List. The decision is informed to the applicant.
9. The Waiting List shall record the following data to decide priority and inform availability to the applicants:
  - i. Applicant name
  - ii. Date of application
  - iii. Type of space needed (Lab or office)
  - iv. Minimum space needs
  - v. Preferred start date
  - vi. Any special needs
  - vii. Venture Center Priority category based on Impact Potential (10- High, 6, 3-Low)
  - viii. Venture Center Priority category based on Revenue Management (10- High, 6, 3-Low)
  - ix. Venture Center Priority category based on Part of Strategic Programs like BIG, SIIP, Lab2Mkt etc (10- High, 6, 3-Low)
  - x. Venture Center Priority category based on Existing Incubatee Status (10- High, 6, 3-Low)
10. The Incubator Manager shall operate the Waiting List roughly on a FIFO basis with due consideration of VC Priorities.
11. As and when facilities become available, the Incubator Manager shall inform the applicant on availability along with a date of availability (DECISION 2).
12. The applicant will need to confirm his/her interest in going ahead with incubation services by:
  - A. Confirming in writing (within 2 working days) to accepting offered incubation services as of the suggested date, AND,
  - B. Pay a **confirmation deposit** to Venture Center within 5 working days of DECISION 2. Latest confirmation fee is listed in Appendix 1. AND,
  - C. Conclude the signing of the agreement within 15 working days of intimation of DECISION 2 or suggested start date, whichever is earlier.
13. Venture Center's responses under various circumstances shall be as follows:

Case	Acceptance DECISION 1	Availability DECISION 2	Confirmed in writing (A)	Payment of Confirmation Deposit done (B)	Agreement signed; First payments done (C)	Status and action
1	No	-	-	-	-	Case closed
2	Yes	No	-	-	-	Case on Waiting List (WL)
3	Yes	Yes	-	-	-	Awaiting A
4	Yes	Yes	No	-	-	Applicant moved to next position in WL.

5	Yes	Yes	Yes	-	-	Awaiting B
6	Yes	Yes	Yes	No	-	Applicant moved to end of WL.
7	Yes	Yes	Yes	Yes	-	Awaiting C
8	Yes	Yes	Yes	Yes	No	Applicant moved to end of WL. Confirmation Deposit shall be forfeited.
9	Yes	Yes	Yes	Yes	Yes	Applicant can begin on start date. Confirmation Deposit shall be adjusted against first payment.

14. Please note that the Confirmation Deposit shall not be refundable if Step 12 C is not completed after completing Step 12B. This is to discourage applicants who block space without due consideration to others in the waiting list.
15. For those who complete Step 12C after Step 12B, the Confirmation Deposit shall be adjusted against the first payment.

**Special considerations:**

- In the case of applicants who are **recipients of Government funded grant programs such as BIG, SPARSH** etc where a National Committee has recommended the project, Venture Center reserves the right to apply the guidelines with differences while still sticking to the spirit of the policy. For example for the case of BIG grantee, the process may be as follows:
  - Process starts at Step 8
  - In Step 12, some relaxation will be allowed as long as the BIG Grantee signs agreements with start date coinciding with the start of the project duration. If not, the BIG Grantee will be treated akin to any other applicant.
- For the case of existing incubatees seeking additional services or changes in services AND who do not need Board approvals for extension, the process may be as follows:
  - Process starts at Step 8
  - In Step 12, no relaxation shall be applicable.

**Contact person for clarifications:**

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**Appendix 1: Fees applicable as of 1 Dec 2015**

Application Fee	Rs 0
Confirmation Deposit	Rs 25,000