

VIRTUAL INCUBATION

A MANUAL FOR MANAGERS

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Amity Innovation Incubator is one of India's leading destinations for business incubation. It has been designed to accelerate the successful development of entrepreneurial companies through an array of business support, resources and services developed and organized by incubator management and offered both in the incubator and through its network of contacts.

Amity Innovation Incubator is a registered 'not for profit' society supported by a distinguished advisory body consisting of industrialists, venture capitalists, technical specialists and managers which has helped many entrepreneurs realize their business dreams through a range of infrastructure, business advisory, mentoring and financial services.

The core team of the Incubator has decades of experience in assisting entrepreneurs through Incubation and Venture Capital Funding. Amity Innovation Incubator offers a range of services to nourish entrepreneurial talent such as - business planning, company formation, legal and IPR assistance, managerial and the technology support.



Virtual Incubation Programme is an endeavour by Amity to support geographically dispersed innovative start-ups via the virtual incubation support system.

The programme provides a wide array of remote services that include:

- **Patent consulting and database access** including access to leading team of IPR professionals for legal and patent advisory services, support in strategically creating an IP and its due protection, access to crucial databases like Indian patents database, US patents database, European patents database.

WHAT IS A PATENT & WHY IT IS IMPORTANT FOR A START-UP?



A patent is a statutory right for an invention granted for a limited period of time to the patentee by the Government, in exchange of full disclosure of his invention.

This prohibits others, from making, using, selling and importing the patented product or process for producing that product for those purposes without his consent.

DOES PATENT GIVE PROTECTION WORLDWIDE?



Patent protection is territorial right and therefore it is effective only within the territory. However, filing an application in a country (for eg. India) enables the applicant to file a corresponding application for same invention in convention countries, within or before expiry of twelve months from the date of filing. Therefore, separate patents should be obtained in different countries where the applicant requires protection of his invention. There is no patent valid worldwide.

- **Financial advisory services** that include investment advisory services, private equity advisory services, M&A, structured financing, strategic advisory services and a platform to facilitate PE/VC/Angel investors to identify fundable propositions. We are one of the leading providers of Corporate Advisory Services for start-ups. Our professional team

strives to assist our clients in achieving their fund raising objectives by formulating suitable products and services based on comprehensive research and structuring. Our professional approach enables us to fulfill the client's financial needs and requirements at different stages of their dynamic business lifecycle. We have raised approximately 2 million USD for our incubatees through various resources such as TDB (Technology Development Board), SIDBI, MSME and private equity firms. 11 of our incubatee companies were selected under "Support of Entrepreneurial and Managerial Development of SMEs through Incubators", 4 incubatee companies were selected for "Seed Fund Support" by TDB and we have also successfully raised Risk Capital for 4 Incubatee Companies under SIDBI-SAS Scheme.

- **Access to Amity Innovation Incubator Mentoring Committee** comprising of more than 100 renowned names from the industry and including eminent personalities from diverse fields. This is a shared value network with defined set of policies, procedures and quality standards that creates a level of support and consistency unavailable elsewhere. These mentors are the domain experts from diverse fields such as Information Technology, Telecommunication, Design, Bioinformatics, Finance, Marketing, Operations and Human Resource etc. Mentors guide and visualize the big picture for the start-ups which enable them to face and succeed in the challenging game of business.
- **Free invitation to knowledge sessions, workshops and events** happening on campus including discounted entries for entrepreneurial events organized by TIE, NITIEE, NASSCOM, ISBA and others. These events and sessions provide the incubatees a unique learning experience and give them a chance to meet the thought leaders. Entrepreneurs get a chance to attend more than 100 events to enhance their knowledge and skills. Few of the major in-house university events are as follows:

1. **CONFLUENCE**- The Next Generation Information Technology Summit
2. **National Conference on Advances in Computer Science and Technology**
3. **SPIN**-National Conference on Advancements in Signal Processing and Integrated Networks
4. **TRACE** - National Conference on Trends & Recent Advances in Civil Engineering
5. **MANFEX**- National Conference on Manufacturing Excellence
6. **MECON**- Mobile and Embedded Technology Conference
7. **VMN**- National Conference on VLSI, MEMS AND NEMS
8. **TELEFOCUS**- Annual National Telecom Seminar
9. **INBUSH**- International Business Horizon
10. **Annual Business Summit**
11. **Seminar on "Winning Strategies through Competitive Intelligence"**
12. **Global Leadership Summit**



- **Virtual space for remote office access** and online real-estate over the Incubator's in-house servers. This will allow entrepreneurs to make their own website accessible via the Amity Server. Entrepreneurs are given a privilege of utilizing Amity Innovation Incubator address for their postal & digital communication.
- **Access to global facilities** by virtue of Amity University's worldwide presence along with benefits like Global Concierge Services, Conference Space, Networking, Market Knowledge And Research. Incubatees can avail the Amity Infrastructure facilities at 7 global campuses - Singapore, Dubai, Mauritius, London, Romania, New York and California for conducting conferences, client meetings etc.
- **Free Access to Global Business Reviews**, Relevant Articles, Newsletters, Research & White Papers, Technology Journals and Amity's library facilities.
- **Online showcasing of products** and services through our unique entrepreneur focused portal to the VC/PE industry that helps start-ups to get the visibility in the market and attract investors and prospective clients.
- **Updates and supports on Government-Run Entrepreneurial Development Schemes** that help in developing entrepreneurial environment. Entrepreneurs also get benefited by schemes run by the Government in different domains. Incubator also plays the role of an advisor to the Government and pre-screens the companies and ideas for speedy execution of the schemes.



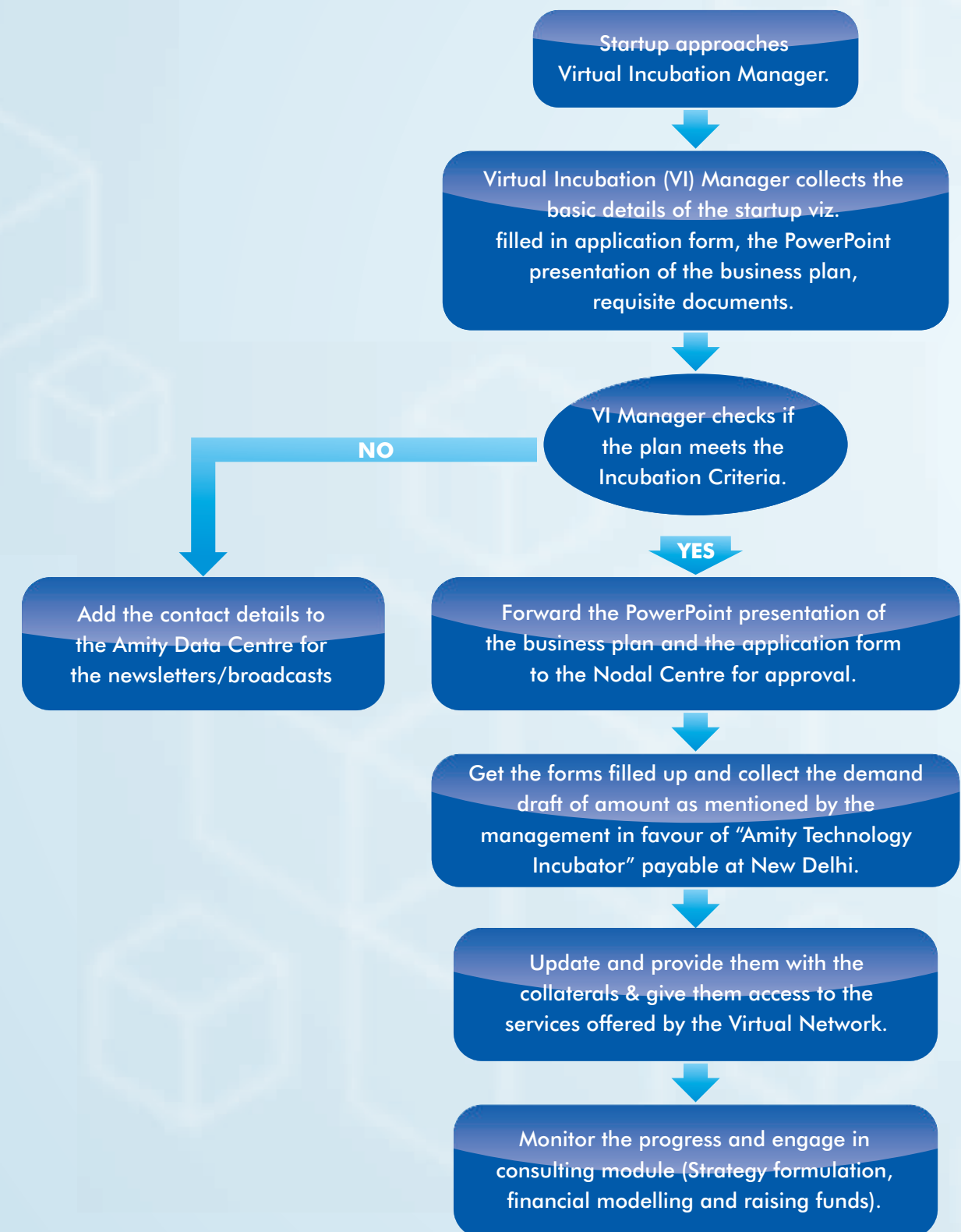
- **Sharing products, services and resources** with fellow entrepreneurs and accessing their feedback which works as a pilotrun for their product & services, thereby reducing the risks cost effectively. Most important aspect of it is that one or two entrepreneurs can club to form a product.
- **Accessing Interns and hiring interested students as team** members including MBA, B.Tech, Bio Tech graduates. This talent pool helps Entrepreneurs in hiring talented workforce for their Entrepreneurial ventures while reducing the cost of HR procurement.
- **Power Networking** with who's who in the industry via Amity Innovation Incubator's Networking Platform enables Entrepreneurs to get connected to the most relevant set of CEO's & CXO's in the industry to help them leverage offerings and to look for synergies. Networking events and Gala Dinners help them develop interactions between the entrepreneurs and industry.
- **Business Plan Assistance and Support** with business advisory services, including overall business planning, understanding the market space, strategy formulation and answer to other critical business/ industry related questions.

VIRTUAL INCUBATION MANAGER- ROLES & RESPONSIBILITIES

- The VI (Virtual Incubation) Manager shall act as the first point of contact for the Entrepreneur in that region.
- The VI Manager will explain to the Entrepreneur about the Incubator & the services offered by the Virtual Incubation Network.
- The VI Manager shall review the business idea & plans submitted by the Entrepreneur & update/comment on the same.
- The Manager shall keep a log of all such queries/information requests and share on fortnightly basis with the Noida Head Office
- The VI Manager shall incubate the company as a Virtual Incubatee Company - once the business idea/plan has been approved by the management committee.
- The VI Manager shall help the Entrepreneur in registration and collect the necessary documents required for the documentation process.
- Once the registration & documentation is complete the VI manager will forward a set of documents to the Noida Head Office.
- The VI Manager shall maintain the records of all the Entrepreneurs visiting the Virtual Centre & update the Noida Centre.
- The VI Manager shall liaison with the bodies running the Entrepreneurship or related programmes in the area & engage themselves in ecosystem building activities.
- The VI Manager shall conduct at least one workshop or event at the Virtual Incubation Centre every quarter.
- The VI Manager shall be conducting a networking session with the Entrepreneur to keep the activity & ecosystem active.
- The VI Manager shall take the initiative to run EAC (Entrepreneur Awareness Camp) across the campus.



PROCESS FLOWCHART



PREREQUISITES FOR THE BUSINESS PLAN

1. EXECUTIVE SUMMARY (Two Page Elevator Pitch/Teaser)

2. BUSINESS DESCRIPTION

- Legal Name and Legal Structure: Trademarks, Copyrights & Other Legal Issues.
- Product or Service Description: What exactly will you be paid for, what is your Unique Selling Proposition?
- Business Concept and Opportunity: Why are you likely to be profitable?
- Financing Requirements: What do you need to get started and to operate?

3. INDUSTRY ANALYSIS AND TRENDS

- Size, Growth Rate, New Developments or other forces that will impact your business?
- Vulnerability to Economic Factors, Seasonal Factors, Regulatory Issues, Supply and Distribution, Anticipated Industry Trends.

4. THE TARGET MARKET

- Describe your target market: Demographics/Geographic, Psychographics, Buying patterns, Purchasing sensitivities.
- How large is this market in terms of Annual Sales, buying power and what is the potential for growth?



5. THE COMPETITION

- What is your competitive position? Who are your competitors?
- Which companies are currently serving your potential customers? What will be service in the future? – Provide names and locations. How do you compare to your competition - Price, Quality, Customer services, etc.

6. MARKETING PLAN

- What is your marketing/pricing strategy?
- How will you reach your target market– marketing vehicles, strategic partnerships, other marketing tactics.

7. OPERATIONS

- How will you manufacture your product or provide your service?
- What are the personnel or labour requirements?
- Special equipment or key suppliers, if applicable.
- Space requirements (e.g.: office, factory, retail, home) and associated costs, including renovations.
- Location – description of your location and its key features, including zone qualifications.

8. MANAGEMENT AND ORGANIZATION

- Names, Titles, Responsibilities, Related Experience, Education, Salaries.
- Board of Advisors, Consultants/Specialists, Management to be added etc.
- Key Personnel –job descriptions, salaries and training requirements.

9. DEVELOPMENT, MILESTONES & EXIT PLAN

- Long Term Company Goals, Growth Strategy
- Milestones
- Risk Evaluation and Exit Plan

10. FINANCIALS

- Startup costs, Sources and Uses of Funding
- 3 year Summary Balance Sheet, Income Statement and Statement Cash Flow (if applicable).
- Monthly Income Statement and Statement of Cash Flow for the first and second year of operation (assumptions in case of unavailability)
- Assumptions

BUSINESS EVALUATION CRITERIA

1. Strength of the Business Idea
 - Novelty of the Business Idea
 - Use of the Technology
2. Innovation involved in the Business Idea
 - Is the Innovation Patented
 - Copyright involved
3. Commercial viability of the Product/Service
 - Is the Product/Service saleable in the market
 - Life cycle of the Product/Service
4. Stage of Progress
 - Prototype ready & Pilot is running
5. Team Strength & Past Success
 - Strength of the team
 - Past experience of the team
 - Success story, if any
6. Funds Involved
 - Expenditure made on the project
 - Funds required to take it to the next level



VIRTUAL INCUBATION REGISTRATION PROCESS



1. Executive Summary, Business Plan PPT & Financial Plan.
2. Registration Form.
3. DD/Cheque of ₹ 7,500/- drawn in favour of "Amity Technology Incubator" payable at New Delhi.
4. Share purchase agreement document (in case of equity).
5. Share Certificate (in case of equity).

Documents Required (From the Company):

- a) MOA & AOA of the Company
- b) PAN card of the Company
- c) Service Tax registration number of the Company
- d) PAN card of the Promoters
- e) ID proof /Address proof of the Promoters

SUPPORTING START-UPS AT EVERY STEP OF THE ENTREPRENEURIAL JOURNEY



Amity Capital Ventures (ACV) is an early stage investment vehicle which operates from New Delhi, India with focus on investing in start-ups and SMEs at an early stage across diversified sectors with primary investments by way of equity and through quasi-equity instruments. ACV is closely associated with Amity Innovation Incubator, based out of Noida and supports its investment companies by way of constant mentoring and other value addition services to ensure success in the market.

- Active investment portfolio of companies across various sectors
- ACV is backed by a core team with decades of cumulative experience and strong capabilities in identifying opportunities at an early stage
- Strategically associated with Amity Innovation Incubator, with support in areas of IP Consulting, Strategic Advisory and Mentoring Support for ACV's portfolio investments

ACV'S team of domain experts have established a successful Portfolio of investments across various sectors such as:

- Education Technologies
- IT Services
- Clinical Research
- Online Gaming
- Smart Automation Devices
- Geographical Information Systems
- Microfinance Automation
- Mobile Technologies

INVESTMENT FOCUS:

- Early stage investments across diverse sectors having potential for attractive growth and earnings
- Strong management team for products in a high growth market
- High expected return on investment

Investment Horizon: 5-7 years with an option for early exits.

1. What is a Technology Business Incubator (TBI)?

A Technology Business Incubator facilitates the development of technology based and knowledge driven companies helping them to survive and grow during the start-up period by providing an integrated package of work space, shared office services, access to specialized equipments and value added services like management assistance, technical assistance, networking support, financial support and business planning. The main objective of a Technology Business Incubator is to produce successful business ventures that create jobs and wealth in the region.

2. How are incubatee companies benefitted by TBI?

A Technology Business Incubator provides infrastructural support along with an integrated package of business support services at moderate costs enabling incubatee companies to start their ventures with a lower initial investment. A Technology Business Incubator also assists incubatee companies by offering critical support services so as to minimize the chances of failure and improve survival prospects. In addition to this, the networking support provided by a TBI helps incubatee companies to establish credibility and reduce their time in developing marketable products and services.

As a premier Technology Business Incubator, the Amity Innovation Incubator has a 100% survival rate- all companies incubated at Amity Innovation Incubator are commercially successful and flourishing.

3. How do incubators help start-ups in getting funding?

Incubators can help incubatee companies in securing capital in a number of ways:

- Managing in-house and revolving incubation funds/ seed support fund
- Connecting companies with angel investors (high-net-worth individual investors)
- Working with companies to perfect venture capital presentations and connecting them to venture capitalists
- Assisting companies in applying for bank loans

4. What are the different models of TBIs?

Technology Business Incubator evolves its model based on the needs, strengths and the thrust area of technology. They generally have the following features:

- Focus on specific sectors
- Proximity to the Educational Institutions/R&D/Management Institutes
- Equipped with modern Infrastructure, Labs etc.

5. How can one apply for incubation?

Individuals can visit the Amity Innovation Incubator website i.e. www.amity.edu/AII and apply by filling an online form or directly contact Amity Innovation Incubator on the numbers given on the website

6. What are the modes of incubation?

There are three modes of incubation:

1. **Physical Incubation:** In this mode companies are provided with physical space and all services such as business plan writing, mentoring, raising funds etc.

2. Virtual Incubation: In this mode companies are not provided with physical space while all services stand same as in physical incubation. In addition companies can utilize the Amity Innovation Incubator infrastructure for conducting their board meeting and events after taking prior approval from the management team.
3. Student Incubation: This is a unique programme run by Amity Innovation Incubator where students while studying can apply for incubation services. Once selected they are entitled for privileges which include utilization of the incubator facilities and office space in a student innovation center to start their venture.

7. How does Amity Innovation Incubator screen a business idea?

At the Amity Innovation Incubator business ideas are screened in the following 3 stages:

Stage 1: Business plan or idea is analyzed by the incubator managers, who evaluate the idea on the basis of technology, market, commercialization potential and an average score over different rational parameters is passed on.

Stage 2: In the second round of screening the domain experts analyze the idea and validate the demand and the technology of the idea/business plan.

Stage 3: Innovators/Entrepreneurs present their business plans/ideas to the Amity Innovation Incubator Board Management Committee members - who take the final decision regarding the incubation of the entrepreneur.

8. Does Amity Innovation Incubator help in raising funds?

Amity Innovation Incubator is one of the most active incubators in raising funds – and has already raised funds of approx. 4 million USD for 14 start-ups hailing from different private and Government institutions.

9. What are the tax benefits?

Incubatee companies are entitled to avail service tax benefits upto INR 50 lacs. Thereafter they are charged under normal service tax norms.

10. What is the engagement model?

Amity Innovation Incubator follows a hybrid model of “ENGAGEMENT” in which start-ups and incubatee companies are charged with 5 to 15 percent of equity and rentals depending upon the business stage.

11. What is the mentor network? How does the mentor network operate?

Amity Mentor Network comprises of highly experienced mentors & domain experts having rich experience in their relevant domains. Amity Innovation Incubator organizes ‘Mentoring Clinics’ in which entrepreneurs get a chance to interact with these mentors. In this process every mentor is allotted a company to mentor along with the responsibility to accelerate the growth of the venture.

12. What are the benefits & discounts incubatee companies get on outside events?

Incubatee companies are entitled for discounts on all events either partnered by Amity Innovation Incubator or where Amity Innovation Incubator is a member of the organization -TieCon, ISBA, CII innovation awards etc. These events are immensely beneficial for incubatee companies as among other things they provide the opportunity to showcase products and services to the right audience.