



VISHNU INSTITUTE OF TECHNOLOGY

(AUTONOMOUS)

APPROVED BY A.I.C.T.E & AFFILIATED TO JNTUK, KAKINADA

Vishnupur, BHIMAVARAM - 534202

West Godavari District, Andhra Pradesh, India.

Innovation & Startup Policy

Revised Version -July 2022



MHRD'S
INNOVATION CELL
(GOVERNMENT OF INDIA)



INSTITUTION'S
INNOVATION
COUNCIL
(Ministry of HRD Initiative)

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1. Vision

Our goal is to promote an innovative culture by effectively managing Intellectual Property Rights (IPR), technology licensing and equity sharing. We also want to create a thriving environment that supports students, faculty and start-ups.

2. Mission

- Establish a vibrant and dynamic startup ecosystem across the organization.
- The institute aims to actively participate in activities related to innovation and entrepreneurship among students, faculty and staff.
- The mission of this project is to create a collaborative space for collaboration, co-creation, business relationships and knowledge sharing.
- Provide assistance to the institute in respect of Intellectual Property (IP) ownership management, technology licensing and equity sharing.

3. Objectives:

- Developing innovative ideas and solutions.
- Development of entrepreneurial skills and exposure to entrepreneurship.
- Provides support in the form of start-up services to entrepreneurs.
- Involvement of Inter-Institutional Partnerships.
- Build relationships with the start-up ecosystems in the local and national regions.
- Providing support to the industry by establishing corporate & private partnerships.
- Development of commercialization strategies for technology.

4. Short-term Goals and Long-term Goals:

Short-term Goals

- To develop critical thinking skills in students and faculty to encourage entrepreneurial behaviour.
- Establishing a sustainable innovation and incubator ecosystem through the provision of institute-wide resources.
- The incubators are committed to developing their own competencies in order to maximize their potential.
- Enhance the inter and intra-institutional linkages with ecosystem enablers.
- Establishing Key Performance Indicators (KPIs) for Entrepreneurial Performance Impact Assessment.

Long-term Goals:

- Campus facilities for innovation, pre-incubation, incubation and startup creation.
- The Institute on Innovation, IPR and Start-ups offers academic courses related to innovation.
- Assisting incubators and startups in obtaining patents for scientific and technical inventions.
- Creating things together, co-creating, exchanging technologies and bringing them to the market.
- Insights from the Institute about emerging successful innovations and start-ups.
- By encouraging startups to self-employment, we can increase the rate of technical employment.
- As part of the Entrepreneurial Performance Impact Assessment, key performance indicators are developed.
- With its National Innovation and Start-Up Policy, the Institute Innovation and Start-Up Policy is aimed at creating societal, ethical and technological entrepreneurs.

5. Deliverables:

- ✓ Promoting innovation and start-ups among students and faculty by educating them about these topics.
- ✓ Aiming to impart education regarding the development of innovation and entrepreneurship.
- ✓ Providing facilities that are of the highest standard.
- ✓ Support for Enterprise through Corporate Social Responsibility (CSR).
- ✓ Providing industry-ready professionals in an arena with skilled professionals.
- ✓ A grievance committee was established for the purpose of addressing grievances.
- ✓ Providing active support and advocacy in the areas of research and advocacy.
- ✓ Developing interdepartmental and interinstitutional links between departments and institutions.

6. Promotion:

- Organize Workshops, Lecturing Sessions, Seminars, eTalks, Boot Camps and other related activities.

- Provide educational, training and mentoring services online and in a classroom setting.
- Experiential learning and its integration into the classroom.
- Establishment of the Start-up Cell.
- Support Ideas, Innovations, and Startups by scouting, recognizing, and supporting them.
- Providing a platform for innovators and start-ups to build a repository of innovations.
- Establish an Expert Pool for Advisory Services.
- Training for FDPs and EDPs.
- Industry experts can benefit from incentives provided by the industry.
- Programs and Research Studies Relating to Advocacy and Research Studies.
- Mentorship, Start-up Cell Network, Business & Referral Services, Business & Referrals.
- A convergence and leverage opportunity for government Schemes and Programs.
- The organization of regional and national events at the local, regional and national levels.

7. Thrust Areas of NISP 2019

I. Strategies and Governance for Promoting Innovation & Entrepreneurship

- Creating a pipeline of innovation for entrepreneurs, as well as establishing pathways for them to follow.
- Developing the organizational capacity, the human resource base and the reward system.
- Co-creation entails collaboration and knowledge exchange.

II. Norms for Faculty and Students Driven Innovations and Startups

- Providing incentives for students to engage in entrepreneurship and innovation.
- Promoting innovation and entrepreneurship among faculty and staff through incentive programs.
- Guidelines for the establishment of faculty startups.

III Incubation & Pre-Incubation Support, Facility Creation and Access

IV. Developing technologies at institutions of higher education entails a certain amount of IP ownership rights.

V. Interventions in Pedagogy and Learning for the Development of Entrepreneurship.

VI. Analysing the impact of entrepreneurial performance on an organization.

8. Processes and Mechanisms:

I. Incubation support

- Setting up a start-up and allowing students, faculty, and research staff to work part-time for the start-ups while studying/working.
- Creating facilities within the institution for supporting pre-incubation (e.g. IICs as per the guidelines by MHRD's Innovation Cell, EDC, IEDC, New-Gen IEDC, Innovation Cell, Startup Cell, Student Clubs, etc.) and Incubation/ acceleration by mobilizing resources from internal and external sources.
- Provide business incubation facilities:
 - Premises at subsidized cost
 - Laboratories
 - Research facilities
 - IT services
 - Training and Mentoring Services, etc.
- Licensing of IPR from institute to start up

II. Student support

- Induction program about the importance of I&E to be conducted to the first-year students. So that freshly inducted students are made aware about the entrepreneurial agenda of the institute and available support systems.
- Supporting the students in terms of providing address for their Incubation cell, Semester break, attendance and accommodation.
- Student clubs/ bodies/ departments must be created for organizing competitions, boot camps, workshops, awards, etc.
- 'Innovation & Entrepreneurship Award' to recognize outstanding ideas, successful enterprises and contributors.

- Innovation champions would be nominated within the students/ faculty/staff for each department/stream of study.

III. Faculty support

- Institute would recruit staffs that have strong innovation and entrepreneurial/ industrial experience, behaviour, and attitude. This will help in fostering an Innovation and Entrepreneurship culture.
- Faculty and departments of the institutes have to work in coherence and cross-departmental linkages.
- Faculty should be encouraged to do courses on innovation, entrepreneurship management and venture development.
- Guest Lectures by Subject Matter Experts (SME).

IV. Course design in MS/ MBA/ PGDM

- For creating awareness among the students, the teaching methods should include case studies on business failure and real-life experience reports by start-ups.
- Pedagogical changes need to be done to ensure that maximum number of student projects and innovations are based around real life challenges.
- Short-term/ six-month/ one-year part-time entrepreneurship training.
- Designing courses 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.

V. Networking or Collaborating Support

- Institute may also link the startups to other seed-fund providers'/ angel funds/ venture funds or itself may set up seed-fund once the incubation activities mature.
- Providing support to students who show potential in the pre-startup phase to link their start-ups and companies with a wider entrepreneurial ecosystem.
- Networking events to be organized to create a platform for budding entrepreneurs to meet investors and pitch their ideas.
- Establishing a Start-up and Entrepreneur ecosystem with Collaboration, Co-creation, Business Relationships, and Knowledge Exchange.

9. Incentives for students and faculty

- As part of policy, **HEI supports** students and faculty whose ideas are shortlisted in Ideation Camps in the first phase.
- As part of support, Institution will bare **complete expenses spent on making prototype** of their Innovative ideas and validate them in the market.
- HEI will also support and subsidize early-stage startups of faculty and students with required resources to get started and register the idea under State or Central Government Scheme.
- At a stage where start-ups equip with all the expertise by validation and proof of concept, in launch pad, Institution will be one of the funding partners and also help start-ups of faculty and students with investment connect.

10. Options for faculty and student start-ups:

Option I:

- Full amount sanctioned by institute would be paid back with an interest, which will be prime lending rate of SBI (on the date of sanction) or 4% (which is higher) and remains fixed for the tenure of the loan.

Option II:

- 50% of the total seed fund sanctioned will be interest free loan; repayment would start after 18 months from the date of first disbursement.
- 50 % of the seed fund sanctioned would be convertible into equity (@ 5% equity against loan up to Rs. 5 lakh).

Option III:

- 75% of the total seed fund sanctioned will be a loan and will be paid back with an interest of PLR or 6% (which is higher).
- 25% of the seed fund sanctioned would be convertible into equity (@3 % equity against loan up to Rs.5 lakh) at par.

Option IV:

- 100 % of the seed fund sanctioned would be convertible into equity (@ 9% equity against loan up to Rs. 10 lakh).

Option V:

- If the funds are initiated by the entrepreneur on his own, Rupees 5 per Square feet per month or two thousand rupees (which is higher) as rent will be collected from the entrepreneur after six months of the initiation of the startup.

Note: Power charges are applied for manufacturing and high power consuming startups as per the electricity department tariff.

11. Norms for Faculty & Students Startups:

- The companies promoted by students enrolled for full-time Degree at an educational institute shall not be offered Incubation if the student is holding an Executive position; however, companies promoted by students are eligible to apply for incubation, provided the student is not actively engaged with the company beyond an engagement which may be permitted by the Institute.
- A company is promoted by regular Government staff or employee shall be granted Incubation only upon submission of 'No Objection Certificate' from the competent authority or employer. However, companies having employees as shareholders are eligible to apply for Incubation.
- Any company that is engaged or proposing to be engaged in imparting educational courses and/or training programs including vocational training or is planning to undertake such activities during or after its incubation at Vishnu Institute of Technology is not deemed eligible for incubation, and their application will not be entertained.
- Companies will be permitted to stay in the incubation centre, to begin with, for a period of 24 months.
- Pre-incubation & Incubation support will be offered to the startups by students, staff, and faculty for one year at the initial stage, which may be extended after the approval from the expert committee. However, in the absence of a dedicated facility/ specific infrastructure, the Institute enables incubation facilities in other HEIs/ other centres.
- Students involved in setting up of startups shall be given a relaxation in attendance up to 20% with due permission and inputs from the concerned institution/ department authorities.

- Student inventors/innovators are allowed to opt for startup in their mini project/ major project, seminars, and summer training. The area in which a student wants to initiate a startup may be interdisciplinary or multidisciplinary. However, the student must describe how they will separate and clearly distinguish their ongoing research activities as a student from work being conducted at the startup.
- The institution may allow the students to take a semester/year break (or even more depending upon the decision of the review committee constituted by the Institute) to work on their startups and re-join academics to complete the course.
- Student entrepreneurs may earn academic credits for their efforts while creating an enterprise. In this regard, a review committee will be formed to review the startup by students, and based on the performance and progress made, appropriate credits may be given.
- The Institute might allow faculty and staff to take a break for a semester/year (or even more depending upon the decision of the review committee constituted by the institute) as unpaid leave/ casual leave/ earned leave for working on startups and rejoin. In this regard, the Institution would consider allowing use of its resources to faculty/students/staff wishing to establish a startup as a full-time effort. The seniority and other academic benefits during such period may be preserved for such staff or Faculty. However, Faculty must not involve research staff or other staff of the Institute in activities at the startup and vice-versa.
- At any point, faculty must not accept gifts from the startup.
- All the pre-incubation/incubation facilities of VIT will be accessible 24X7 to students, staff, and Faculty of all disciplines and departments across the Institution.
- To support technology incubations within the Institute, the institutes may approach private and corporate sectors to generate funds under Corporate Social Responsibility (CSR) as per Section 135 of the Company Act 2013. Further, the Institute would also raise funding through sponsorships and donations.
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- The Institute would explore the provision of accommodation to the student entrepreneurs within the campus for two weeks, depending upon accommodation availability.

- The institute would offer mentoring and other relevant services through preincubation/incubation units in-return for fees, equity sharing, and (or) zero payment basis.
- In return for the services and facilities, institute would take 2% to 9.5% equity/ stake in the startup/company (on case to case basis) based on brand used, faculty contribution, the support provided and use of the institute's IPR. Other factors for consideration should be space, infrastructure, mentorship support, seed funds, support for accounts, legal, patents etc.
- For staff and faculty, institute would take no more than 20% of shares that staff/faculty takes while drawing a full salary from the institution; however, this share will be within the 9.5% cap of company shares listed above.
- No restriction on shares that faculty / staff can take, as long as they do not spend more than 20% of office time on the startup in advisory or consultative role and do not compromise with their existing academic and administrative work / duties.
- Participation in startup related activities needs to be considered as a legitimate activity of faculty in addition to teaching, R&D projects, industrial consultancy and management duties and must be considered while evaluating the annual performance of the faculty. Related guidelines and formats shall be included in the HR policy. Every faculty shall be encouraged to mentor at least one startup or innovative ideas of students.
- 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 and then respective faculty shall be evaluated accordingly for their performance and promotion. Performance evaluation policies for faculty and staff shall be updates/revised accordingly.
- The faculty's role may vary from being an owner/ direct promoter, mentor, consultant, or on-board member of the startup.
- Faculty must not involve research staff or other staff of institute in activities at the startup and vice-versa without taking permission from the competent authority following proper channel.
- Faculty must clearly separate and distinguish on-going research at the institute from the work conducted at the startup/ company
- Startups involving human/ animal subjects and activities related to such research must get clearance from the Institution's ethics committee.

12. Intellectual Property:

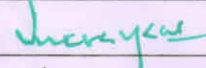


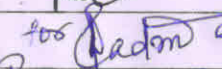
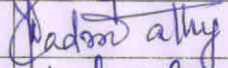
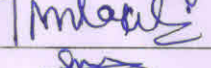

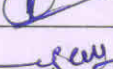


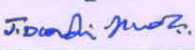

The institute will encourage creation and nurturing of Startups / Enterprises by students (UG, PG, Ph.D.), staff (including temporary or project staff), and faculty. They will be encouraged to apply for incubation with the institute's incubator.

a. The institute will allow licensing of IPR from institute to start up as per the policy. Students and faculty members intending to initiate a startup based on the technology developed or co-developed by them or the technology owned by the institute, may be given a license on the said technology as per the policy.

- 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.
- 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 inventor's 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.
- Institute IPR cell or incubation centre will only be a coordinator and facilitator for providing services to faculty, staff and students. If institute is to pay for patent filing, they can have a committee which can examine whether the IPR is worth patenting. The committee should consist of faculty who have experience and excelled in technology translation. If inventors are using their own funds or non-institute funds, then they alone should have an owner of patenting.
- Interdisciplinary research, publication on start-up and entrepreneurship would be promoted by the institution.

13. Vishnu Institute of Technology NISP Implementation Committee:

A committee has been formed by identifying the experts having expertise and experience in the domain of innovation, IPR and startup to start the work of policy formation and implementation of guidelines at the institute.

Sr. No.	Name of Member	Key Role	Signature
1.	Dr. D. Suryanarayana	Chairman	
2.	Mr. K. Srinivas	Members	
3.	Dr. R. V. D. Rama Rao	Members	
4.	Dr. M. Venu	Members	
5.	Dr. N. Padmavathy	Members	
6.	Mrs. M. Srilaxmi	Members	
7.	Dr. V S N Narasimha Raju	Members	
8.	Dr. I Ramu	Members	
9.	Dr. M Rajesh Yadav	Members	
10.	Mr. B Bangarraju	Members	
11.	Mr. B N Ch V Chakravarthi	Members	
12.	Dr. J Doondi Kumar	Members	


Dr. D. Suryanarayana

Principal

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