

Incubation Agreement – Category D

Template agreement executed between VJ Hub and externally founded startups (Category D) upon admission to incubation.

 **Template only.** This is a reference version of the Category D Incubation Agreement. The executed document, with completed schedules and signatures, is issued by VJ Hub post-selection.

1. Recitals

WHEREAS:

- A. Vignana Jyothi ("VJ") is a not-for-profit educational society established in 1993 and has promoted innovation and entrepreneurial development through VJ Hub.
- B. The Incubator has been established to foster deep-tech, innovation, translational research, startup incubation, value engineering, and commercialization of technological advancements.
- C. The Incubatee is an externally founded startup eligible under Category D of the Incubator's policy framework and seeks incubation support.
- D. The Parties desire to enter into this Agreement to govern the terms and conditions of incubation support.

2. Definitions

Unless the context otherwise requires:

- **"Incubation Services"** means services provided by the Incubator under this Agreement.

- **"Facilities"** means office space, shared resources, laboratories, makerspaces, utilities, meeting rooms, and infrastructure.
- **"Funding Agency"** means any investor, government authority, CSR entity, accelerator, or grant provider.
- **"IP"** means intellectual property including patents, trademarks, copyrights, trade secrets, know-how, designs, software, and proprietary technology.
- **"Joint IP"** means intellectual property jointly created by the Incubatee and VJ faculty/staff/students.
- **"Incubation Committee" / "IC"** means the committee constituted under Incubator policy.

3. Purpose

The purpose of this Agreement is to establish the terms and conditions under which the Incubator shall provide incubation support and allied services to the Incubatee, including but not limited to infrastructure, mentorship, institutional ecosystem access, faculty engagement, research collaboration, strategic guidance, and other assistance intended to facilitate the growth, development, and advancement of the Incubatee's business, innovation, or enterprise.

4. Term

4.1 Duration

This Agreement shall commence on the Effective Date and shall remain in force for a period of:

- a. Twenty-Four (24) months from the Effective Date; or
- b. the duration specified under any applicable funding arrangement, grant, term sheet, incubation programme, investment instrument, or scheme governing the Incubatee,

whichever is earlier, unless terminated earlier in accordance with the provisions of this Agreement.

4.2 Extension of Term

The term may be extended solely at the discretion of the Incubator subject to review of performance, IP status, funding milestones, and IC recommendation. Any extension shall be valid only if expressly approved by the Incubator in writing.

5. Incubation Services

5.1 Infrastructure Support

Office space, co-working, dedicated cabins or workstations; internet, utilities, basic furniture; meeting rooms and common areas; and — where specifically permitted — use of the institutional address for correspondence or registration.

5.2 Technical and Research Support

Access to laboratories, makerspaces, workshops and prototyping facilities; faculty mentorship and academic support; and facilitation of research, experimentation, innovation and product development.

5.3 Business Development Support

Introductions to investors, funding agencies and financiers; networking events and startup ecosystems; industry collaborations and partnerships; and structured business development programmes.

5.4 Compliance and Administrative Assistance

Facilitation of startup recognition/registration including DPIIT; IP identification, filing coordination and advisory support; and general regulatory, legal and compliance guidance.

6. Fees and Deposit

6.1 Incubation Fees

In consideration of the facilities, infrastructure, services and support, the Incubatee shall pay the Incubator the applicable incubation charges based on the nature of space/facility allotted:

- a. INR 3,000/- per seat per month; or
- b. INR 40/- per square foot per month for non-air-conditioned space; or

c. such other rates as prescribed in Schedule B / the current Tariff Schedule.

A refundable interest-free security deposit may also be required, as specified in Schedule B.

7. Obligations of Incubatee

The Incubatee agrees and undertakes that throughout the term it shall:

- use the Facilities lawfully and solely for its incubation activities;
- comply with all applicable laws and Incubator policies (including EHS/ESG norms);
- refrain from any act that may bring disrepute to the Incubator, VJ, or VNRVJIET;
- maintain records, cooperate with reviews and audits, and pay applicable charges in a timely manner.

8. Reporting and Assessment

8.1 Reporting Obligations

The Incubatee shall provide, in such form and manner as may be prescribed:

- periodic progress reports on milestones and utilisation;
- funding-agency formats where applicable (UC/SE/AE);
- annual reports to the Incubator; and
- such other information as may be reasonably requested.

9. Intellectual Property

IP created solely by the Incubatee remains its property. Where VJ faculty, staff, students, laboratories, or resources contribute to the creation, development, or commercialization of any IP during the incubation period, such IP shall be treated as jointly developed / collaborative IP and governed by a separate IP arrangement (or the VJ IP Policy).

The Incubator shall not disclose any confidential, proprietary, or trade-secret information of the Incubatee without prior written consent.

10. Confidentiality

10.1 Confidentiality Obligations

Each Party shall maintain the confidentiality of all information disclosed by the other Party and shall not use or disclose such information except as strictly necessary to perform this Agreement.

11. Representations & Warranties

The Incubatee represents and warrants that it is duly organised, maintains all necessary licences and registrations, and has full power, legal right and authority to enter into and perform this Agreement, duly authorised by all necessary corporate or internal approvals.

12. Liability

All business decisions and outcomes remain solely at the Incubatee's own risk and responsibility. To the fullest extent permitted under applicable law, the aggregate liability of the Incubator, Vignana Jyothi Society ("VJ"), and VNRVJIET arising out of or in connection with this Agreement shall be limited to the total incubation fees paid by the Incubatee to the Incubator during the twelve (12) months preceding the claim.

13. Termination

Either Party may terminate this Agreement for cause upon material breach, insolvency, or non-compliance with policies. On termination, the Incubatee shall pay all outstanding dues, vacate the premises, and complete all exit formalities prescribed by the Incubator. Termination shall be without prejudice to accrued rights and obligations.

14. Post-Termination

If the Incubatee fails to remove its equipment, goods, records, documents, inventory, furniture, materials, or any other belongings from the premises within the prescribed

vacating period, the Incubator may store the same at the risk and cost of the Incubatee.

16. Non-Solicitation

During the term and for a period thereafter, the Incubatee shall not solicit or cause to be solicited any employee, consultant, faculty member, mentor, or student of the Incubator, VJ, or VNRVJIET, except with prior written approval of the Incubator. The Incubator shall be entitled to injunctive relief for any breach of this Clause.

17. Force Majeure

Neither Party shall be liable for delay or failure in performance arising from a Force Majeure Event. The affected Party shall use all reasonable efforts to mitigate the effects and resume performance as soon as reasonably practicable. If a Force Majeure Event continues for a prolonged period, either Party may terminate this Agreement by written notice.

18. Dispute Resolution

The Parties shall first attempt to resolve disputes amicably. Failing which, disputes shall be referred to arbitration under the Arbitration and Conciliation Act, 1996. The **seat and venue of arbitration shall be Hyderabad, Telangana**. Subject to arbitration, courts at Hyderabad shall have exclusive jurisdiction.

19. General Provisions

This Agreement constitutes the entire understanding between the Parties. The Incubatee may not assign its rights without prior written consent of the Incubator; the Incubator may assign to any affiliate, successor or statutory authority without such consent. Invalidity of any provision shall not affect the remainder.

20. Funding-Linked Obligations

Where the Incubatee benefits from Society, Government, Investor, or CSR funding, it shall comply with all utilisation, reporting, and eligibility conditions. On breach, the Incubator and/or Funding Source may:

- a. suspend further disbursement of funding;
- b. demand refund or recovery of amounts disbursed;
- c. revoke funding approval; and/or
- d. terminate the Incubatee's participation in the relevant programme.

SCHEDULE

Schedule A — Faculty Mentor / Advisor

Where the Incubatee is assigned or mentored by any faculty member, advisor, or institutional representative, details shall be recorded here.

SL. NO.	NAME OF MENTOR	INSTITUTION / DEPARTMENT	ROLE / SCOPE	EFFECTIVE DATE
1	—	—	—	—
2	—	—	—	—
3	—	—	—	—

SCHEDULE

Schedule B — Space / Facility Allocation

Records the facilities allocated by the Incubator to the Incubatee.

SL. NO.	TYPE OF SPACE	LOCATION / IDENTIFIER	AREA / SEATS	RATE	EFFECTIVE DATE
1	—	—	—	—	—
2	—	—	—	—	—
3	—	—	—	—	—

SCHEDULE

Schedule C — Milestones / KPIs

Sets forth the milestones, deliverables, and performance indicators expected during the incubation period.

SL. NO.	MILESTONE / KPI	TARGET	TIMELINE	REVIEW CADENCE
1	—	—	—	—
2	—	—	—	—
3	—	—	—	—
4	—	—	—	—

SCHEDULE

Schedule D — Personal Guarantee & Indemnity by the Promoters

In favour of Vignana Jyothi Foundation for Entrepreneurial Excellence. The Promoters jointly and severally guarantee the due performance by the Incubatee of all its obligations under this Agreement and shall indemnify the Incubator for any loss, damage, or liability arising from breach.

GUARANTOR(S)

WITNESSES

Signature: _____

Name: _____

Address: _____

1. Signature: _____ Name: _____

2. Signature: _____ Name: _____

Ready to apply as a Category D startup?

Submit the Incubation Request Form to begin the review process.

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