

Navigating a Client Dilemma at Swift Drop: An Incubated Start-Up at the Udhmodya Foundation

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Abstract. The case examines a multi-dimensional dilemma faced by Swift Drop, an incubated start-up by the Udhmodya Foundation, University of Delhi, India. Post the termination of an employee for financial irregularities, the employee then joined a key client and divulged sensitive commercial information which enabled the client to attempt to renegotiate the terms and undermine the competitiveness of Swift drop. In the absence of formal confidentiality agreements the founder of Swift Drop had to decide within a week how to confront the client. He had to consider how to tackle the ethical implications of them hiring a former employee and then taking advantage of sensitive internal information, and also avoiding the potential risk of losing the key account. Or should he focus on ensuring the long-term client relationship and address the legal and contractual internal HR issues? The case brings to light the intersection of unethical hiring practices, inappropriate client conduct, breach of confidentiality, and internal regulations within a start-up.

Keywords: non-disclosure agreements, people management, client-relationship, confidentiality breach.

Author Statement: The case is written solely for class discussion. The authors do not intend to illustrate either effective or ineffective handling of a managerial situation. Certain names and other identifying information may have been disguised to protect confidentiality of the organization.

1. Introduction

In May 2025, Abhishek Tandon, the joint chief executive officer of Udhmodya Foundation, University of Delhi and Ankit Kapoor, founder of Swift Drop (an incubated start-up at Udhmodya), sat in their North Delhi office to discuss a breach of confidentiality at Swift Drop. A terminated employee had joined a key client and shared confidential business information with them which included internal cost structures and profit margins. The client then utilised the information

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to renegotiate its terms. Udhmodya Foundation took pride in its work ethics and had zero tolerance for ethical breaches. The start-ups were incubated not just on the technical pitch but also on the value system with a strong ethical orientation. This was a concern for both Tandon and Kapoor as they wanted to grow the business with trust and wanted this message made loud and clear amongst all employees. Kapoor was deeply concerned and reached out to Tandon (who was also the mentor of Swift Drop) for his advice on whether to confront the client at the risk of losing a key account or to accept the re-negotiated terms. Additionally he had to ensure the start-up had a clear human resource management and people management strategy with the setting up of non-disclosure agreements to avoid such a grave instance from occurring in the future.

2. About Udhmodya Foundation

Udhmodya Foundation, a section-8 company, was established in May 2022 to foster entrepreneurship and innovation amongst students and faculty members at the University of Delhi. Udhmodya, a Sanskrit term (reflective of the rising Sun) set out on an innovative path. The foundation's main aim was to provide a facilitating environment for start-ups to convert their innovative ideas into viable businesses and translate concepts into real-world applications.¹

The Chairman of Udhmodya, Prof. Yogesh Singh, believed in the motto, "Leadership is not about oneself but about investing in the growth of others". He believed in empowering start-ups by supporting them in realizing their dreams.² He reached out to Tandon, the Joint Chief Executive Officer at Udhmodya, in January 2022 and entrusted him with the responsibility of establishing an incubator to further the growth of start-ups at the University. The objective was to increase start-ups' chances of success by giving them the resources and encouragement to overcome common obstacles. Tandon knew this was a serious task and would require the mobilization of all their limited resources and collaboration with significant stakeholders like investors, mentors, and experts in a short space of time. This would also require students in various colleges of the University to be sensitized about the incubator.

The Core Values of Udhmodya Foundation³

Building an Innovative Culture: Udhmodya Foundation was committed to fostering an innovative and creative culture that valued experimentation and unconventional thinking.

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1. Udhmodya Foundation, Home, accessed on August 26, 2025, <https://udhmodyadu.in/>
 2. About us, Udhmodya Foundation, accessed on August 26, 2025, <https://udhmodyadu.in/chairman>
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