Maharaja Surajmal Institute of Technology

eCell & Incubation Cell

STARTUP SEED FUNDING POLICY

Early-Stage Innovation & Prototype Support Grant for Students and Faculty

1. Objective

The Seed Fund Policy is designed to develop an innovation-driven ecosystem on campus by providing early-stage financial support to students and faculty. The grant enables the conversion of creative ideas into viable Proofs-of-Concept (PoC) and working prototypes, strengthening the culture of entrepreneurship and applied research at MSIT.

2. Policy Framework and Institutional Support

This policy is aligned with the National Innovation and Startup Policy (NISP) of MSIT and draws on the following institutional support mechanisms:

- Mentorship for prototype design and technical development.
- Incubation of the startup through the MSIT Incubation Cell.
- Institutional activities including Orientation Programmes, Skill Development Workshops, Networking Events, Hackathons, Ideathons, and Startup Expos.
- Collaboration with external funding and networking partners, and academic partnerships.

This policy operationalises the seed-funding provision of the NISP, which states:

> *"Institute will also link the startups to other seed-fund providers/angel funds/venture funds, or itself may set up a seed fund once the incubation activities mature."*

In line with this provision, 10% of the Annual Innovation Fund specified in the institute annual budget is earmarked for seed funding under the Startup Seed Funding policy.

3. Scope and Financial Cap

3.1 Maximum Funding

Up to ₹5,000/- per startup/idea per academic year. Funding up to ₹15000/- may be granted only with the **explicit permission and prior approval of the Director, MSIT and Management.** Any enhancement or extension of the approved seed funding amount in subsequent academic years shall be considered **subject to the recommendation of the competent authority and prior approval of the Director, MSIT, and Management/higher authorities, as applicable.**

3.2 Annual Cohort Limit

A maximum of 10 startups will be supported in the first academic year but should not exceed 10% of annual Innovation fund specified in the institute annual budget. Expansion of the cohort size in subsequent years is subject to approval from higher authorities.

3.3 Funding Model

The grant operates on a reimbursement basis, disbursed only against actual, approved expenditure supported by valid original bills.

Step 4: Execution & Financial

3.4 Duration

The strict tenure for completing the startup prototype is one (1) year from the date of sanction.

4. Eligibility Criteria

- The startup team must consist of atleast one currently enrolled MSIT student or regular faculty of MSIT.
- The startup must be officially incubated with the MSIT Incubation Cell.
- The applying student(s) must have an MSIT faculty member as a designated mentor.
- The project must be at an early stage – Ideation or Proof-of-Concept (Pre-revenue).
- The team must utilise campus facilities such as the Incubation Center, laboratories, or MakerSpace.

5. Faculty Mentor Responsibilities

- **Financial Accountability:** The Faculty Mentor assumes complete financial responsibility for the project from initiation to final completion, ensuring proper utilization of funds and verification of original bills.
- **Project Monitoring & Closure:** The Faculty Mentor is strictly responsible for submitting the final Completion Project Report along with the developed prototype to the Incubation Cell upon project conclusion.

6. Intellectual Property (IPR) & Publications

- **IPR Filing:** Any Intellectual Property (patent, design, trademark, etc.) filed arising out of the research/startup **must list Maharaja Surajmal Institute of Technology (MSIT) as the applicant / co-applicant.**
- **Publication Acknowledgment:** Any research paper, conference publication, or article resulting from the research/startup/prototype **must explicitly acknowledge Maharaja Surajmal Institute of Technology (MSIT).**

7. Application & Approval Workflow

Step 1: Submission of Application

Teams must submit their proposal using the prescribed Standard Application Form (available through the Incubation Cell) along with an itemized budget estimate through their Faculty Mentor

Step 2: Technical and Financial Screening

The E-Cell / Incubation Cell evaluation team reviews the proposal for technical viability, novelty, and financial reasonableness.

Step 3: Administrative Approval

Upon successful screening, the Incubation Cell submits its recommendation to the Director, MSIT (Competent Authority), for final sanction.

Step 4: Execution & Financial Management

Once approved, the student team proceeds with development. The project commences under the financial oversight of the Faculty Mentor. All purchases must be supported by valid, original GST bills/invoices issued in the name of the faculty mentor.

Step 5: Prototype Handover and Bill Verification

On completion, the faculty mentor must complete two mandatory actions:

- Asset Submission: Deposit the physical prototype (or grant full administrative access, in the case of software/apps) to the MSIT Incubation Cell.
- Document Submission: Submit original bills, payment receipts, and a brief completion summary to the Incubation Cell for audit.

Step 6: Reimbursement

The Incubation Cell verifies the submitted prototype and original bills. Upon verification, the Finance Department releases the approved grant amount directly to the faculty mentor's account.

6. Terms and Conditions

- The grant cannot be used for personal expenses, cash payments without bills, or unapproved overheads.
- Handed-over prototypes and assets remain the physical property of the MSIT Incubation Cell for demonstration and record-keeping purposes.

7. Expense Guidelines

Category	Allowed Expenses	Prohibited Expenses
Tools & Materials	Raw materials, electronic components, cloud credits, software tools	Laptops, mobile phones, or heavy machinery
Validation	Domain/hosting fees, survey costs, field testing	Founder salaries, stipends, or personal cash
IP Protection	Provisional patent or trademark filing fees	General legal fees or business registration

8. AMENDMENT AND REVIEW OF THE POLICY

This Policy may be reviewed periodically based on:

- Experience of implementation.
- Feedback from students and faculty.
- Changes in institutional requirements.
- Availability of funds.
- Developments in the innovation and startup ecosystem.

The Institute reserves the right to amend, modify, interpret, suspend, or withdraw any provision of this Policy with the approval of the Competent Authority