



SREC SPARK INCUBATION FOUNDATION

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Start-Up Policy and Guidelines



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I. About SREC SPARK Incubation Foundation

SREC SPARK Incubation Foundation (hereinafter referred to as **SREC SPARK**) is established at Coimbatore with the objective of nurturing innovation by encouraging, supporting, and promoting technology-based start-ups. The Foundation provides a structured incubation ecosystem to facilitate the growth, sustainability, and scalability of innovative ventures through systematic mentoring, infrastructure support, and ecosystem linkages.

SREC SPARK is a **registered Section 8 Company**, functioning as a not-for-profit incubation entity. The Foundation plays a dynamic role in fostering an entrepreneurial mindset and culture by supporting the processes of ideation, innovation, product development, and commercialization. It extends incubation and support services to start-ups originating from academic institutions as well as independent start-ups, provided they are aligned with the core focus areas and objectives of the Foundation.

Through its incubation programs and initiatives, SREC SPARK aims to bridge the gap between innovation and market realization by enabling access to technical expertise, business mentoring, and collaborative opportunities.

Objectives of SREC SPARK Incubation Foundation

The primary objectives of SREC SPARK are as follows:

- To encourage and promote innovation and entrepreneurship by supporting start-up companies through the establishment and provision of physical and virtual incubation infrastructure.
- To provide comprehensive incubation services to innovation-driven and start-up companies by facilitating access to technology support, management consulting, mentoring, and professional guidance.
- To conduct entrepreneurship development activities and foster a culture of innovation and enterprise creation, leading to the development of sustainable technology-based start-ups.



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Focus and Thrust Areas of Incubation

SREC SPARK Incubation Foundation primarily supports start-ups and innovations in the following focus areas:

- Automation
- Energy/Mobility
- Software and Information Technology–based Solutions
- Healthcare

II. SREC SPARK Policy

Based on the above National Innovation Start-Up Policy [1], State Government Policy [2] and Anna University Start-Up Policy for Faculty, Staffs and Students [3] and guidelines, the SREC SPARK Faculty, Staff, Students and Stakeholder Startup Policy 2020 is developed. This policy address the

- 1 Strategies and Governance
- 2 Start-ups Enabling Institutional Infrastructure
- 3 Nurturing Innovations and Start-ups
- 4 Norms for the Faculty, Staffs and Students Startups
- 5 Intellectual Property Rights Protection and licensing
- 6 Monitoring
- 7 Review



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1. Strategies and Governance

SREC SPARK Incubation Foundation shall adopt a structured and transparent governance framework to promote entrepreneurship, innovation, and start-up development in collaboration with academic institutions and ecosystem partners.

1.1 Institutional Strategy for Entrepreneurship Promotion

- Entrepreneurship promotion, development, and implementation activities associated with SREC SPARK shall be coordinated through a designated **Senior Faculty Member or Academic Champion** nominated by the respective institution, in coordination with the management of SREC SPARK, to foster innovation and start-up culture among faculty, staff, and students.
- The importance of innovation, start-up creation, and policy implementation shall be promoted across the institution through structured programs (Pre-Incubation) such as workshops, seminars, internships, hackathons, and industry interaction initiatives.

1.2 Financial Strategy and Resource Allocation

- Institutions supporting SREC SPARK-related entrepreneurial activities may allocate **up to 1% of their total annual institutional budget**, subject to governing body approval and applicable financial regulations, to support innovation, start-up, and incubation initiatives.
- Such investments shall be directed toward research and development, incubation infrastructure, prototyping facilities, mentoring programs, and ecosystem-building activities.

1.3 Innovation and Growth Orientation

- This policy is intended to nurture innovation-driven entrepreneurship by promoting investment in research and development, infrastructure creation, knowledge generation, technological advancement, and skilled manpower development.
- Emphasis shall be placed on enabling the creation of scalable, sustainable, and high-growth entrepreneurial ventures.

1.4 Social Entrepreneurship and Inclusive Innovation

- SREC SPARK shall actively encourage and support **social entrepreneurship and inclusive innovation**, with a focus on solutions that create positive societal, environmental, and economic impact.



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1.5 Operational Autonomy and Best Practices

- Incubated start-ups shall be encouraged to define, develop, and adopt industry-recognized best practices that enable efficient and responsible business operations, while ensuring compliance with applicable laws and minimizing operational and financial risks.

1.6 Ethical Conduct and Transparency

- SREC SPARK shall ensure that all incubation, governance, and business-related activities are conducted in a **transparent, ethical, and accountable manner**, promoting good governance, integrity, and responsible entrepreneurship.

2. Start-ups Enabling Institutional Infrastructure

SREC SPARK Incubation Foundation, in collaboration with participating institutions, shall establish and maintain a robust pre-incubation and incubation ecosystem to support innovation and start-up development across disciplines.

2.1 Pre-Incubation and Incubation Ecosystem

- Pre-incubation mechanisms such as **Institution's Innovation Councils (IICs)** (as per the guidelines of MHRD's Innovation Cell), **Entrepreneurship Development Cells (EDCs)**, Start-up Cells, student innovation clubs, and similar bodies shall be created and strengthened within the institutions using internal and external resources.
- SREC SPARK shall function as a **separate legal entity**, preferably registered as a **Section 8 Company under the Companies Act, 2013**, with an independent governance structure to manage incubation activities.
- The pre-incubation and incubation facilities shall be accessible to **students, faculty, and staff from all disciplines and departments**, fostering interdisciplinary collaboration and bridging the gap between ideation and commercialization.

2.2 Access and Availability

- Subject to institutional policies and operational guidelines, the pre-incubation and incubation facilities may be made accessible on a **24×7 basis**, supported by host institutional security and facility management teams.



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2.3 Physical Infrastructure and Facilities

2.3.1 Co-working and Office Space

- Well-designed, fully furnished, air-conditioned co-working spaces and dedicated incubation units with **plug-and-play facilities** shall be provided to incubated start-ups.
- High-speed wired and wireless internet connectivity, meeting rooms, and conference rooms shall be available for collaboration, brainstorming, and business discussions.

2.3.2 Conferencing and Meeting Facilities

- Meeting rooms equipped with audio-visual and video conferencing facilities shall be available and may be booked as per prescribed procedures.
- Large conference halls of the institution may be utilized by incubated start-ups subject to availability and institutional rules.

2.3.3 Innovation and Prototyping Facilities

- Incubated start-ups may be provided access to the **Fab Laboratory** and other specialized facilities equipped with hardware such as 3D printers and relevant software tools for product development and prototyping, with prior approval.

2.3.4 Library and Knowledge Resources

- Access to host institutional library services, including research databases, journals, and digital learning resources, shall be extended to incubated start-ups as per library regulations.

2.3.5 Common Amenities

- Shared pantry facilities with basic amenities such as drinking water, refrigeration, and heating appliances shall be provided.
- Institutional mess facilities, cafeterias, food courts, and other campus amenities may be accessed as per institutional norms.
- Hostel accommodation may be provided on request, subject to availability and institutional policies.



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2.3.6 Academic and Ecosystem Engagement

- Incubated start-ups shall be encouraged to participate in expert talks, workshops, training programs, and other entrepreneurship-related activities conducted by the institution and SREC SPARK.

2.4 Information Technology Infrastructure

- Industry-compatible IT infrastructure with **high-speed dedicated internet bandwidth** shall be provided to support start-up operations.
- The following IT support facilities may be made available based on requirement and availability:
 - Meeting rooms with video conferencing facilities
 - Specialized hardware and computing devices
 - Server space and application testing infrastructure
 - Office equipment such as desktop computers, printers, photocopiers, and office telephones
 - Software tools and licenses as required for product development and business operations

3. Nurturing Innovations and Start-ups

SREC SPARK Incubation Foundation shall provide structured pre-incubation and incubation support through a comprehensive set of offerings and services designed to nurture innovation-driven start-ups from ideation to commercialization.

3.1 Offerings and Support Services

- SREC SPARK shall offer **pre-incubation and incubation support** in multiple forms, tailored to the specific needs and stage of each start-up.
- The Foundation shall provide a **collaborative working platform** comprising motivation, guidance, structured mentoring, value-based collaboration, physical co-working spaces, and virtual incubation facilities.
- The overall support framework shall be broadly categorized into **facilities** and **services**, encompassing infrastructural, technological, mentorship, and knowledge-based support.



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- Training and capacity-building programs shall be organized for start-ups as well as other aspiring entrepreneurs to develop entrepreneurial skills and bridge the gap between industry requirements and the existing academic curriculum.
- Networking and ecosystem-building events shall be organized to enable start-ups to interact with **investors, industry experts, mentors, and other stakeholders**, including platforms for pitching innovative ideas.

3.2 Facilitation of Start-up Activities

The institution, in coordination with SREC SPARK, shall facilitate start-up and technology development activities by permitting students, faculty, and staff to utilize institutional infrastructure and facilities, subject to applicable rules and regulations. The facilitation may include the following:

- Short-term and part-time entrepreneurship development and training programs.
- Regular and structured mentorship support through domain experts, industry professionals, and academic mentors.
- Facilitation and guidance in areas including, but not limited to:
 - Technology development and technical guidance
 - Ideation, creativity, and design thinking
 - Research and Development (R&D) support
 - Fundraising and investor readiness
 - Financial planning, accounting, and cash-flow management
 - New venture planning and business model development
 - Product design, development, and validation
 - Social entrepreneurship and impact-driven ventures
 - Product costing, marketing, branding, and outreach
 - Legal, regulatory, and compliance support
 - Human resource management and organizational development

3.3 Mentorship, Advisory, and Knowledge Support

- SREC SPARK shall provide **technical mentorship, business mentorship, and financial advisory services** through an internal and external mentor network.
- The Foundation shall actively engage in **knowledge management, outreach, and exposure programs** to enhance learning, market understanding, and ecosystem integration for incubated start-ups.



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3.4 Funding and Financial Support

- SREC SPARK and the participating institutions may facilitate linkages with **seed-fund providers, angel investors, venture capital funds, and government funding schemes**.
- Subject to maturity of incubation activities and governing approvals, SREC SPARK may establish or manage a **seed fund** to support promising start-ups.
- **Grants, fellowships, and need-based financial assistance** may be provided to start-ups after thorough evaluation and approval by the Advisory Committee.
- Assistance in accessing loans and other financial instruments may also be extended through institutional or external partnerships.
- **Seed funding support** may be provided to start-ups based on evaluation of innovation potential, scalability, and sustainability, with approval from a duly constituted committee.
- **Deferred payment provisions** for incubation charges may be offered on soft terms to reduce early-stage financial burden, subject to prior request and approval by SREC SPARK.

3.5 Intellectual Property and Human Resource Support

- Licensing of institutional intellectual property to incubated start-ups shall be governed by the provisions outlined in **Section 5: Intellectual Property Rights Protection and Licensing**.
- Well-trained students may be made available as **interns** to start-ups, and members of start-up core teams may be engaged as per institutional rules, to support technology development, business operations, and creative functions.

Norms for Faculty, Staff, and Student Start-ups

This policy permits **faculty, staff, and students** to translate innovative ideas and technologies—based on **intellectual property owned or co-owned by them**—into start-up ventures. Start-ups may be promoted individually or collaboratively, including combinations of faculty, students, alumni, entrepreneurs, and faculty from other institutions, subject to institutional approvals.



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4.1 Faculty and Staff Start-ups

a. Institutional Support and Equity Participation

- The institution, in coordination with SREC SPARK, may provide **incubation space, infrastructure, mentorship, seed funding, and support services** such as accounting, legal, and IPR facilitation to start-ups owned by faculty or staff.
- In consideration of such support, the institution or SREC SPARK may take an **equity stake ranging from 2.0% to 9.5%**, in accordance with applicable **State Government and affiliated University guidelines**.

b. Roles, Responsibilities, and Time Commitment

- With prior approval of the institution, a faculty or staff member may be an **Owner or Co-owner** of a start-up and may serve on its Board of Directors.
- Faculty or staff may also assume operational roles (e.g., Technical Advisor, Manager, CEO) subject to the following conditions:
 - There shall be **no restriction on shareholding**, provided the faculty or staff member does not devote more than **20% of official working time** to start-up activities and does not compromise academic, research, or administrative responsibilities.
 - A clear distinction shall be maintained between **institutional research activities** and work carried out for the start-up.
 - Institutional research scholars, project staff, or employees shall **not be engaged** in start-up activities without formal approval and compliance with institutional norms.
 - Faculty or staff shall **not accept honoraria, gifts, or undue benefits** from the start-up.

c. Consultancy, Testing, and Facility Usage

- Other faculty members may undertake consultancy or sponsored projects from faculty/staff-owned start-ups strictly as per **existing institutional consultancy norms**.
- Utilization of institutional testing, characterization, or laboratory facilities by such start-ups shall be subject to **approved institutional charges and procedures**.



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d. Intellectual Property Rights

- Intellectual Property Rights arising from technologies developed by faculty/staff start-ups shall be governed by **Section 5: Intellectual Property Rights Protection and Licensing** and the institutional IPR policy.
- Ownership of IP shall normally be **jointly held** by the faculty/staff and the start-up, unless otherwise agreed through formal agreements.

e. Incubation Location

- Start-ups owned or co-owned by faculty or staff shall normally be incubated at **SREC SPARK or the institutional incubator**.
- In exceptional cases where external incubation is proposed, a **justified request** must be submitted for approval. The decision of the institution shall be **final and binding**.

f. Evaluation and Admission

- Admission and continuation of faculty/staff start-ups in incubation shall be subject to evaluation as per the **incubation policy and selection criteria** of SREC SPARK.

4.2 Student Start-ups

Institutions shall actively encourage **student-led start-ups**, including inter-departmental and inter-institutional teams, recognizing the interdisciplinary nature of entrepreneurship. Students shall be nurtured through experiential learning, exposure to industry practices, and structured innovation activities.

a. Encouragement and Capacity Building

- Students shall be encouraged to develop an entrepreneurial mindset through training in cognitive and innovation skills such as **design thinking, critical thinking, and problem-solving**.
- Activities such as idea competitions, hackathons, workshops, boot camps, seminars, mentoring sessions, exhibitions, and interactions with entrepreneurs and industry experts shall be organized regularly.



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b. Start-up Engagement during Study

- Students may be permitted to **establish or work part-time in start-ups** incubated at SREC SPARK while continuing their academic programs, including internships.

c. Academic Credits and Project Substitution

- Students may earn **academic credits** for working on innovative prototypes or business models, subject to approval by the **concerned Department Committee** and in accordance with academic regulations.
- Start-up activities may be allowed as a substitute for **mini-projects, major projects, seminars, or summer training**, with appropriate approvals.
- Students may use their start-up ideas or prototypes to fulfill academic project requirements, subject to approval from the institution and the incubator.

d. Company Registration and Address

- Student entrepreneurs under incubation may be permitted to use the **institutional address** for company registration, with due permission from the institution.

e. Attendance and Examination Flexibility

- Student entrepreneurs may be permitted to appear for examinations even if their attendance falls below the minimum requirement, subject to institutional regulations and formal approval.

f. Academic Break and Rejoining

- Students may be allowed to take a **semester or year break** (or longer, based on review committee recommendations) to work on their start-ups and later rejoin the academic program to complete the course.
- Student entrepreneurs may earn academic credits for entrepreneurial efforts, as approved by the institution.



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g. Review and Evaluation Committee

- The institution may constitute a **Student Start-up Review Committee** comprising the Senior Faculty in charge of EDC, Head of the Department concerned, CEO of the Incubator, and the Principal.
- Based on periodic reviews of progress, the committee may recommend appropriate academic credits and continued support.

h. Accommodation Support

- Subject to availability and institutional norms, **on-campus accommodation** may be provided to student entrepreneurs as required.

5. Intellectual Property Rights Protection and Licensing

5.1 Definition and Scope

Intellectual Property Rights (IPR) refer to the legally enforceable rights granted to inventors and creators over their inventions and creative works, including **patents, trademarks, copyrights, industrial designs, and related forms of intellectual property**. These rights enable the right holders to exclude unauthorized third parties from exploiting the protected subject matter for a defined period, typically **twenty (20) years** in the case of patents, subject to applicable laws.

All intellectual property developed by faculty, staff, students, or incubated start-ups using institutional or SREC SPARK resources shall be **protected, managed, and licensed** in accordance with institutional norms, applicable laws, and this policy.

5.2 Licensing of Institutional IPR to Start-ups

- Faculty, staff, and students intending to initiate a start-up based on technology **developed, co-developed, or owned by the institution** may be permitted to obtain a **license** to such technology on **preferential and startup-friendly terms**.
- Licensing may be structured in the form of **equity participation, license fees, royalty payments, or a combination thereof**, with the objective of minimizing early-stage financial burden on start-ups.



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5.3 Ownership of IPR

- When institutional facilities, funds, or significant support are used, or when IPR is developed as part of **curriculum, sponsored research, or academic activity**, the resulting IPR shall normally be **jointly owned** by the inventors and the institution, in accordance with the institutional IPR policy.
- Where IPR is developed **entirely outside institutional facilities**, outside official working hours (for faculty and staff), and not as part of academic requirements (for students), such IPR shall be **fully owned by the inventors** in proportion to their respective contributions.

5.4 Commercialization and Licensing Models

a. Joint Licensing

- Jointly owned IPR may be licensed to third-party commercial organizations or start-ups with the **primary consent of the inventors**, following institutional approval.
- Licensing consideration may include one or a combination of the following:
 1. Upfront or one-time technology transfer fees
 2. Royalty payments as a percentage of sales
 3. Equity or shares in the licensing company

b. Equity Holding through SPV

- In cases where the institution is not permitted to directly hold equity under prevailing statutes, a **Special Purpose Vehicle (SPV)** such as SREC SPARK may be authorized to hold equity on behalf of the institution.

c. Licensing to Inventor-led Start-ups

- When inventors incubate a start-up and license the IPR to their own company, the **royalty shall not exceed 4% of the net sales**, and shall preferably be in the range of **1% to 2%**, except in the case of pure software products.
- Where equity is taken in lieu of royalties, the equity share shall normally be in the range of **1% to 4%**.
- For pure software products, revenue-sharing models may be mutually agreed upon between the institution and the incubated start-up.



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5.5 Dispute Resolution

- In the event of any dispute regarding **IPR ownership, contribution, or commercialization**, the matter shall be referred to an **IPR Dispute Resolution Committee** comprising:
 - Two faculty members with proven experience in IPR creation and commercialization
 - Two alumni or industry experts with experience in technology transfer
 - One legal expert with specialization in intellectual property law
- The committee shall examine the case, interact with the concerned parties, and make recommendations to facilitate an amicable resolution.

5.6 Role of IPR Cell and Incubation Centre

- The institutional IPR Cell and SREC SPARK Incubation Foundation shall function strictly as **facilitators and coordinators**, providing advisory and administrative support for IPR protection and licensing.
- They shall not influence or direct the **technical execution, inventive process, or commercialization strategy** of the invention.
- If the institution funds patent filing, a **Patent Evaluation Committee** comprising faculty with demonstrated experience in technology translation may assess the patentability and commercial potential.
- Where inventors utilize their own or non-institutional funds for patent filing, **full discretion** shall remain with the inventors.

5.7 Governance and Decision-Making

- All decision-making bodies related to **incubation, IPR, and technology licensing** shall comprise faculty members and external experts with proven expertise in innovation, technology transfer, and commercialization.
- Administrative functionaries without direct experience in technology translation shall not be part of such decision-making committees.

5.8 Promotion of Interdisciplinary Research

- The institution shall actively promote **interdisciplinary research, innovation, and publications** related to entrepreneurship, start-ups, and technology commercialization.



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6. Monitoring

The effectiveness and success of the **SREC SPARK Employees, Staff, and Student Start-up Policy** shall depend on continuous **knowledge exchange, collaboration, and partnerships** among the institution, SREC SPARK, industry, and other ecosystem stakeholders.

The **Principal of the institution or representative**, in coordination with the management of SREC SPARK and Head of Incubation, shall be responsible for the effective implementation of this policy and for ensuring the availability of appropriate support mechanisms and guidance for creating, managing, and coordinating entrepreneurial initiatives.

6.1 Impact Assessment

- Periodic **impact assessment** of institutional entrepreneurial initiatives such as pre-incubation, incubation, and entrepreneurship education programs shall be conducted using **well-defined evaluation parameters**.
- The assessment shall be carried out at both **Department and Institutional levels**, and may include, but not be limited to, the following indicators:
 - Number of workshops, seminars, conferences, boot camps, and training programs conducted
 - Availability and utilization of innovation infrastructure such as Fab Labs, prototyping facilities, and incubation spaces
 - Implementation status of IPR and start-up policies
 - Frequency and outcomes of review and advisory committee meetings

6.2 Start-up Performance Metrics

- The institution and SREC SPARK shall systematically record and review key performance indicators related to start-up creation and growth, including:
 - Number of start-ups created and incubated
 - Support services provided at the institutional and incubation levels
 - Employment generated by incubated start-ups
 - Revenue and surplus generated by start-ups
 - Intellectual Property created, filed, granted, or licensed
 - Satisfaction levels of participants and stakeholders
 - New business, academic, and industry partnerships facilitated



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An indicative annual monitoring table is shown below:

Year	Number of Start-ups	Employment Generated	Revenue / Surplus	IPR Created
1				
2				

6.3 Outcome-Based Evaluation

- The overall success of the policy shall be evaluated based on **measurable social, economic, technological, and sustainability impacts** created by incubated start-ups.
- Emphasis shall be placed on **commercial outcomes, market adoption, innovation impact, and contribution to regional and national development goals.**

7. Review

This policy shall be **reviewed once every three (3) years** or earlier, if required, to ensure its continued relevance, effectiveness, and alignment with evolving academic, regulatory, and ecosystem requirements.

The review shall take into account revisions, updates, or new directives issued under the **Ministry of Education (formerly MHRD) National Innovation and Start-up Policy**, applicable **Government of Tamil Nadu Start-up Policies**, and **Anna University guidelines**.

Based on such reviews, necessary modifications, amendments, or enhancements may be incorporated with the approval of the competent authority of the institution in consultation with **SREC SPARK Incubation Foundation**.