

Guidelines and Standard Operating Procedure (SOP) for Incubation Support to Startups

1. Introduction:

Start-up incubation program is specifically designed to innovate and grow for the upcoming startups in India. Incubation centers provides workspaces, mentorship, education, seed funding and access to investors for the further growth of the startups.

Incubation center would be majority helping the upcoming start-ups with business basics, networking opportunities, growth marketing strategy, finance & accounting guidelines, access to bank loans, enhancement of pitching skills, end-to-end advisory & mentorship, technology commercialization roadmap and Intellectual property management.

Incubation centers are the necessary independent bodies for any startup ecosystem for the access to knowledge, networks and available funds; where start-ups are being facilitated and supported through registering into the incubation center portal as a preliminary reference.

2. Steps towards strengthening the Start-ups ecosystem:

To strongly facilitate start-ups ideas, the SAGE University would be acting as an official Knowledge Partner to kickstart the entrepreneurship development for the registered start-ups. Regarding this, SAGE University, Indore introduces the seamless startup onboarding process at the Incubation center, and also proposes the Pre- incubation and livelihood acceleration for the registered start-ups.

Incubation Center would be following the pre-defined guidelines for the startups onboarding into the system as incubates:



#	Key Activity	Outcome
1	Introduction of onboarding	- Benefit of joining Incubation center
2	Preparing for onboarding	- Identifying Eligible startup - Setting expectation for startups
3	Application and Selection	- Application review and evaluation - Startup selection after interview
4	Legal and Administrative	- Startup registration with defined authorities
5	Infrastructure and Resources	- Resource Allocation
6	Mentoring and Coaching	- Mentors Assignment with specific coaching guidelines
7	Networking and Collaboration	- Networking events for engagement with experts and investors.
8	Monitoring and Evaluation	- Progress and Milestones tracking
9	Graduation and Transition	- Startup transition to the market
10	Case studies and Success stories	- Final selection of Startup - Declare the winners and Runner up
11	Best practices and Lessons Learned	- Problem statement Identification - Solution Proposed and Scalability
** Kindly refer “Onboarding handbook - a step-by-step-guide” for the detailed process flow.		

3. Process steps of Application to Incubators:

- i. Registered startups with unique ID can apply to participate in incubation center and submit mandatory documents.
- ii. All applications shall be reviewed by the assessment committee set up by incubation center. The committee to follow the predefined Selection Criteria to preselect the startups.
- iii. Startups to be evaluated on the predefined incubation center check list with the parameters of IDEA, FEASIBILITY, CAPABILITY, LAUNCH, SCALABILITY and PROFITABILITY.
- iv. Startups must score 75% or above to be eligible for onboarding at incubation center.
- v. Top 5 ranked startups to be selected and offer for incubation.
- vi. 6-10 ranked startups to be selected and offer for pre-incubation.

4. Activities under Incubation

The incubation activities would include the below, however, not be limited to the followings:

- i. At the end of the pre-incubation period, entrepreneurs who complete the business plan and are ready for incorporation, start the incubation phase.

- ii. During the incubation period, entrepreneurs continue to need physical facilities and training, consultancy and mentoring services, like the pre-incubation phases. These needs of entrepreneurs are met while in the incubation center.
- iii. The length of the incubation period varies between 1-2 years depending on the sector of the enterprise. Startups that take longer to obtain certificates and patents in sectors such as health, food, etc. spend longer incubation periods than software companies.
- iv. Entrepreneurs set up their companies at the incubation stage and produce their minimum viable product. At this stage, the technical support that entrepreneurs need, especially when developing products, are provided by incubation centers.
- v. After the product is developed, the commercialization of the product, which is one of the most difficult stages of the enterprise process and management, begins. The main reason why this stage is difficult is that commercialization efforts are costly. Due to the costs incurred, the financing needs of companies increase, and they need to find new supports. This process can work differently depending on the sector the entrepreneurs are in or the product they develop.
- vi. It is easier for startups to receive investments from angel investors and venture capital funds during the incubation phase compared to the pre-incubation process. Incubation centers support companies in their investment search processes by organizing meetups, demo day events, so that their companies are visible and find investments.
- vii. Entrepreneurs who stand out with their business plans and the capabilities of their teams and who have high awareness of the functioning of the entrepreneurship ecosystem can skip the pre-incubation stage and settle directly in the incubation center

5. Activities under Pre-Incubation:

The pre-incubation activities may include but not be limited to the following.

- i. Incubators shall provide specific training, mentoring and consultancy services to understand whether their ideas are viable, commercializable, scalable, etc.
- ii. Incubators shall provide these opportunities to early-stage entrepreneurs for an average of six months to a year.
- iii. In addition to these, the physical facilities needed by entrepreneurs such as open offices and common working areas are provided to entrepreneurs by pre-incubation centers.
- iv. The duration of these opportunities provided to entrepreneurs also varies according to which sector the entrepreneurs will operate in. While software-focused startups are expected to complete this phase in an average of six months, this period may be longer for startups operating in the health vertical.
- v. Entrepreneurs set up an accurate and applicable business plan by clarifying their ideas with the support they receive in pre-incubation centers. At this stage, the number of entrepreneurs who change their business idea and turn to a more feasible business idea



by taking advantage of the knowledge and experience of mentors and consultants is quite high

- vi. In the pre-incubation phase, the important thing is to establish a team that can do the job and to makes the right business plan that will save money. At the end of the pre-incubation, entrepreneurs are ready to go into company with a correct and detailed business plan and implement their plans



6. Feedback Form for Funding Support

1	Name of Start up	
2	Unique id	
3	Name of Incubator	
4	Support Start Date	
5	Support End Date	
6	Which type of support received?	<input type="checkbox"/> Pre-Incubation <input type="checkbox"/> Incubation
7	How was the overall experience?	<input type="checkbox"/> Exceptional <input type="checkbox"/> Very Good <input type="checkbox"/> Good <input type="checkbox"/> Moderate <input type="checkbox"/> Poor
8	Remarks	
9	Declaration	This is to confirm that we, <name of startup> have received incubation support from <name of incubator> through the -----Invest Division.