

## NGI INNOVATION FOUNDATION

NGI Incubator, Meerut

### Selection Criteria & Incubation Process:

The selection of potential start ups for their entrepreneurial journey is based on a transparent selection process and by the recommendation of an expert committee specifically set up for the purpose.

The criteria for acceptance are the following:

Demonstrate a need for incubator services.

Demonstrate capability for business viability and growth.

The business plan submitted by the entrepreneur is sound.

In the absence of a proper business plan, the request for membership will be accepted provisionally if business proposal looks promising prima-facie to the expert committee.

The entrepreneur will submit a proper business plan to NGI Incubator, Meerut, which will be reviewed by the expert committee before final acceptance.

The business proposed should have significant technology content/employment potential/revenue generation potential/export earning potential/Social impact.

The entrepreneurs may or may not have a track record in undertaking entrepreneurial ventures.

A first time entrepreneur should have the requisite aptitude in promoting the venture.

The expert committee will assess this through personal interview, review of past activities, background check, references etc.

### **Selection Process**

Determination of eligibility by NGI Incubator, Meerut shall be based on preliminary application. The following process is adopted for the selection of the start ups

1. NGI Incubator, Meerut and the entrepreneur will sign a mutual nondisclosure agreement (NDA)
2. Submission of complete application package:
  - a. Copy of the entrepreneur's business plan
  - b. Entrepreneur's tax returns for prior three years if applicable.
  - c. Details of company's corporate structure, bylaws, ownership, etc.
3. NGI Incubator, Meerut sets up an expert committee to evaluate the application.

4. The expert committee reviews the application based on but not limited to the following:

Merit of the business proposal

Background and experience of the entrepreneur

Financial viability

Status of the business plan, market research and feasibility studies

Growth potential

Applicant's commitment-both financial and personal time-to the venture

Business references

Make up of the management team

To what extent is the entrepreneur developing technology, or using technology for a unique business purpose?

How effectively does the entrepreneur demonstrate an understanding of the environment facing the venture in its target markets, and a reasonable strategy to achieve stability and growth?

How clear is the entrepreneur's need for the types of services that the incubator offers?

Is the venture product or service-based? Product-based ventures, by their nature, have a greater potential for significant economic impact, but innovative service businesses will also be considered for the program.

Market knowledge and experience (market definition, markets serviced, competition, SWOT analysis etc.)

5. The entrepreneur gives a presentation of the business plan to the expert committee and clarifies all the questions.

6. Due diligence by the expert committee (including background and credit check of entrepreneur)

7. Decision by expert committee.

NGI Incubator, Meerut follows the following process once the decision is made to admit the entrepreneur to the incubation program

Post Admission Process:

a) License agreement is executed between NGI Incubator, Meerut and the entrepreneur.

b) Jointly set short-term objectives for the venture's performance.

- c) Develop a written plan of work for the venture.
- d) Set up the venture's financial management and budgeting systems.
- e) Identify mentors, consultants, mentors and service in achieving his goals.

**Review:**

NGI Incubator, Meerut would review the formal performance of each start up. The expert committee gauges the progress of the company against its objectives. The expert committee also evaluates the quality and impact of the business assistance provided by NGI Incubator, Meerut. Any further assistance in the form of mentors, consultants, service providers or resource centers required by the entrepreneur is identified during this review.

**Duration of Incubation Program:**

The duration of license to operate in the incubator program shall be for a term of 6 months namely 'Pre- Incubation'. An extension of one more term of 2 year shall be considered on a case-by-case basis based on the recommendation of the expert committee.

The entrepreneurs shall move out of incubator at the end of the license period after their successful /unsuccessful venture

The entrepreneurs have to submit a formal application to the expert committee highlighting all factors responsible for the delays in the plan. The application should show the strategies adopted by the venture in overcoming the problems faced by the company.

**Graduation**

The start up venture shall graduate from the incubation program when any one of the following conditions is fulfilled.

- a) The revenue stream of the company is adequate for self-sustenance.
- b) The entrepreneurs have been able to tie up investors to finance the expansion plans of the venture and the incubator support is no longer necessary.
- c) The entrepreneurs have sold the venture.

Expiry of the period specified in the license agreement.