



AJAY BINAY INSTITUTE OF TECHNOLOGY
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INNOVATION & START-UP POLICY



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(in-line with the National Innovation and Start-up Policy)

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1. Guiding Framework for Higher Education Institutions

The Innovation and Startup Policy 2020 for students and faculty of Ajay Binay Institute of Engineering and Technology (ABIT) will enable the Institution to actively engage students, faculty members and staff in innovation and entrepreneurship related activities. This framework will also spell out the terms for Intellectual Property ownership, technology licensing and institutional Startup policy, thus enabling creation of a robust innovation and start-up ecosystem across the Institution.

2. Preamble

The synergistic linkages between successful entrepreneurship ecosystems and the role of academic institutions are well recognized and much talked about. Universities and Colleges, although not direct participants in the startup ecosystem, have been a critical component of it. A reputed Institution attracts both ambitious and smart people – students, researchers as well as faculty members – from multidisciplinary backgrounds, and thus, tends to be a melting pot of ideas. It is this diversity and cross-fertilization of ideas that lead to innovation, if harnessed and channelized effectively.

The All India Council of Technical Education (AICTE) released a Startup Policy document for AICTE approved institutions during November 2016, to address the need of inculcation of innovation and entrepreneurial culture in higher education Institutions (HEIs). Later during the year 2019, the MHRD's Innovation Cell formulated a National Innovation and Start-up Policy (NISP) as a guideline for all HEIs. The MHRD's innovation cell conducted series of follow-up workshops and trained the Institutions. This led to the formulation of new Start-up and Innovation policy for the Institution. A special committee was formed and this policy document is the brain child of subsequent deliberations that happened in the meetings.

Vision

The Innovation and Startup policy (ISP) is a guiding framework to envision an educational system oriented towards start-ups and entrepreneurship opportunities for student and faculty members. The guidelines provide ways for developing entrepreneurial agenda, managing Intellectual Property Rights (IPR) ownership, technology licensing and equity sharing in Startups or enterprises established by faculty and students. This policy framework shall motivate the young minds to indulge in innovation and pursue the entrepreneurial path for developing thyself and the Nation as a whole. Moreover, this policy document will guide the Institutions to attain the Prime Minister's vision of "Atmanirbhar Bharat".

3. Strategies and Governance

- a. Entrepreneurship promotion and development should be one of the major dimensions of the Institutions strategy. To facilitate development of an entrepreneurial ecosystem in the Institution, specific objectives and associated performance indicators should be defined for assessment.
- b. The entrepreneurial agenda should be the responsibility of the Head of the Institution and the Institution's Innovation Committee of ABIT. Heads of all departments shall work together to successfully implement the entrepreneurship culture.
- c. Resource mobilization plan should be worked out at the institute for supporting preincubation, incubation infrastructure and facilities. A sustainable financial strategy should be defined to reduce the organizational constraints to work on the entrepreneurial agenda.
 - i. Investment in the entrepreneurial activities should be a part of the Institutional financial strategy. Minimum 1% fund of the total annual budget of the Institution should be allocated for funding and supporting innovation and startup related activities.
 - ii. The strategy should also involve raising funds from diverse sources including Government agencies (state and central) like DST, DBT, MHRD, AICTE, DSIR, CSIR, BIRAC, NSTEDB, NRDC, Startup India, Invest India, MSDE, MSME, etc. and non-government sources should be encouraged.
 - iii. To support technology incubators, academic Institutes may approach private and corporate sectors to generate funds under Corporate Social Responsibility (CSR) as per Section 135 of the Company Act 2013.
 - iv. Institute may also raise funding through sponsorships and donations. Institute should actively engage alumni network for promoting Innovation & Entrepreneurship (I&E).

d. For expediting the decision making, hierarchical barriers should be minimized and individual autonomy and ownership of initiatives should be promoted.

e. Importance of innovation and entrepreneurial agenda should be known across the Institute and should be promoted and highlighted at Institutional programs such as smart India hackathon, conferences, convocations, workshops, etc.

f. Action plan should be formulated at Institution level, with well-defined short-term and long-term goals. Micro action plan should also be developed by the affiliated Institutes to accomplish the policy objectives.

g. Institute should develop and implement Innovation and Entrepreneurship (I&E) strategy and policy for the entire Institute to integrate the entrepreneurial activities across various centers, departments, faculties, within the Institutes, thus breaking the silos.

h. Product to market strategy for startups should be developed by the Institute on case-to-case basis.

i. Development of entrepreneurship culture should not be limited within the boundaries of the Institution.

i. Provision to extend Institution's facilities for outsiders at nominal charges (as decided from time to time) shall be considered.

ii. Strategic International partnerships shall be developed using bilateral and multilateral channels with international innovation clusters and other relevant organizations.

4. Startups Enabling Institutional Infrastructure

The pre-Incubation and Incubation facilities available in the Institution shall be continuously enhanced through R&D/Institutional funds.

a. The DST funded Innovation and Entrepreneurship Development Centre (IEDC) and the Institution funded Research Incubation Cell (RIC) shall be active in providing

incubation support to the start-ups. The IEDC shall function as a self-sustained entity even after the funds from DST cease.

b. The Research and Development cell labs shall be accessible 24x7 to students, staff and faculty of all disciplines and departments across the Institution.

c. In future, DST/MSME sponsored Technology Business Incubator may be set-up.

d. Institution may offer mentoring and other relevant services through Preincubation/ Incubation units in-return for nominal consultancy fees initially (decided time to time by the Head of the Institution). Later, the services may be offered on equity sharing basis. The modalities regarding Equity Sharing in Startups supported through these units will depend upon the nature of services offered by these units.

5. Nurturing Innovations and Startups

a. Institution shall establish processes and mechanisms for easy creation and nurturing of Start-ups/enterprises by students (UG, PG, Ph.D.), staff (including temporary or project staff), faculty, alumni, and potential startup applicants even from outside the Institutions.

b. While defining their processes, Institutions will ensure to achieve the following:

i. Incubation support: Offer access to pre-incubation & Incubation facility to startups by students, staff and faculty for mutually acceptable time-frame.

ii. Will allow licensing of IPR from Institute to start up: Ideally students and faculty members intending to initiate a startup based on the technology developed or codeveloped by them or the technology owned by the institute, shall be allowed to take a license on the said technology on easy term, either in terms of license fees and/or royalty to obviate the early-stage financial burden.

c. Will allow setting up a startup (including social startups) and working part-time for the startups while studying / working. Student inventors may be allowed to opt for start-up in place of their mini project/ major project, seminars, summer trainings. The area in which student wants to initiate a startup may be interdisciplinary or multi-disciplinary.

d. Students who are under incubation, but are pursuing some entrepreneurial ventures while studying shall be allowed to use their address in the Institute to register their company with due permission from the Head of the Institution. A request letter shall be forwarded to the Head of the Institution by the HoD of the department through the IIC. The students will be given special permission to do works related to incubation. However, Students will be given permission to attend the examination only if they have above 65% attendance. Faculty members will also be allowed to indulge in startup activities without affecting the works related to their academics.

e. On merit basis, students' entrepreneurs shall be allowed to sit for the examination, even if their attendance is less than the minimum permissible percentage, with due permission from the Head of the Institution.

f. The students may be permitted to take a semester/year break (or even more depending upon the decision of review committee constituted by the Institute) to work on their startups and re-join academics to complete the course.

g. Institute shall facilitate the startup activities/ technology development by allowing students/faculty/ staff to use Institute infrastructure and facilities, as per the choice of the potential entrepreneur in the following manners:

i Short-term/ six-month/ one-year part-time entrepreneurship training.

ii Mentorship support on regular basis.

iii Facilitation in a variety of areas including technology development, ideation, creativity, design thinking, fund raising, financial management, cash-flow management, new venture planning, business development, product development, social entrepreneurship, product- costing, marketing, brand-development, human resource management as well as law and regulations impacting a business.

iv Institute shall link the startups to other seed-fund providers/ angel funds/venture funds or it may setup seed-fund once the incubation activities mature.

h. In return of the services and facilities, Institute may take consultancy fees (as decided by ISC and Head of the Institution). The Institution shall consider taking equity

share from the start-up from 2% to 9.5% in the later stage. The percentage of share shall depend on the type of support provided to the start-up.

i. For staff and faculty, Institute shall not claim any equity or consultancy fees.

j. Faculty / staff shall involve themselves in entrepreneurship / start-up activities without affecting their regular roles.

k. The Institute will provide services based on fee-based model. Seed funds shall be provided only to student/alumni initially.

l. Institute could extend this startup facility to alumni of the Institute as well as outsiders.

m. Participation in startup related activities shall be considered as a legitimate activity of faculty in addition to teaching, R&D projects, industrial consultancy and management duties and shall be considered while evaluating the annual performance of the faculty. Every faculty may be encouraged to mentor at least one startup/innovative project. Faculty who gets fund for start-up will be recognized through promotions and sufficient incentives

n. Product development and commercialization as well as participating and nurturing of startups shall be added to a bucket of faculty-duties and each faculty would choose a mix and match of these activities (in addition to minimum required teaching and guidance) and then respective faculty members are evaluated accordingly for their performance and promotion.

o. Institute shall ensure that at no stage any liability accrue to it because of any activity of any startup.

6. Product Ownership Rights for Technologies Developed at Institute

a. When institute facilities / funds are used substantially or when IPR is developed as a part of curriculum/ academic activity, IPR is to be jointly owned by inventors and the Institute.

b. Inventors and Institute could together license the product/ IPR to any commercial organization, with inventors having the primary say. License fees could be either/or a mix of upfront fees or one-time technology transfer fees, royalty as a percentage of sale-price, shares in the company licensing the product.

c. If one or more of the inventors wish to incubate a company and license the product to this company, the royalties would be 4% of sale price for hardware product and 2% for pure software product. If it is shares in the company, shares will again be 4% (after establishing SPV).

d. On the other hand, if product/IPR is developed by innovators not using any Institute facilities, outside office hours (for staff and faculty) or not as a part of curriculum by student, then product/IPR will be entirely owned by inventors in proportion to the contributions made by them. In this case, inventors can decide to license the technology to third parties or use the technology the way they deem fit.

e. If there is a dispute in ownership, a minimum five-member committee consisting of two faculty members (having developed sufficient IPR and translated to commercialization), two of the Institute's alumni/ industry experts (having experience in technology commercialization) and one legal advisor with experience in IPR, will examine the issue after meeting the inventors and help them settle this, hopefully to everybody's satisfaction.

f. All Institute's decision-making body with respect to incubation / IPR / technology licensing will consist of faculty and experts who have excelled in technology translation.

g. Interdisciplinary research and publication on startup and entrepreneurship shall be promoted by the institution. The record for which may be maintained by the R&D cell of the Institution.

7. Organizational Capacity, Human Resources, and Incentives

a. Institutes shall identify staff having strong connect towards innovation and entrepreneurship / industrial experience and involve them in ISC activities.

b. Faculty and departments of the Institutes must work in coherence and cross departmental linkages shall be strengthened through shared faculty, cross-faculty teaching, and research to gain maximum utilization of internal resources and knowledge.

c. Periodically, external subject experts such as industry personnel/ alumni shall be invited for interaction and provide strategic advice and bringing in skills which are not available internally.

d. Faculty and staff shall be encouraged to do courses on innovation, IPR, entrepreneurship management and venture development.

e. To attract and retain right people, Institute shall develop incentives and reward mechanisms for all staff and stakeholders that actively contribute and support entrepreneurship agenda and activities.

i. The reward system for the staff may include sabbaticals, office and lab space for entrepreneurial activities, reduced teaching loads, awards, trainings, etc.

ii. Faculty and students may also be honoured with financial rewards to motivate the fellow members.

8. Creating Innovation Pipeline and Pathways for Entrepreneurs at Institute Level

a. To ensure exposure of maximum students to innovation and pre-incubation activities at their early stage and to support the pathway from ideation to innovation to market, mechanisms shall be devised at Institution level.

i. Spreading awareness among students, faculty and staff about the value of entrepreneurship and its role in career development or employability.

ii. Students/staff shall be educated that innovation (technology, processor business innovation) is a mechanism to solve the problems of the society and consumers. Entrepreneurs should innovate with focus on the market niche.

iii. Students shall be encouraged to develop entrepreneurial mind set through experiential learning by exposing them to training in cognitive skills (e.g. design thinking, critical thinking, etc.), by inviting first generation local entrepreneurs or experts to address young minds. Initiatives like idea and innovation competitions,

hackathons, workshops, boot camps, seminars, conferences, exhibitions, mentoring by academic and industry personnel, throwing real life challenges, awards and recognition should be routinely organized.

iv. To prepare the students for creating the startups, integration of education activities with enterprise-related activities shall be encouraged.

b. The institute shall link their start-ups with wider entrepreneurial ecosystem and by providing support to students who show potential in pre-startup phase. Connecting student entrepreneurs with real life entrepreneurs will help the students in understanding real challenges which may be faced by them while going through the innovation funnel and will increase the probability of success.

c. The ISC of the Institution shall be a pioneer in implementing the above-mentioned points.

d. For strengthening the innovation funnel of the institute, access to financing must be opened for the potential entrepreneurs.

i. Networking events shall be organized to create a platform for the budding entrepreneurs to meet investors and pitch their ideas.

ii. Business incubation facilities shall be provided at subsidized cost (as decided by the Head of the Institution from time to time). Laboratories, research facilities, IT services, training, mentoring, etc. shall be accessible to the new startups.

e. A culture needs to be promoted to understand that money is not FREE and is risk capital. The entrepreneur must utilize these funds and pay back.

f. Institute shall develop a ready reckoner of Innovation Tool Kit, which must be kept on the homepage on Institute's website to answer the doubts and queries of the innovators and enlisting the facilities available at the Institute.

9. Norms for Faculty Startups

a. Faculty members are also encouraged to involve themselves in start-up activities. They may support the Institutions in the following manner.

i. Role of faculty may vary from being an owner/ direct promoter, mentor, consultant, or as on-board member of the startup.

ii. Faculty members shall float their own start-ups without compromising their assigned academic duties.

iii. Faculty startup may consist of faculty members alone or with students or with faculty of other institutes or with alumni or with other entrepreneurs.

b. In case the faculty/ staff holds the executive or managerial position for more than a month in a startup, they will go on sabbatical/ leave without pay/utilize existing leave.

c. Faculty shall clearly separate and distinguish on-going research at the institute from the work conducted at the startup/company.

d. In case of selection of a faculty startup by an outside national or international accelerator, a maximum leave (as sabbatical/ existing leave/ unpaid leave/ casual leave/ earned leave) of one semester/ year (or even more depending upon the decision of review committee constituted by the institute) may be given.

e. Faculty must not accept gifts or money from the startup.

f. Faculty must not involve research staff or other staff of Institute in activities at the startup and vice-versa.

g. Human subject related research in startup should get clearance from Government of India and the ethics committee of the Institution.

10. Pedagogy and Learning Interventions for Entrepreneurship Development

a. Diversified approach shall be adopted to produce desirable learning outcomes, which should include cross disciplinary learning using mentors, labs, case studies, games, etc. in place of traditional lecture-based delivery.

i. The clubs and associations in the Institution, along with the ISC of ABIT shall focus on organizing various programs pertaining to innovation, entrepreneurship and IPR to nurture students towards innovation.

ii. Institution shall start a special annual 'INNOVATION & ENTREPRENEURSHIP AWARD' to recognize outstanding ideas, successful enterprises, and contributors for promoting innovation and enterprises eco system within the Institute.

iii. For creating awareness among the students, the teaching methods shall include case studies on business failure and real-life experience reports by startups.

iv. Tolerating and encouraging failures: Our systems are not designed for tolerating and encouraging failure. Failures need to be elaborately discussed and debated to imbibe that failure is a part of life, thus helping in reducing the social stigma associated with it. Very importantly, this should be a part of Institute's philosophy and culture.

v. Innovation champions shall be nominated from within the students/ faculty / staff for each department/stream of study.

b. Entrepreneurship education shall be imparted to students at curricular/ co-curricular/ extra- curricular level through elective/short term or long-term courses on innovation, entrepreneurship, and venture development.

i. Integration of expertise of the external stakeholders should be done in the entrepreneurship education to evolve a culture of collaboration and engagement with external environment.

ii. In the beginning of every academic session, Institute shall conduct an induction program about the importance of I&E so that freshly inducted students are made aware about the entrepreneurial agenda of the Institute and available support systems. Curriculum for the entrepreneurship education shall be continuously updated based on entrepreneurship research outcomes. This should also include case studies on failures.

iii. Industry linkages should be leveraged for conducting research and survey on trends in technology, research, innovation, and market intelligence. More MoUs with start-ups may also be inked for knowledge sharing purpose.

iv. Sensitization of students should be done for their understanding on expected learning outcomes.

v. Customized video materials/learning materials should be available for the startups to guide them.

vi. It must be noted that not everyone can become an entrepreneur. The entrepreneur is a leader, who would convert an innovation successfully into a

product, others may join the leader and work for the startup. It is important to understand that entrepreneurship is about risk taking. One must carefully evaluate whether a student is capable and willing to take risk.

c. Pedagogical changes shall be carried out to ensure that maximum number of student projects and innovations are based around real life challenges. Learning interventions developed by the Institute for inculcating entrepreneurial culture shall be constantly reviewed and updated.

11. Collaboration, Co-creation, Business Relationships and Knowledge Exchange

a. Stakeholder engagement shall be given prime importance in the entrepreneurial agenda of the Institute. Institute shall identify potential partners, resource organizations, micro, small and medium- sized enterprises (MSMEs), social enterprises, schools, alumni, professional bodies and entrepreneurs to support entrepreneurship.

i. To encourage co-creation, bi-directional flow/ exchange of knowledge, material and people shall be ensured between Institute and incubation / co-incubation facilities

ii. Institute shall organize networking events for better engagement of collaborators and should open the opportunities for staff, faculty, and students to allow constant flow of ideas and knowledge through meetings, workshops, lectures, etc.

iii. Mechanism shall be developed by the institute to capitalize on the knowledge gained through these collaborations. iv. Care shall be taken to ensure that events DON'T BECOME an end goal. First focus of the incubator should be to create successful ventures.

b. Institute shall provide support mechanisms and guidance for creating, managing, and coordinating the relationships with Industries.

- i. Through formal and informal mechanisms such as internships, teaching and research exchange programs, clubs, social gatherings, etc., faculty, staff and students of the institute shall be given the opportunities to connect with their external environment.
- ii. The Institute shall depute Single Point of Contact (SPOC) of industry linkages and start-ups.
- iii. Knowledge management shall be done by the Institute through development of innovation knowledge platform using in house Information & Communication Technology (ICT) capabilities.

15. Committee to supervise and manage the innovation and start-up related activities:

Composition:

- principal / Director
- incubation cell coordinator
- HODs
- one faculty member (other than mentioned above)