Business Incubation Center (BIC)@RIT MBA Department under VTU

A Proposed Plan

Table of Contents

1. Executive Summary
2. Introduction
    a. Overview of Rajeev Institute of Technology
    b. MBA Department and Its Role
    c. Vision and Mission of the Incubation Center
3. Business Objectives
4. Proposed Activities
    a. Pre-incubation Support
    b. Incubation Support
    c. Post-incubation Support
5. Board of Members
    a. Roles and Responsibilities
6. Advisors
    a. Key Advisors and Their Roles
7. Collaboration and Industry Participation
    a. Industry Collaborations
    b. Government Participation
    c. Academic Partnerships
8. Market Analysis
    a. Overview of the Startup Ecosystem
    b. Demand for Incubation Services
9. Business Model
    a. Revenue Generation Model
    b. Cost Structure
10. Operational Plan
    a. Location and Facilities
    b. Resource Requirements
11. Financial Plan
    a. Budget Allocation
    b. Funding Sources
12. Risk Management Plan

1. Executive Summary

The Business Incubation Center (BIC) at Rajeev Institute of Technology (RIT), under the MBA Department and Visvesvaraya Technological University (VTU), was established in March 2021 to foster an entrepreneurial ecosystem. The center aims to support startups and aspiring entrepreneurs through a structured process of mentorship, networking, infrastructure, and funding. The BIC will focus on creating a thriving hub for innovation, transforming ideas into market-ready solutions, and fostering the growth of successful, scalable businesses.

This document outlines the business model, objectives, activities, and structure of the BIC, highlighting its role in promoting sustainable economic growth through innovation and entrepreneurship.

2. Introduction

Overview of Rajeev Institute of Technology

Rajeev Institute of Technology (RIT) is a reputed educational institution established with the goal of providing quality education in engineering and management. Located in Hassan, RIT is affiliated with Visvesvaraya Technological University (VTU) and offers undergraduate, postgraduate, and research programs. The MBA Department at RIT, has been a catalyst in driving managerial talent and fostering entrepreneurship among students.

MBA Department and Its Role

The MBA Department at RIT focuses on equipping students with strong business acumen, strategic management skills, and innovative thinking. The department also aims to foster entrepreneurial mindsets, which led to the establishment of the Business Incubation Center (BIC). The MBA program complements the BIC's activities by offering students opportunities to work on real-world business projects, internships with startups, and the chance to launch their own ventures.

Vision and Mission of the Incubation Center

- Vision: To become a leading incubator for nurturing entrepreneurial talent and fostering sustainable startups in the region.
- Mission: To provide comprehensive support for the growth of startups, from idea inception to scaling, by offering mentorship, funding, industry connections, and technical resources.

3. Business Objectives

The objectives of the Business Incubation Center are designed to support entrepreneurs in creating innovative business solutions:

- Foster Innovation: Create an environment that encourages the development of new ideas, products, and services.
- Encourage Entrepreneurship: Promote entrepreneurship among RIT students, alumni, and local communities.
- Startup Support: Assist startups with business validation, product development, market entry strategies, and scaling.
- Job Creation: Help incubated startups grow to a stage where they can provide employment opportunities.

- Industry-Academia Linkages: Strengthen collaboration between industry and academia, benefiting startups through mentorship, networking, and access to funding.

4. Proposed Activities

The BIC will provide a range of services to assist startups at various stages of their lifecycle:

Pre-incubation Support

- Idea Validation: Help budding entrepreneurs assess the feasibility of their business ideas.
- Workshops & Training: Organize training sessions on topics such as business model design, market research, financial management, and startup laws.
- Mentorship: Provide one-on-one guidance on developing business plans, marketing strategies, and product prototypes.

Incubation Support

- Infrastructure: Provide co-working space, access to meeting rooms, high-speed internet, and other essential infrastructure.
- Funding Support: Assist startups in raising funds through venture capital, angel investors, and government grants.
- Legal & Regulatory Assistance: Help startups with company registration, intellectual property rights, and regulatory compliance.
- Market Entry Assistance: Provide market insights, customer acquisition strategies, and introductions to key industry players.

Post-incubation Support

- Networking Events: Organize events where incubated startups can meet investors, potential clients, and industry leaders.
- Go-to-Market Strategy: Support startups with refining their marketing strategies and creating sustainable growth plans.
- Exit Strategies: Provide guidance for startups planning an exit via mergers, acquisitions, or public offerings.

5. Board of Members

The Board of Members will govern the Business Incubation Center and provide strategic oversight. The Board will consist of influential figures from academia, industry, and entrepreneurship who will guide the BIC's operations and ensure it meets its goals.

Key Roles and Responsibilities:

- Chairperson: Provides overall direction and leadership for the BIC.
- Program Supervisor: Responsible for day-to-day management and execution of programs.
- Advisory Board Members: Expert advisors with extensive experience in entrepreneurship, technology, and business development.
- Industry Partners: Contribute valuable industry-specific insights, connections, and resources to the BIC.

6. Advisors

The Advisory Board will be composed of experienced professionals from different sectors to provide specialized guidance to the startups in various areas. These advisors will offer insights into market trends, technological advancements, and best business practices.

- Key Advisors:
- Technology Advisor: Expertise in technology trends and innovations.
- Financial Advisor: Assistance with startup financial planning, funding strategies, and investment opportunities.
- Marketing Advisor: Expertise in branding, digital marketing, and customer acquisition.
- Legal Advisor: Guidance on intellectual property, contracts, and legal compliance.

7. Collaboration and Industry Participation

Industry Collaborations

- The BIC will collaborate with leading industries in technology, manufacturing, fintech, and other sectors to bring valuable industry knowledge, mentoring, and funding to startups. These partnerships will help connect incubated startups with potential customers and investors.

Government Participation

- The center will engage with government schemes like Startup India, Atal Innovation Mission, and various state-level initiatives that support startups with funding, tax exemptions, and grants.

Academic Partnerships

- The BIC will work closely with other academic institutions under VTU and beyond to promote research, joint ventures, and knowledge exchange that benefits both academia and industry.

8. Market Analysis

Overview of the Startup Ecosystem

India's startup ecosystem is one of the largest in the world, with more than 50,000 startups. The government's initiatives such as Startup India and Make in India have catalyzed entrepreneurial growth. The demand for business incubation services is increasing, driven by the surge in young entrepreneurs and the need for expert guidance, mentorship, and funding.

Demand for Incubation Services

With more than 4000 new startups launched each year, there is a growing need for structured incubation support. The absence of adequate mentorship, funding, and technical resources often leads to high failure rates among startups. The BIC aims to reduce these barriers by offering a comprehensive support system to entrepreneurs.

9. Business Model

The BIC will operate under a hybrid business model, combining revenue-generating activities with social objectives. The model will focus on financial sustainability while providing high-quality services to incubated startups.

Revenue Generation Model:

- Equity Stake in Startups: A small equity stake (5-10%) in the incubated startups, in exchange for providing services and resources.
- Incubation Fees: Charging nominal fees for the infrastructure, mentorship, and business development services provided to startups.
- Partnerships & Sponsorships: Collaborations with corporates and investors to sponsor specific programs, events, or competitions.
- Government Grants: Seeking funding from government schemes dedicated to entrepreneurship and innovation.

10. Operational Plan

Location and Facilities

The BIC will be situated on the RIT campus, leveraging existing infrastructure. The facility will include:

- Working spaces for startups.
- Meeting rooms and conference halls.
- High-speed internet and other essential IT infrastructure.
- Labs and workshops for product development and prototyping.

Resource Requirements

- Personnel: The center will require dedicated personnel including a administrative staff, and support teams for marketing, finance, and legal advisory.
- Technology & Infrastructure: The center will need working space, IT equipment, and a robust business management software platform to manage operations and support startups.

11. Financial Plan

Budget Allocation

- Initial Setup Costs: 5 Lakhs for infrastructure, working spaces, and IT systems.
- Operational Costs: Rs 50,000/- annually covering utilities, and marketing.

Funding Sources

- Institutional Support: Initial funding from RIT.
- Government Grants: Applications to government programs supporting innovation and startups.
- Private Sector Funding: Collaborations with investors and corporate sponsors.

12. Risk Management Plan

Risks:

- Financial Risk: Unpredictable revenue generation, especially in early stages.
- Operational Risks: Difficulty in attracting high-quality startups and maintaining sustainable operations.
- Market Risks: Competition from other incubators and changing market dynamics.

Mitigation Strategies:

- Diversify revenue streams to ensure financial sustainability.
- Focus on robust marketing and networking strategies to attract startups.
- Build strong partnerships with investors, industry players, and government bodies.

The Business Incubation Center at Rajeev Institute of Technology, established in March 2021, represents a significant step toward fostering innovation, supporting aspiring entrepreneurs, and contributing to the economic development of the region. By providing a robust support system of infrastructure, mentorship, and funding, the BIC will play a key role in transforming business ideas into successful ventures and positioning RIT as a leader in entrepreneurship education and development.

The Advisory Board

(Proposed)

Chairman: Dr. Mahesh P K

Vice-Chirman: Dr. Rajsekar S

Key Advisors:

1) Shri Madan Kumar (Dist.Chirman Bharath LaguUdyog Training, Past President Hassan Chamber of Commerce, Member MSME Hassan & Chickmagalore Dist)
2) Shri Nishchay (Dist. Chairman for Hassan Business Association)
3) Smt. Mamatha Patil (MD Arpitha Bajaj, Hassan)
4) Smt. Shwetha (MD, Akshaya Bhandara)
5) Shri. H. J. Hamsaraj Chairman, Hamshine Electronics & Energy Systems, Hassan
6) Shri Raviteja , MD , Hanbal Food Processing & Confectionaries, Sakaleshpura

- **Technology Advisor**: Dr. Arvind B N, Dr. Sharath, Dr. Prashanth, Dr. Pratibha Hebbar, Dr. Kuldeep, Prof. Sujay, Prof. Bhavani B S
- Financial Advisor: Mrs. Priya H V, Mrs. Harshini, Mr. Gopal Krishna
- Marketing Advisor: Mr. Mohammed Monish & Mr. Muralidhar Nayak.
- Legal Advisor: Smt. Girijambika M B & Shri Dinesh