**CUSAT-RUSA Startup Fund**

**1.0 Introduction**

Promoting entrepreneurial skills among the students is an investment for the future. Universities have a major role to play in this context. CUSAT has set up a TBI (CITTIC) within a space of 4000 square feet in the year 2017. We are happy that more than 40 startup companies are incubated in CITTIC currently. With financial support from RUSA, CUSAT is planning a state of the art TBI under CUSATECH FOUNDATION. It will provide best of infrastructural facilities for startups and also help them grow making the best out of the facilities and resources available in the campus.

Early stage funding is challenging for innovators, especially student startups, as Angel Investors and VC’s consider investing at this stage to be very risky. It is not easy for the innovators to get business loans from financial institutions either. The premier institutions like IITs have setup startup funds to help their incubates. Understanding this challenge, CUSAT has decided to set up a startup fund with financial support from RUSA. The fund is managed by CUSAT-TBI of CUSATECH FOUNDATION with the objective of helping our students and researchers to convert their innovative ideas into full-fledged ventures.

**2.0 Fund Details**

Startups are entrepreneurial ventures seeking to develop and deploy innovative, technology driven solutions with a scalable business model. This scheme is designed as a non-refundable grant sponsored by CUSATECH FOUNDATION and is implemented through CUSAT- TBI. The objective of this grant is to encourage our staff and students to setup and run university- connected start-up companies leveraging on the expertise of CUSAT

**2.1 Eligibility**

You are eligible to apply if you satisfy the below conditions:

1. You are a Faculty / Staff /student / alumni of CUSAT.

&

1. You have started / planning to start a startup in CUSAT

Note

* Startups founded by CUSAT alumni incubated elsewhere can apply if they are planning to associate with CUSAT-TBI if selected.
* We strongly recommend formation of startups with CUSAT faculty as mentors / advisors.
* Departments can also apply with one faculty member as the principal applicant to setup domain specific startup support facilities for their research scholars / students in the department.

**2.2 Grant Schemes**

1. **Idea Grant: ( From Idea to Product)**

This is for potential startups who have a brilliant idea / research output which they want to commercialize. This initial grant can be utilized for purposes like R&D and Consultancy expenses, market feasibility studies, Prototype development, rental expenses in incubator etc. The maximum amount is limited to Rs 3 lakhs

1. **Product Grant: ( From Product to Market)**

This meant for startups who are already in operation. They should have completed their prototype/ MVP and should be seriously looking at going to the market. This grant will cover expenses towards final product development, product launch, market promotion, scaling up production etc. The maximum amount is limited to Rs 10 lakhs.

Note

The innovation grant cannot be used for the salaries for the founders and purchase of personal assets and gadgets. Purchase of equipment, fixed assets and devices may be permitted on a case to case basis. The purpose of the grant is to help startups grow faster. Startups may use this grant for R&D work, fabrication/ synthesis, product promotional activities, hiring specialized resources, product improvements, patent filing etc.

**3.0 Process of selection**

The applicant should apply for the respective grant in the prescribed format which contains a write up on their proposal highlighting the idea, value proposition, present status and future potential. They should also submit the details of the grant requested with necessary split up of expenditure heads.

A panel of experts setup by CUSATECH FOUNDATION may short list the applicants. The shortlisted applicants will be invited for a detailed presentation on their proposal. The presentation will be judged by an eminent panel consisting of industry representative, startup experts and academicians. The panel will recommend award of appropriate grant based on a range of criteria including

1. Usefulness of the idea / solution
2. Soundness of the applied Science / Technology used
3. Potential for growth
4. Commitment and expertise of the team
5. Business model / Path to viability
6. Proposed utilization of grant
7. Proposed time lines

The Screening Panel will recommend the amount of grant to be awarded and also make suggestions regarding what this fund should be used for by the startup. The Screening Panel may also recommend interim and final milestones to be achieved by the startup. Where necessary, the Screening Panel may also recommend to have a technical review of the idea to be done before the award of the grant.

Note:

All the final decisions with respect to the selection of awardees, amount of grant, terms and conditions for the disbursal and utilization of the grant, ownership of assets purchased with the grant, sharing of IP / Revenue generated out of the work conducted utilizing the grant etc will be taken by CUSATECH FOUNDATION. These decisions will be final and the awardees will have to sign an MOU with CUSATECH FOUNDATION.

**4.0 Sanction of Grants**

The recommendations of the Screening Panel will be submitted to the CUSATECH FOUNDATION. Subject to the approval by the company, the selected startups will be notified. Additional reviews if necessary will be arranged by the CUSATECH FOUNDATION

The grant will be disbursed in milestone based tranches. Mode of payment will be through account payee cheque / bank transfer to the startup company account after collecting necessary documentation. If the startup has availed any other funding from any Government agencies, a utilization certificate and report needs to be submitted.

**5.0 Progress Assessment**

CUSATECH FOUNDATION will assess the progress before the disbursement of second / subsequent tranches. The startup should submit a progress report and fund utilization details to claim the next tranche of funds. The progress will be reviewed by a committee of experts set up by CUSATECH FOUNDATION before the balance amount is released.