HBTU TBI FOUNDATION

(Section-8 Company U80904UP2022NPL164473)

Harcourt Butler Technical University Kanpur

Letter No.: 215/IH-TBIF/2026

Dated: 13/7/2026

OFFICE MEMO

Incubation Policy 2022 (Amendment 2026)

It is to bring to notice of all concerned to startup ecosystem that the Amended Incubation Policy, Fee Schedule and Incubation Agreement of HBTU TBI Foundation has been approved by the Board of Directors of HBTU TBI Foundation in its 7th Board Meeting. It is hereby notified that the Incubation Policy 2022 (Amendment 2026) is issued and effective immediately.

All concerned take cognizance of amended Policy and the enclosed documents with immediate effect for necessary action.

13/7/2026

(Prof. Jitendra Bhaskar)
Dean, Incubation Hub &
CEO, HBTU TBI Foundation

CEO
HBTU-TBI FOUNDATION,
HBTU, KANPUR

Encl.:

(i) Fee Schedule and Equity Policy (Annexure-A)
(ii) Startup Business Plan Template
(iii) Incubation Agreement (Annexure-B)

HBTU TBI FOUNDATION

Harcourt Butler Technical University, Kanpur

INCUBATION POLICY – 2022 (Amendment – 2026)

Letter No: 215/IH-TBIF/2026 *Dated:* 13/7/2026

§ 1. ABOUT HBTU TBI FOUNDATION

HBTU TBI Foundation (HBTU TBIF) is the Technology Business Incubator and Commercialisation Unit of Harcourt Butler Technical University (HBTU), Kanpur. It is registered as a Section-8 company (CIN: U80904UP2022NPL164475) incorporated on 20 May 2022. HBTU Kanpur was established in 1921 as HBTI Kanpur and was upgraded to University status on 01 September 2016 under UP Act No. 11 of 2016.

HBTU, under its Act (clauses 4b, 4c, 4f, and 4h), is committed to promoting innovation, incubation, and entrepreneurship. HBTU TBIF actively supports startups in fund-raising and growth across multiple fronts. Institutional sustainability is sought through equity returns and overhead recovery, which are channelled into supporting new startup programmes and infrastructure.

§ 2. OBJECTIVE, PURPOSE, AND SCOPE

The objective of this Policy is to outline the guiding principles, eligibility criteria, process, and support framework for startups and innovators seeking incubation at HBTU TBIF; and to foster entrepreneurship, innovation, and commercialisation of technology-based ideas in alignment with Government of India and Uttar Pradesh startup policies.

This Policy applies to all individuals and entities including students, faculty, alumni, startups, and external applicants seeking incubation at HBTU TBIF under any mode (Physical, Virtual, or Pre-Incubation). It defines the rights, duties, and conditions for use of the incubation facility and programme. Each Incubatee must execute an Incubation Agreement (Annexure-B) before commencement of incubation.

This Policy covers:

- all startup companies, Pre-Incubatees, and innovators admitted to HBTU TBIF;
- all modes of incubation (Physical & Virtual); and
- all Internal Applicants (HBTU students, faculty, staff, and alumni) as well as External Applicants.

§ 3. ELIGIBILITY CRITERIA

3.1 For Full Incubation

For the purpose of this Policy, a "Startup" is as defined in DPIIT Notification G.S.R. 127(E) dated 19 February 2019 (as amended): an entity incorporated or registered in India not more than 10 years ago, with annual turnover not exceeding ₹100 crore, working towards innovation, development, or improvement of products, processes, or services, or a scalable business model with high potential for employment generation or wealth creation.

A startup is eligible for Full Incubation if it meets all of the following conditions:

- Registered as a Private Limited Company, Limited Liability Partnership, or Partnership Firm.
- Not more than 10 years old with an annual turnover below ₹100 crore.
- Focused on developing new products, processes, or services for wealth and employment creation.
- Not formed by splitting or restructuring an existing business.
- Founders are committed to active participation in incubation activities and are serious about building a high-growth venture beyond self-employment.
- Startups must declare, at the time of application, all existing or prior incubation at any facility in India or abroad.

3.1.1 HBTU Premises Usage Declaration

Any HBTU student or faculty startup that uses any laboratory, equipment, office space, or infrastructure within HBTU University premises whether or not within the designated HBTU TBIF incubation area must declare such usage at the time of application and in the Incubation Agreement. Such usage is counted as part of the incubation support provided by HBTU TBIF and is subject to departmental charges facilitated through HBTU TBIF (per ANNEXURE-A.2).

3.1.2 Co-Incubation

A startup already incubated at another registered incubator or accelerator may apply for Co-Incubation at HBTU TBIF. Co-Incubation is subject to: prior disclosure of existing incubation; approval by the Competent Authority; and payment of the Co-Incubation Charge per ANNEXURE-A.2.

3.2 For Pre-Incubation

Any individual or group of individuals with an innovative idea and a commitment to form a startup may apply for Pre-Incubation on a case-by-case basis with approval of the Competent Authority. The following conditions apply:

- Applications may be made jointly in the names of all promoters and founders.
- The promoters and founders must ensure the company is formally incorporated within 3 months of application approval.
- Pre-Incubatees are governed by the HBTU TBIF Incubation Agreement applicable to Pre-Incubation.

§ 4. INCUBATION PROCESS

Eligible startups shall follow the process set out below:

1. **Application:** Apply online or offline using the prescribed format, along with a Business Plan (ANNEXURE-C) and required documents, directly to HBTU TBIF or through authorised startup ecosystem platforms (e.g., StartInUP, MSME).
2. **Screening:** The Incubation Committee evaluates applications on criteria, problem statement, Innovation Level, Market Potential, Team Strength, TRL, Funding Needs and Viability and IPR but not limited to these.
3. **Presentation:** Shortlisted applicants present their idea before the Incubation Committee for final evaluation.
4. **Approval and Agreement:** Approved applicants execute the Incubation Agreement (Annexure-B) and are onboarded.
5. **Onboarding:** A Letter of Allocation (Physical Mode) or Welcome Letter (Virtual mode) is issued within 7 working days of execution of the Agreement.

§ 5. INCUBATION MODES & SUPPORT

HBTU TBIF offers incubation under the following modes, selected at onboarding and recorded in the Incubation Agreement. A mode change may be permitted once during the Incubation Period with approval of the Incubation Committee, subject to space availability.

Mode	Description	Support
Physical	Full-time on-campus presence	Dedicated/Shared Space with Basic Furniture, lab access, campus facilities, mentoring, networking
Virtual	Remote incubation without workspace allocation	Branding, certification, online mentoring, digital resources, grant facilitation, investor connects

Subject to availability and satisfactory performance, HBTU TBIF may provide:

Infrastructure Support (Physical Mode)

- Workspace with basic furnishings, internet, electricity, and common facilities.
- Access to meeting and conference rooms as per booking norms.
- Access to designated laboratories at concessional rates, subject to approval and availability.

Programmatic Support (Both Modes)

- Technical, business, and commercialization mentoring.
- Access to government grants, schemes, investors, and industry networks.
- IP and patent support through HBTU IPR resources, subject to a separate IP Commercialisation Agreement.
- Participation in demo days, exhibitions, competitions, and ecosystem events.

Office Timings

Office hours are *9:30 AM–6:00 PM, Monday–Saturday* (excluding Sundays and gazetted holidays). Access beyond these hours requires prior written approval. Overnight stay is prohibited.

§ 6. INCUBATION TENURE

Phase	Duration	Approval Required	Fee Rate
Initial Period	24 months from Effective Date	Competent Authority at onboarding	ANNEXURE-A rates
First Extension; Phase I	6 months	Committee recommendation and Competent Authority approval	
First Extension; Phase II	6 further months	Committee recommendation and BoD approval	
Second Extension	Up to 12 further months	BoD sole discretion only	Prevailing market rate, determined by BoD

§ 7. INCUBATION FEE AND EQUITY COMMITMENT

The detailed incubation fee schedule and equity policy are set out in ANNEXURE-A. The key principles are as follows:

- Incubation Fees cover infrastructure, workspace, technical and commercial mentoring, and utilities.
- Refundable Security Deposit of *₹5000 to be made to HBTU TBIF before Space Utilization.*
- Fees are based on a monthly rate and collected quarterly in advance (3 months at a time). The first quarterly payment is due within 7 days of execution of the Incubation Agreement. Subsequent payments are due on or before the 5th day of each new quarter.
- Late payment penalty: *₹500 (Rupees Five Hundred) flat per quarter*, added to the outstanding amount from the due date, applicable for up to 5 days from the due date. Non-payment beyond 5 days may result in suspension.
- HBTU TBIF may grant a fee concession or free incubation on special grounds as decided by the Competent Authority, duly recorded in writing.
- Equity shares (in the form of CCPS or equivalent instrument) must be transferred to HBTU TBIF within 45 days of the Equity Demand Letter.
- Equity may be bought back by founders or external investors within 365 days of exit, as per the provisions of the Incubation Agreement (Clause 9.3).

7.1 Success Fee

A flat fee of 1% (one percent) on external funding raised above ₹10,00,000 (Rupees Ten Lakh) in a financial year, where such funding is directly and demonstrably facilitated by HBTU TBIF's network, introductions, or active support, shall be payable to HBTU TBIF within 30 days of receipt of such funding. Funding raised independently without HBTU TBIF's involvement is fully exempt from this charge.

7.2 Special Provisions and Flexibility

Notwithstanding the equity slabs in ANNEXURE-A and the Success Fee rate in § 7.1, the Competent Authority and the BoD may, on a case-by-case basis and in the best interests of HBTU TBIF's mission, grant the special provisions:

All special provisions must be in writing, recorded in the Incubation Agreement or a signed addendum, and supported by a reasoned note.

§ 8. CONDUCT RULES

The following rules apply to all Incubatees. Breach of any rule is grounds for suspension or termination under § 13 and Clause 11 of the Incubation Agreement.

8.1 Workspace

- Allocated Space shall not be subleased, structurally altered, or shared with any third party.
- Equipment and materials brought onto HBTU TBIF or HBTU premises must be declared and removed on exit.
- Hazardous or inflammable materials shall not be brought onto the premises without prior written approval. Damage to HBTU TBIF or HBTU property must be compensated in full.
- HBTU TBIF's address is a mailing address only. If used for company incorporation (as declared in Clause 4 of the Agreement), an additional 1% equity applies. Internal Startups may use HBTU TBIF's address as registered office subject to the HBTU University Startup Policy.
- Signage is permitted only in designated areas and with prior approval.

8.2 Administration

- A complete list of employees and associates must be submitted at commencement and updated monthly as part of the Monthly Progress Report.
- All visitors must sign the visitor register and carry a visitor pass.
- Misconduct, harassment, or violation of University policies may result in immediate suspension or termination.

8.3 Prior Written Permission Required

Prior written permission from HBTU TBIF is mandatory for:

- any merger, acquisition, or material change in promoters, directors, or shareholding;
- a new business line substantially different from the approved Business Plan;
- any IPO, or any external loan, grant, or funding from any financial institution;
- bringing high-value equipment onto the premises; and any activity outside the Allocated Space.

8.4 Prohibited Acts

- Subleasing or alienating the Allocated Space in any manner.
- Any illegal, immoral, or off-plan commercial activity.
- Any act damaging the reputation of HBTU Kanpur or HBTU TBIF.
- Disclosure of confidential HBTU TBIF information to any third party without prior written consent.

§ 9. REVIEW AND PERFORMANCE MONITORING

9.1 Monthly Progress Reports

Monthly Progress Reports are due on or before the 5th day of each calendar month, covering the preceding month. Reports shall be submitted both digitally and physically to the HBTU TBIF Manager.

9.2 Required Fields - Monthly Progress Report

Each Monthly Progress Report may include the following fields but not limited to

1. Startup name and reporting period (month and year).

2. Milestones achieved during the month and milestones pending against plan.
3. Revenue generated (monthly and cumulative since inception).
4. External funding raised during the month; cumulative funding raised.
5. Team strength (total headcount) and employee / associate list.
6. Laboratory or equipment usage details; facility, department, hours used.
7. Mentoring sessions attended (number, topic, mentor name).
8. Intellectual property or patent applications filed or granted during the month.
9. Support required from HBTU TBIF in the next month.
10. Key challenges faced during the month, Goals and targets for the next month.
11. Any matter requiring prior HBTU TBIF consent under Policy § 8.3, pending or obtained.
12. Declaration by Founder - accuracy of information and compliance confirmation, signed.

9.3 Review Mechanism

- The Incubation Committee reviews each Monthly Progress Report and may call performance review meetings as required.
- Two consecutive adverse monthly reviews, after written notice and a reasonable opportunity for the Incubatee to respond, may result in suspension of incubation.
- Specialised decisions on equity determinations, IP and technology transfer, and funding facilitation are reviewed by the Committee, which may consult domain experts as constituted by the BoD from time to time.

§ 10. INTELLECTUAL PROPERTY

- Intellectual property independently developed by the Incubatee, using the Incubatee's own resources, belongs exclusively to the Incubatee.
- Intellectual property jointly developed with HBTU faculty, HBTU TBIF mentors, or through institutional collaboration using HBTU resources is co-owned by both parties. Both parties must provide prior written consent before any commercial use of jointly owned IP.
- Revenue from jointly developed IP is shared as agreed in the IP Commercialisation Agreement executed between the parties. The indicative range is: Incubatee 70–90%; HBTU TBIF 10–30%, as per Clause 10.2 of the Incubation Agreement.
- Special relaxation in IP licensing rates shall be accorded to HBTU students, faculty, and inventors of HBTU-owned IP, in accordance with the HBTU University IP and Startup Policy.
- If one or more inventors of HBTU-owned IP wish to commercialise such IP outside HBTU TBIF, the matter shall be decided in accordance with the HBTU University Startup and Innovation Policy.
- Use of HBTU University IP for commercial purposes by an Incubatee shall attract an additional equity contribution to HBTU TBIF, not exceeding 1% (one percent), as governed by a separate IP Commercialisation Agreement and recorded in Clause 4 (Part C) of the Incubation Agreement.

§ 11. PUBLICATIONS

- Research findings arising from joint work between HBTU TBIF/HBTU and the Incubatee may be published in the public only with prior written consent of both parties.
- Each party shall duly credit the other party's contribution in any such publication.
- Neither party may file a patent application disclosing joint research results without the other party's prior written consent.

§ 12. CONFIDENTIALITY

- Each party shall keep confidential all non-public information received from the other party in connection with this Policy and the Incubation Agreement, and shall not disclose it to any third party without prior written consent.
- The Incubatee shall not issue any press release or public announcement about its incubation at HBTU TBIF without prior written consent of HBTU TBIF.

- This confidentiality obligation survives the expiry or termination of the Incubation Period for a period of 3 (three) years.

§ 13. EXIT POLICY

13.1 Grounds for Exit

#		
1	Completion of incubation tenure	Normal exit after clearance of dues and NOC issuance.
2	Voluntary withdrawal or relocation	Exit upon prior notice and settlement of obligations.
3	Unsatisfactory performance or operational issues	Suspension or termination after review and due notice.
4	Breach of Agreement/Policy, fraud, or reputational harm	Immediate termination and recovery action, if applicable.
5	Non-compliance with approved incubation norms	Review and possible exit from incubation.
6	Closure, winding up, or prolonged non-payment of dues	Immediate exit subject to settlement of dues/equity.

13.2 Exit Obligations

- Clear all outstanding dues to HBTU TBIF.
- Return all HBTU TBIF assets, access credentials, and equipment.
- Submit the Final Monthly Progress Report and Final Exit Report.
- Vacate Allocated Space within 3 working days of the exit date.
- Refund any unutilised grants received through HBTU TBIF facilitation.

HBTU TBIF shall not close the incubation file or release equity until all exit obligations are fulfilled. A No Objection Certificate (NOC) is mandatory before formal conclusion of tenure.

§ 14. DISCLAIMER AND LIMITATION OF LIABILITY

- HBTU TBIF makes reasonable efforts to support incubated startups in good faith but does not guarantee commercial success, investment outcomes, marketability, or completeness of support services.
- HBTU TBIF and its officials shall not be liable for any business or technical loss arising from the Incubatee's activities, nor for loss of data, profits, or business arising from network downtime, equipment failure, or force majeure.
- HBTU TBIF is not responsible for any regulatory non-compliance or statutory violation by the Incubatee.

§ 15. FORCE MAJEURE

Neither party shall be liable for non-fulfilment of obligations due to Force Majeure events, including acts of God, war, civil unrest, epidemic, pandemic, natural disaster, or government restriction beyond the reasonable control of the affected party. The affected party shall notify the other party in writing within 5 working days of occurrence of such an event. Obligations shall resume when the Force Majeure event ceases. Incubation Fees are suspended, but not waived, during any Force Majeure event that prevents the Incubatee's access to the Allocated Space.

§ 16. POLICY AMENDMENTS

This Policy is subject to review and amendment by HBTU TBIF. Any amendments shall be notified to all current Incubatees through official communication. For amendments that materially affect financial obligations of existing Incubatees, a minimum of 30 days' prior written notice shall be given before the amendment takes effect.

§ 17. GOVERNING LAW AND DISPUTE RESOLUTION

This Policy and all Agreements executed under it are governed by the laws of the Republic of India.

Disputes shall first be resolved amicably between the parties within 30 days of the first written notice invoking this clause. If the dispute remains unresolved, the matter shall be referred to a Sole Arbitrator appointed solely by the Hon'ble Vice Chancellor, HBTU Kanpur, under the Arbitration and Conciliation Act, 1996 (or any statutory modification or re-enactment thereof for the time being in force). The Arbitrator's decision shall be final and binding on both parties. The place of arbitration shall be Kanpur, Uttar Pradesh. Each party shall bear its own arbitration costs unless the Arbitrator directs otherwise. All the disputes shall be decided in the jurisdiction of Kanpur Nagar Court, U.P

Note: Any case which is not covered in this incubation policy will be governed by Startup & Innovation Policy of HBTU of the time.

ANNEXURE INDEX

The following Annexures form an integral part of this Policy and are to be read together with it.

Annexure	Title	Purpose
Annexure-A	Fee Schedule and Equity Policy	Applicable fees by mode and category; equity slabs; additional charges.
Annexure-B	Startup Incubation Agreement	Executed by each Incubatee before commencement of incubation.
Annexure-C	Startup Business Plan Template	Submitted by applicant at the time of application; accepted by Incubation Committee.

CEO
HBTU-TBI FOUNDATION,
HBTU, KANPUR

HBTU TBI FOUNDATION

ANNEXURE-A

FEE SCHEDULE AND EQUITY POLICY

(Incubation Policy 2022 — Amendment 2026)

A.1 Monthly Fee Rates

Fees are charged at a monthly rate and collected quarterly in advance (3 months at a time). The first quarterly payment is due within 7 days of execution of the Incubation Agreement. Subsequent payments are due on or before the 5th day of each new quarter. A flat late payment penalty of *₹500 (Rupees Five Hundred) per quarter* is added to the outstanding amount from the due date, applicable for a grace period of up to 5 days. Non-payment beyond 5 days may result in suspension of entry and initiation of termination proceedings. GST and all applicable taxes are charged extra at prevailing rates. The Charges may be revised annually by TBI.

S.No.	**Startup Category**	**(A) Virtual (₹/month)**	**(B) Physical (₹/month) / Seat**
1.	External Startup	1,000	2,000
2.	HBTU Student Startup	500	1,000
3.	HBTU Faculty as Founder or Co-Founder	500	1,000
4.	HBTU Alumni (within 5 years of passing out from HBTU)	800	1,500
5.	Pre-Incubation	*Case-by-case — decision of the Competent Authority*	

Note: *Above Fee is for team of 2 Persons. Extra persons beyond 2 (per seat allotment) attract an additional per-seat charge as determined by HBTU TBIF. Fee concessions or free incubation may be granted by the Competent Authority on special grounds, duly recorded per § 7.2. Any space / lab / office used within HBTU University premises shall be charged additionally per ANNEXURE-A.2.*

A.2 Additional Fees

Service	**Rate**	**Conditions / Notes**
Late Payment Penalty	₹500 flat per quarter, added from 5 days from the due date	Per Policy § 7.
Success Fee	1% flat on external funding above ₹10,00,000 directly facilitated by HBTU TBIF in a financial year	Payable within 30 days of receipt of funding.
Co-Incubation Charge	Same as Virtual Incubation Charges	Prior disclosure mandatory. Co-Incubation period limited to 12 months. No dedicated space unless separately agreed.
Private Cabin/ Office	Decided by case-to-case Basis by Authority	Services Charge Extra as per actuals
HBTU Premises / Infrastructure Charges	Decided through mutual discussion between HBTU TBIF and the concerned HBTU department	Applicable when an Incubatee uses any lab, equipment, office space, or infrastructure within HBTU University premises. All such charges are paid by the Incubatee through HBTU TBIF.

A.3 Equity Policy

A.3.1 Stage-Based Equity Slabs

HBTU TBIF's equity stake is a sustainability mechanism a fair exchange for the infrastructure, mentoring, network access, and institutional credibility provided. Equity is determined by the startup's Technology Readiness Level (TRL) stage at the time of onboarding, assessed by the Incubation Committee. *Competent Authority can reduce Equity on special grounds.*

TRL Stage	Description	Equity
Concept Stage (TRL 1–3)	Idea, concept, or early research. No working prototype. No external funding raised. Basic principles observed through proof of concept.	Minimum 2%
Prototype Stage (TRL 4–6)	Working prototype or early pilot demonstrated in laboratory or relevant environment. Technology validated through to demonstrated prototype.	2% – 3%
Early Traction Stage (TRL 7–8, funding up to ₹1 Crore)	Product or service in pilot/ early commercial deployment. Revenue generated or customers acquired. TRL demonstrated in operational environment. External funding raised up to ₹1 Crore.	1% – 3% (Committee decision)
Funded/Scale Stage (TRL 8–9, funding above ₹1 Crore)	External funding exceeding ₹1.0 Crore raised. System complete and qualified; proven in operational environment.	1% – 2% (Committee decision)
Faculty Co-Founder (Faculty Member with more than 27 % Stake)	HBTU faculty is a Co-Founder at any TRL stage.	5% - 10%

A.3.2 Additional Equity Triggers

Trigger	Additional Equity
Dedicated Lab & Faculty Mentor Assigned	+1% (by mutual written consent, declared at Agreement execution)
HBTU TBIF address used for company incorporation (declared in Agreement Clause 4)	+1% (by mutual written consent, declared at Agreement execution)
HBTU University IP used commercially by the Incubatee (governed by separate IP Commercialisation Agreement)	+1% (As per University IP Policy)
Multi-location incubation	HBTU TBIF equity proportional to its contribution only, as agreed in writing

A.3.3 Equity Issuance Process

- The startup's TRL stage is determined by the Incubation Committee at onboarding using Annexure-E.
- HBTU TBIF issues an Equity Demand Letter specifying the percentage and number of shares or equivalent instrument.
- The Incubatee shall issue and deliver a formal Share Certificate or equivalent instrument in the name of HBTU TBIF within 45 days of the Equity Demand Letter issued by HBTU TBIF. All costs of such issuance and transfer, including stamp duty, MCA filing fees, and incidental charges, shall be borne solely by the Incubatee.
- Equity is recorded in the register of members and notified to the Ministry of Corporate Affairs as required by law.

A.3.4 Protection of HBTU TBIF's Equity

- Right of First Refusal (ROFR): Before any transfer of equity by founders or existing shareholders to any third party, HBTU TBIF must be offered the right to participate on the same terms.
- Anti-Dilution (Weighted Average): In any down-round or dilutive issuance, HBTU TBIF's equity percentage shall be adjusted using the Weighted Average method not the full ratchet method. HBTU TBIF shall not be diluted below its entitled percentage without written consent, except through a pro-rata fresh round.
- Equity Buyback: HBTU TBIF's equity may be bought back post-exit within a 365-day buyback window from the date of exit. Founders have the first right of buyback within the first 180 days; thereafter, any external investor may exercise the right within the remaining 185 days. The buyback price shall be the fair market value of the company at the time of the transaction, as determined by a registered valuer.
- After 365 days with no buyback exercise, HBTU TBIF is free to sell, transfer, or otherwise dispose of the equity in the open market without restriction. And cost for the same would be borne by HBTU TBI Foundation.
- Holdover: Continued occupation of Allocated Space post-exit shall attract liquidated damages of ₹1,000 per day from the date of exit until the space is vacated.

A.3.5 Preferred Equity Instrument

HBTU TBIF's equity stake shall be held in the form of Compulsorily Convertible Preference Shares (CCPS) as the preferred instrument. CCPS is MCA-compliant, requires no special RBI or SEBI approvals, carries dividend preference, auto-converts to ordinary equity on a trigger event (IPO, acquisition, or specified date), and minimises administrative cost for both parties. Fee would be paid by HBTU TBIF.

Where CCPS is not feasible (for example, for LLPs or Partnership Firms), the equivalent instrument shall be a Profit-Sharing or Capital-Sharing interest as agreed in the Incubation Agreement. For startups incorporated as Private Limited Companies, ordinary equity shares (fully paid-up) may be issued at HBTU TBIF's discretion if CCPS is not available at a reasonable cost. The instrument shall be recorded in Clause 4 (Part C) of the Agreement at execution.

A.3.6 Special Provisions on Equity

The Incubation Committee shall recommend the final equity percentage. Special provisions including reduction of equity, partial or full waiver, deferral, or revised instrument may be made by the Competent Authority on a case-by-case basis as set out in Policy § 7.2. All such provisions must be in writing and recorded in the Agreement or a signed addendum.

End of Annexure-A

13/7/26

CEO
HBTU-TBI FOUNDATION,
HBTU, KANPUR

HBTU TBI FOUNDATION

ANNEXURE-B

STARTUP INCUBATION AGREEMENT

(Executed under HBTU TBIF Incubation Policy 2022 — Amendment 2026)

Date of Execution: .... Place: Kanpur, Uttar Pradesh Ref. No.: ....

CLAUSE 1 - PARTIES

This Agreement is entered into BETWEEN:

1. **HBTU TBI Foundation**, a Section-8 company (CIN: U80904UP2022NPL164475) incorporated on 20 May 2022, having its registered office at Harcourt Butler Technical University, Nawabganj, Kanpur – 208002, Uttar Pradesh, hereinafter referred to as the **"First Party" / "HBTU TBIF" / "Incubator"**, acting through its authorised representative;

AND

2. **M/s** ________________________________, a _________________ incorporated under the Companies Act, 2013 / LLP Act, 2008, having its registered office at ________________________________, hereinafter referred to as the **"Second Party" / "Incubatee" / "Startup"**, represented by Founder(s) / Director(s): ________________________________ (as per MCA records).

The First Party and Second Party are collectively referred to as the "Parties".

CLAUSE 2 - RECITALS

A. HBTU TBIF was established to promote innovation, incubation, and entrepreneurship in alignment with the HBTU Act 2016 and Government of India and Uttar Pradesh startup policies.

B. The Second Party has submitted a Startup Business Plan (ANNEXURE-C) and has been selected for incubation by the Incubation Committee pursuant to the HBTU TBIF Incubation Policy 2022 (Amendment 2026) ("Policy").

C. The Parties set out their mutual rights, obligations, and terms of engagement in this Agreement. This Agreement must be read together with the Policy and all Annexures each forms an integral part of this Agreement.

CLAUSE 3 - DEFINITIONS

Term	Meaning
Agreement	This Startup Incubation Agreement (Annexure-B) including Annexures
Policy	HBTU TBIF Incubation Policy 2022 (Amendment 2026); the standalone Policy document to which this Agreement is attached.
Effective Date	The date of execution of this Agreement as written on the cover page.
Incubation Period	24 months from the Effective Date, extendable per Clause 5 and Policy § 6.
Incubation Mode	The mode selected in Clause 4: Physical or Virtual.
Internal Startup	A startup promoted by HBTU students, faculty, staff, or alumni within 5 years of passing out from HBTU.
External Startup	Any startup that does not qualify as an Internal Startup.
Allocated Space	Physical workspace allotted to the Incubatee (Physical mode only).

Term	Meaning
Incubation Fee	Monthly fee payable as per ANNEXURE-A of the Policy.
Equity Shares / CCPS	Equity shares or Compulsorily Convertible Preference Shares of the Incubatee company to be issued to HBTU TBIF per Clause 8.
Success Fee	1% flat fee on external funding above ₹10,00,000 in a financial year, directly facilitated by HBTU TBIF's network, per Clause 7.1.
Committee	The duly constituted Incubation Committee of HBTU TBIF, responsible for evaluating applications, reviewing monthly progress reports, recommending extensions, and determining TRL stage and equity at onboarding.
Faculty Startup	Startup with Faculty having more than 27% stake in the company.
BoD	Board of Directors of HBTU TBIF. The BoD exercises strategic oversight and approves significant decisions as specified in this Policy. The current delegation of powers shall be maintained in a separate BoD Resolution updated from time to time.
Competent Authority	The Chief Executive Officer of HBTU TBIF for the time being, or such other officer as the BoD may designate in writing. The Competent Authority is the principal operational authority for day-to-day and programme-level decisions, within the limits set out herein.
TRL	Technology Readiness Level — the internationally recognised scale (1 to 9) used to assess the maturity of a technology. TRL 1 = basic principles observed; TRL 9 = actual system proven in operational environment.
NOC	No Objection Certificate issued by HBTU TBIF on satisfactory completion of all exit obligations.

CLAUSE 4 — INCUBATION DETAILS AT EXECUTION

The details below are agreed and recorded at the time of execution of this Agreement. They form binding terms of the Agreement. No verbal understanding or separate communication shall modify these terms unless recorded in a signed addendum.

PART A - INCUBATION MODE AND CATEGORY	
Selected Incubation Mode	…………………… *(Physical/Virtual)*
Startup Category	…………………… *(Internal - HBTU Student / Faculty / Alumni ≤ 5 years/External)*
HBTU TBIF Address used for Incorporation?	…………………… *(Yes/No)*
HBTU University IP used commercially?	…………………… *(Yes/No)*
HBTU Premises / Lab / Infrastructure used?	…………………… *(Yes/No)*
Co-Incubation (existing incubation elsewhere)?	…………………… *(Yes/No) (if Yes then Provide Incubator Details)*
PART B - INCUBATION FEE (as agreed at execution)	
Monthly Incubation Fee	₹ ________________ *per month (plus GST)*
PART C - EQUITY (as assessed and agreed at execution)	

TRL Stage at Onboarding	*TRL ___________ (Concept Stage (TRL 1–3)/Prototype Stage (TRL 4–6) /Early Traction Stage (TRL 7–8)/Funded / Scale Stage (TRL 8–9))*
Total Agreed Equity %	*________% of paid-up share capital of the Company*
Special Equity Provision (if any)	*☐ None ☐ Reduction to _____% ☐ Waiver* *Reason: ________________*
Equity Instrument	*………………(CCPS — Compulsorily Convertible Preference Shares/Ordinary Equity Shares/Profit / Capital Sharing Interest (LLP / Partnership)* *Instrument agreed: ________________* *Share Certificate / Instrument due within 45 days of Equity Demand Letter.*
PART D - KEY DATES	
Effective Date of Agreement	*________________ Till: ________________* *Next Renewal Date: ________________*

DECLARATION: *Both parties confirm that the details recorded in this Clause 4 have been mutually agreed, are accurate as of the Effective Date, and form binding terms of this Agreement. Any modification requires a written addendum signed by both parties.*

CLAUSE 5 - INCUBATION PERIOD AND RENEWAL

5.1 Initial Period

This Agreement is effective from the Effective Date and remains in force for 24 (twenty-four) months, unless terminated earlier per Clause 11 or the Policy.

5.2 First Extension - Phase I (6 months)

On expiry of the Initial Period, the Incubation Period may be extended for 6 (six) months, subject to: a written request by the Incubatee at least 60 days before the expiry of the Initial Period.

5.3 First Extension - Phase II (further 6 months)

On expiry of Phase I, a further 6 (six) months may be granted under the same conditions as Clause 5.2, with a fresh written request, Committee recommendation, and BoD approval. Together, Phase I and Phase II constitute the First Extension of up to 12 months at concessional ANNEXURE-A rates.

5.4 Second Extension (up to 12 months at market rate)

At HBTU TBIF's sole discretion, a Second Extension of up to 12 (twelve) months may be granted beyond the First Extension. Fees for this period shall be at the prevailing market rate as determined by the BoD. All conditions of Clause 5.2 apply, with a fresh written request required. Maximum permissible total tenure: 48 months.

5.5 Monthly Progress Review

The Committee reviews each Monthly Progress Report (due by the 5th of every month). Two consecutive adverse monthly reviews, after written notice and a reasonable opportunity to respond, may trigger termination per Clause 11.

CLAUSE 6 - HBTU TBIF'S COMMITMENTS TO THE INCUBATEE

Full details of support are in Policy § 5. Subject to availability and the Incubatee's satisfactory performance, HBTU TBIF commits to:

6.1 Workspace (Physical Mode)

- Allocated Space with access from 9:30 AM to 6:00 PM, Monday to Saturday, plus access beyond office hours on written request. Unauthorised overnight stays are not permitted.
- Basic utilities: electricity, internet connectivity (shared, up to 50 Mbps), and sanitation.

- Letter of Allocation of Space within 7 working days of this Agreement.

6.2 Programme Support (All Modes)

Mentoring, grant facilitation (SISFS / DST / MSME / StartInUP), investor introductions, IP / patent support, Demo Day participation, and HBTU lab access at concessional rates Per Policy § 5.

6.3 Limitations

HBTU TBIF does not guarantee commercial success, investment outcomes, or uninterrupted services. HBTU TBIF's liability is limited as set out in Policy § 14. The Incubatee must obtain its own business and property insurance.

CLAUSE 7 - INCUBATEE'S OBLIGATIONS

Core obligations are set out below. Full conduct rules are in Policy § 8, incorporated herein by reference.

7.1 Fee Payment

Incubation Fees are collected quarterly in advance. The first quarterly payment is due within 7 days of this Agreement. Late payment penalty: ₹500 flat per quarter, applicable for up to 5 days from the due date (Policy § 7). Non-payment for two consecutive quarters entitles HBTU TBIF to suspend entry and initiate termination proceedings.

7.2 Monthly Progress Report

Monthly Progress Reports are due on or before the 5th of every calendar month (covering the preceding month), submitted both digitally and physically to the HBTU TBIF Manager.

7.3 Equity Issuance

The Incubatee shall issue and deliver a formal Share Certificate or equivalent instrument in the name of HBTU TBIF within 45 days of the Equity Demand Letter issued by HBTU TBIF. Equity percentages are per Clause 8 and ANNEXURE-A. All costs of such issuance and transfer, including stamp duty, MCA filing fees, and incidental charges, shall be borne solely by the Incubatee.

7.4 Registered Office

The HBTU TBIF address shall NOT be used as the startup's registered office address unless the Incubatee is an Internal Startup governed by the HBTU University Innovation and Startup Policy. If used for incorporation (as declared in Clause 4 Part A), an additional 1% equity applies.

7.5 Employee List

A complete list of all employees and associates must be submitted at commencement and updated monthly as part of the Monthly Progress Report. All personnel must be background-verified before entry onto HBTU TBIF premises.

7.6 Conduct and Space Use

All conduct rules in Policy § 8 apply and are incorporated herein by reference.

7.7 Prior Written Permission Required

Prior written permission from HBTU TBIF is mandatory for: any merger, acquisition, or material change in promoters, directors, or shareholding; a new business line substantially different from the approved Business Plan; any IPO or external loan or grant from any financial institution; and any activity outside the Allocated Space.

7.8 Security Deposit

The Incubatee shall deposit a refundable security deposit of ₹5,000 (Rupees Five Thousand only) before joining the Incubation Space.

CLAUSE 8 - EQUITY POLICY

8.1 Rationale

The equity stake is a sustainability mechanism, not a venture investment. Full framework: Annexure-A, Policy § 7.

8.2 Equity - Agreed Terms

TRL stage, slabs, additional triggers, and total cap are per ANNEXURE-A of the Policy. Agreed Equity: ______% of paid-up share capital (as filled in Clause 4, Part C). Instrument: ______ (as filled in Clause 4, Part C). Share Certificate / equivalent instrument in HBTU TBIF's name due within 45 days of Equity Demand Letter.

8A. Success Fee

A flat fee of 1% on external funding raised above ₹10,00,000 directly facilitated by HBTU TBIF's network in a financial year, payable within 30 days of receipt. HBTU TBIF shall provide a written facilitation statement before raising this demand. Funding raised independently without HBTU TBIF's involvement is fully exempt. Special provisions on the Success Fee threshold or rate may be agreed per Policy § 7.2, recorded in writing.

CLAUSE 9 - EXIT CLAUSE AND CONDITIONS

9.1 Grounds for Exit

An Incubatee may be required to exit, or may voluntarily exit, for the reasons set out in Policy § 13 and the table therein.

9.2 Exit Obligations

- Vacate Allocated Space within 3 working days of the exit date.
- Return all HBTU TBIF assets, access credentials, and equipment.
- Settle all outstanding dues within 7 days of the exit date.
- Submit the Final Monthly Progress Report and Final Exit Report.
- Refund any unutilised grants received through HBTU TBIF facilitation.

HBTU TBIF shall not close the incubation file or release equity until all obligations are fulfilled. NOC is mandatory before formal conclusion of tenure. HBTU TBIF retains all equity until buyback or liquidation.

9.3 Equity Buyback and Holdover

Buyback window: 365 days from the date of exit. Founders have the first right of buyback within the first 180 days; thereafter, any external investor may exercise the right within the remaining 185 days. Buyback price: fair market value at the time of transaction as determined by a registered valuer. After 365 days with no buyback: HBTU TBIF may freely sell, transfer, or otherwise dispose of the equity. Holdover: ₹1,000 per day in liquidated damages for continued occupation of Allocated Space post-exit. HBTU TBIF may also invoke the Public Premises (Eviction of Unauthorised Occupants) Act in such circumstances.

CLAUSE 10 - INTELLECTUAL PROPERTY, PUBLICATIONS, AND CONFIDENTIALITY

10.1 IP Ownership

Independently developed IP belongs exclusively to the Incubatee. Jointly developed IP is co-owned by both parties; prior written consent of both parties is required for any commercial use.

10.2 IP Revenue Sharing

Revenue from jointly developed IP: Incubatee 70–90%; HBTU TBIF 10–30%, per Policy § 10. The exact share shall be agreed in a separate IP Commercialisation Agreement, consistent with the HBTU University IP and Startup Policy.

10.3 Publications

Research findings arising from joint work may be published only with prior written consent of both parties. Each party shall duly credit the other party's contribution. Neither party may file a patent application disclosing joint research results without the other party's prior written consent.

10.4 Confidentiality

Each party shall keep confidential all non-public information received from the other party. The Incubatee shall not issue press releases or public announcements about this Agreement or its incubation without HBTU TBIF's prior written consent. This obligation survives termination for 3 (three) years.

CLAUSE 11 - TERMINATION AND NOTICE

11.1 By Either Party

Either party may terminate this Agreement by giving 3 months' written notice (delivered in person, by registered post, or by official email).

11.2 For Breach

If any breach is not remedied within 10 days of written notice, the aggrieved party may terminate immediately.

11.3 Immediate Termination

HBTU TBIF may terminate immediately, without notice, in cases of reputational harm to HBTU Kanpur or HBTU TBIF, fraud, or serious misconduct.

11.4 Consequences

Exit obligations per Clause 9.2 apply. HBTU TBIF retains all equity. NOC is issued only after all obligations are fulfilled.

CLAUSE 12 - FORCE MAJEURE

Neither party shall be liable for non-fulfilment of obligations due to Force Majeure events, including acts of God, war, civil unrest, epidemic, pandemic, natural disaster, or government restriction beyond the affected party's reasonable control. The affected party shall notify the other party in writing within 5 working days. Obligations resume when the event ceases. Incubation Fees are suspended, but not waived, during any Force Majeure event that prevents access to the Allocated Space.

CLAUSE 13 - GENERAL PROVISIONS

13.1 Governing Law

This Agreement is governed by the laws of the Republic of India.

13.2 Dispute Resolution

Disputes shall first be resolved amicably within 30 days. If unresolved, the matter is referred to a Sole Arbitrator appointed solely by the Hon'ble Vice Chancellor, HBTU Kanpur, under the Arbitration and Conciliation Act, 1996. The Arbitrator's decision is final and binding. Place of arbitration: Kanpur, Uttar Pradesh. Each party bears its own costs unless the Arbitrator directs otherwise. All the disputes shall be decided regarding this agreement in the jurisdiction of Kanpur Nagar Court U.P.

13.3 Grievance Mechanism

Any Incubatee with a grievance against an HBTU TBIF decision may submit a written representation to the BoD within 15 days of the decision. The BoD shall respond within 30 days. This is without prejudice to the arbitration clause.

13.4 Indemnity

The Incubatee shall indemnify and hold harmless HBTU TBIF and its directors, officers, and employees from any losses, claims, damages, or expenses arising from: (a) any breach of this Agreement; (b) any misrepresentation or fraud by the Incubatee; or (c) any third-party claims arising from the Incubatee's operations.

13.5 Non-Transfer

This Agreement is personal to the Second Party and may not be assigned or transferred without HBTU TBIF's prior written consent.

13.6 Policy Changes

The Policy is subject to amendment by HBTU TBIF with notice to existing Incubatees. For amendments materially affecting financial obligations, 30 days' prior written notice shall be given.

13.7 Entire Agreement and Severability

This Agreement (including all Annexures) and the Policy together constitute the entire agreement between the Parties on the subject matter hereof. If any provision is held invalid or unenforceable, the remaining provisions continue in full force and effect. Amendments must be in writing, signed by both parties, and supported by a Board Resolution of the Incubatee.

13.8 Flexibility and Modifications

Notwithstanding any specific term in this Agreement, the Parties may, by mutual written agreement, modify: (a) the Incubation Fee; (b) the equity percentage, instrument, or timing; (c) the Success Fee threshold or rate; (d) specific conduct or reporting obligations; or (e) any other term, in light of changed circumstances or HBTU TBIF programme policy. Any such modification shall be recorded in a signed addendum, approved by the Competent Authority. The Incubatee may request a review of any term by written application to the Competent Authority, who shall respond within 30 days.

AT A GLANCE - KEY TERMS

Term	Summary
Incubation Period	24 months + extensions up to 48 months total.
Incubation Mode	Physical (desk on campus) · Virtual (remote). Clause 4.
Monthly Fee	Collected quarterly in advance. Rates per ANNEXURE-A. ₹500 flat penalty per quarter added from due date (5-day grace period).
Security Deposit	₹5000 Refundable security Deposit by Incubatee to HBTU TBIF
Equity to HBTU TBIF	Concept (TRL 1–3): 2%–3%; Prototype (TRL 4–6): 2%–3%; Early Traction (TRL 7–8; funding up to ₹1 Crore): 1%–3%; Funded/Scale (TRL 8–9; funding above ₹1 Crore): 1%–2%; and 5-10% where an HBTU faculty member is a Co-Founder. The Incubation Committee shall determine the applicable equity, and the Competent Authority may approve a lower stake in exceptional cases.
Additional Equity	+1% if HBTU TBIF address used for incorporation. +1% if dedicated HBTU lab/ Dedicated Mentor is assigned. +1% maximum if HBTU University IP used commercially.
Success Fee	1% flat on funding above ₹10L directly facilitated by HBTU TBIF network in a financial year. Payable within 30 days. Clause 8A.
Monthly Report	Due on or before the 5th of every calendar month. 15 required fields per Policy § 9.2. Form issued by HBTU TBIF at onboarding.
Exit and Buyback	365-day equity buyback window post-exit. Founders: first right within 180 days. External investors: days 181–365. Buyback price: fair market value. NOC from HBTU TBIF required.
Disputes	Amicable resolution (30 days), then Sole Arbitrator appointed by Hon'ble Vice Chancellor, HBTU Kanpur. Venue: Kanpur, Uttar Pradesh (Court of Kanpur Nagar)

DECLARATION BY INCUBATEE

We, the undersigned authorised representative(s) of the Incubatee, hereby solemnly declare and confirm as follows:

- All information provided in this Agreement and in our incubation application is true, accurate, and complete to the best of our knowledge. We have not suppressed any material fact.
- We have read, understood, and agree to be bound by: (a) the HBTU TBIF Incubation Policy (including all Annexures); (b) the HBTU University Startup and Innovation Policy; (c) the HBTU University IP Policy; (d) the HBTU TBIF Code of Conduct; and (e) any other rules, circulars, or guidelines issued by HBTU TBIF or HBTU from time to time.
- We understand that any misrepresentation, suppression of facts, or breach of the above policies constitutes grounds for immediate termination of incubation under Clause 11, without prejudice to HBTU TBIF's right to recover all dues and pursue legal remedies.
- We confirm that the HBTU premises and infrastructure usage declared in Clause 4 (Part A) is accurate and complete. We understand that any undisclosed usage of HBTU premises, laboratories, or equipment shall be treated as a breach of this Agreement.
- We confirm that the details of any co-incubation at another facility declared in Clause 4 (Part A) are accurate and complete.
- We accept the equity terms, Success Fee provisions, fee structure, and all conditions recorded in Clause 4 of this Agreement as final and binding.

EXECUTION

IN WITNESS WHEREOF, the Parties execute this Agreement on the date first written above.

FOR HBTU TBI FOUNDATION (First Party)	**FOR INCUBATEE / STARTUP (Second Party)**
Authorised Signatory Name: ____________	Director / Founder Name: ____________
Designation: ____________	Designation: ____________
Date: ____________	Date: ____________
Official Seal:	Company Seal:

WITNESSES

1. Name: ____________ Signature: ____________ Date: ____________
2. Name: ____________ Signature: ____________ Date: ____________

Annexures to this Agreement: Annexure-C — Startup Business Plan. Annexure-A (Fee Schedule and Equity Policy) and the Incubation Policy are in the standalone Policy document

13/01/26

CEO
HBTU-TBI FOUNDATION,
HBTU, KANPUR

HBTU TBI FOUNDATION

ANNEXURE-C

STARTUP BUSINESS PLAN

Submitted by the Second Party and accepted by the Incubation Committee

Section 1: Startup Identity

Field	Details
Name of Startup / Company	
CIN / Registration Number	
Type of Entity (Pvt. Ltd. / LLP / Partnership)	
Date of Incorporation	
Age of Company (years)	
Annual Turnover (₹) — last Financial Year	
Sector / Domain	
Founder(s) Name and Role	
HBTU Affiliation (if Internal Startup) — Student / Faculty / Alumni (Year of passing out: _)	
Contact Email	
Contact Phone	
Registered Address of Company	
Any prior or existing incubation elsewhere? (Yes / No. If Yes, name and status: ……………………..)	
Applying via StartInUP or other portal? (Yes / No. If Yes, portal name: ……………………..)	
Current TRL Stage (1–9)	

Section 2: Business Plan Summary

Element	Response
Problem Statement	
Proposed Solution / Innovation	
Target Market and Geography	
Market Size (TAM / SAM / SOM)	
Revenue Model	
Competitive Advantage / USP	
Team Composition and Roles	
Number of Employees / Associates	
Current Stage	☐ Idea ☐ Concept (TRL 1–3) ☐ Prototype (TRL 4–6) ☐ Early Traction (TRL 7–8) ☐ Funded / Scale (TRL 8–9)

Element	Response
Funds Raised So Far (₹)	
Funding Requirement during Incubation Period	
Intellectual Property / Patents Filed or Granted	
HBTU University IP Used? (if yes, specify)	
12-Month Milestones	
24-Month Vision	

Founder Signature and Date:
…………………………………………

Committee Acceptance Signature and Date:
…………………………………………

End of Annexure-C

End of Document:

HBTU TBI Foundation · Harcourt Butler Technical University · Kanpur – 208002

CEO
HBTU-TBI FOUNDATION,
HBTU, KANPUR