



Grace College of Engineering Innovation Startup Policy (GRACECOEISP)

(Students and Faculty)

This document outlines Innovation and Startup Policy for Students and Faculty of Grace College of Engineering (GRACECOE). This policy is framed to fulfill the objectives of Institution's Innovation Council (IIC) of GRACECOE. The GRACECOE has established IIC with an objective 1) to enable minds of young technocrats, faculty and staff to think out of the box towards innovative solutions in engineering and bring them into reality in terms of working prototypes and then to commercial products, 2) to identify and develop potential entrepreneurs among students, faculty and staff. The policy also takes guidelines from the National Innovation and Startup Policy (NISP) 2019 for students and faculty by MHRD's Innovation Cell (MIC). This policy shall be implemented for the entire institute in order to integrate the innovation and entrepreneurial activities across various centers, departments, faculties, within the institute, thus breaking the silos.

This document broadly details the following related to Innovation and Entrepreneurship policy of the institution:

1. Strategies and Governance
2. Enabling Institutional Infrastructure
3. Nurturing Innovations and Startups
4. Product Ownership Rights for Technologies Developed at Institute
5. Organizational Capacity, Human Resources and Incentives
6. Creating Innovation Pipeline and Pathways for Entrepreneurs at Institute Level
7. Norms for Faculty Startups
8. Pedagogy and Learning Interventions for Entrepreneurship Development
9. Collaboration, Co-creation, Business Relationships and Knowledge Exchange
10. Entrepreneurial Impact Assessment



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1. Strategies and Governance

- a. Entrepreneurship promotion and development is one of the major dimensions of the Institution's strategy. To facilitate development of an entrepreneurial ecosystem in the organization, the institution has commissioned Institution's Innovation Council (IIC) and has joined the NISP Policy campaign for Policy adoption. The IIC is headed by the Principal of the institution who understands industry and business, also is well understood by the higher authorities and brings in required commitment. The IIC is continuously being guided by top notch of panel members from various Government & Private research organizations and industries. The IIC is comprised of experts from faculty from various backgrounds to plan, co-ordinate and carry out specific objectives and work out associated performance indicators.
- b. The following resource mobilization plan is worked out at the institute for supporting pre-incubation, incubation infrastructure and facilities with an objective to reduce the organizational constraints to work on the entrepreneurial agenda.
 - i. Investment in the entrepreneurial activities is taken as part of the institutional financial strategy. Accordingly, a separate 'Innovation Fund' will be created by allocating sufficient funds for the purpose. This Innovation Fund is to be utilized for supporting innovation and startups related activities.
 - ii. Raise funds from diverse sources. Bring in external funding through government (state and central) such as DST, DBT, MHRD, AICTE, TDB, TIFAC, DSIR, CSIR, BIRAC, NSTEDB, NRDC, Startup India, Invest India, MeitY, MSDE, MSME, etc. and also leverage non-government sources also.
 - iii. The institute's IIC shall also approach private and corporate sectors to generate funds, under Corporate Social Responsibility (CSR) as per Section 135 of the Company Act 2013 to support technology incubators as necessary.
 - iv. The Institute shall also raise funds through sponsorships and donations. Institute shall actively engage alumni network for promoting Innovation & Entrepreneurship (I&E).
- c. The hierarchical barriers shall be minimized and individual autonomy and ownership of initiatives shall be promoted for expediting the decision making.
- d. Importance of innovation and entrepreneurial agenda shall be made known across the institute and shall be promoted and highlighted at institutional programs such as conferences, convocations, workshops, etc.



- e. I & E action plans shall be formulated at Institution level by the respective expert members of IIC. These action plans shall be in line with this policy document along with well-defined short-term and long-term goals. Micro action plan shall also be developed in order to ensure 100% implementation of the policy objectives.
- f. Product to market (PTM) strategy for startups shall be developed by the concerned expert members of the IIC on case-to-case basis.
- g. In addition to developing entrepreneurship culture within the institution, the institute shall play the role of the driving force in developing entrepreneurship culture in its vicinity (regional, social and community level) over the time. This shall include giving opportunity for regional startups, provision to extend facilities for outsiders and active involvement of the institute in defining strategic direction for local development.
- h. Strategic international partnerships shall be developed using bilateral and multilateral channels with international innovation clusters and other relevant organizations. Moreover, international exchange programs, internships, engaging the international faculties in teaching and research shall also be promoted.

2. Enabling Institutional Infrastructure

Creation of pre-incubation and incubation facilities for nurturing innovations and startups in institution shall be given due emphasis. Incubation and Innovation shall be organically interlinked. New enterprises are unlikely to succeed without innovation. The goal of the effort is therefore to link INNOVATION to ENTREPRISES to FINANCIAL SUCCESS.

- a. The institution shall create facilities for supporting pre-incubation as per the guidelines by MHRD's Innovation Cell, EDC, IEDC, New-Gen IEDC, Innovation Cell, Startup Cell, Student Clubs, etc. The institution shall also create facilities for Incubation/acceleration by mobilizing resources from internal and external sources.
- b. This Pre-Incubation/Incubation facility shall be accessible 24x7 to students, staff and faculty of all disciplines and departments across the institution.



3. Nurturing Innovations and Start ups

- a. Institute shall establish processes and mechanisms for easy creation and nurturing of Startups/enterprises by students (UG), staff (including temporary or project staff), faculty, alumni and potential startup applicants even from outside the institutions. Institutions will ensure to achieve the following while setting up these processes:
 - i. Incubation support: Offer access to pre-incubation & Incubation facility to start ups by students, staff and faculty for mutually acceptable time-frame.
 - ii. The institute shall reach out to nearest incubation facilities in other HEIs in order to facilitate access to students, staff and faculty until we setup our own dedicated facility/infrastructure.
 - iii. Will allow licensing of IPR from institute to startup. 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, shall be allowed to take a license on the said technology on easy term, either in terms of equity in the venture and/ or license fees and/ or royalty to obviate the early- stage financial burden.
 - iv. Will allow setting up of a startup (including social startups) and working part-time for the startups while studying / working: Institute shall allow students / staff to work on their innovative projects and setting up startups (including Social Startups) or work as intern / part-time in startups (incubated in any recognized HEIs/Incubators) while studying / working. Student Entrepreneurs may earn credits for working on innovative prototypes/Business Models. Institute shall develop clear guidelines to formalize this mechanism. Student inventors shall also be allowed to opt for startup 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. However, the student must describe how they will separate and clearly distinguish their ongoing research activities as a student from the work being conducted at the startup.
- b. 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 institution.
- c. 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 university.



- d. Institute shall allow students 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. Student entrepreneurs may earn academic credits for their efforts while creating an enterprise. Institute shall set up a review committee for review of startup by students, and based on the progress made, it may consider giving appropriate credits for academics after obtaining the permission from the university.
- e. The institute shall explore provision of accommodation to the entrepreneurs within the campus for some period of time.
- f. The institute shall also provide services based on mixture of equity, fee-based and/ or zero payment model. So, a startup may choose to avail only the support, not seed funding, by the institute on rental basis.

4. 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.
 - i. 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:
 - ii. If one or more of the inventors wish to incubate a company and license the product to this company, the royalties would be no more than 4% of sale price, preferably 1% to 2%, unless it is pure software product. If it is shares in the company, shares will again be 1% to 4%. For a pure software product licensing, there may be a revenue sharing to be mutually decided between the institute and the incubated company.
- b. 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.
- c. 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. Institute can use alumni/ faculty of other institutes as members, if it cannot find sufficiently experienced alumni / faculty of its own.

- d. Institute IPR cell or incubation center will only be a coordinator and facilitator for providing services to faculty, staff and students. They will have no say on how the invention is carried out, how it is patented or how it is to be licensed. If institute is to pay for patent filing, they can have a committee which can examine whether the IPR is worth patenting. The committee shall 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 shall have a say in patenting.
- e. 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. Other faculty in the department / institute will have no say, including heads of department, heads of institutes, deans or registrars.

5. Organizational Capacity, Human Resources and Incentives

- a. Institute shall recruit staff that has a strong innovation and entrepreneurial/ industrial experience, behavior and attitude. This will help in fostering I&E culture.
 - i. Some of the relevant faculty members with prior exposure and interest shall be deputed for training to promote I&E.
 - ii. To achieve better engagement of staff in entrepreneurial activities, institutional policy on career development of staff shall be developed with constant up-skilling.
- b. Faculty and departments of the institutes have to work in coherence and cross-departmental linkages shall be strengthened through shared faculty, cross-faculty teaching and research in order to gain maximum utilization of internal resources and knowledge.
- c. Periodically some external subject matter experts such as guest lecturers or alumni can be engaged for strategic advice and bringing in skills which are not available internally.
- d. Faculty and staff shall be encouraged to do courses on innovation, entrepreneurship management and venture development.
- e. In order to attract and retain right people, institute shall develop academic and nonacademic 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. The recognition of the stakeholders may include offering use of facilities and services, strategy for shared risk, as guest teachers, fellowships, associate-ships, etc.
- iii. A performance matrix shall be developed and used for evaluation of annual performance.

6. **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, following mechanisms shall be devised at institution level. Spreading awareness among students, faculty and staff about the value of entrepreneurship and its role in career development or employability shall be a part of the institutional entrepreneurial agenda.
- b. The institute shall link their startups and companies 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 institute established Institution's Innovation Council (IIC) as per the guidelines of MHRD's Innovation Cell and allocated appropriate budget for its activities. IICs shall guide institutions in conducting various activities related to innovation, startup and entrepreneurship development. Collective and concentrated efforts shall be undertaken to identify, scout, acknowledge, support and reward proven student ideas and innovations and to further facilitate their entrepreneurial journey.
- d. For strengthening the innovation funnel of the institute, access to financing shall 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. Provide business incubation facilities: premises at subsidized cost. Laboratories,



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- research facilities, IT services, training, mentoring, etc. shall be accessible to the new startups.
- iii. A culture is promoted to understand that money is not FREE and is risk capital. The entrepreneur must utilize these funds and return. While funding is taking risk on the entrepreneur, it is an obligation of the entrepreneur to make every effort possible to prove that the funding agency did right in funding him/her.
 - e. Institute shall develop a ready reckoner of Innovation Tool Kit, which shall 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.