



**SRI SHANMUGHA COLLEGE OF ENGINEERING AND TECHNOLOGY**  
[Approved by AICTE, Affiliated to Anna University and Accredited by NAAC & NBA (CSE,ECE & MECH)]

Pullipalayam, Morur (Post), Sankari (Tk), Salem (Dt) - 637 304

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### **Innovation & Startup Policy for Faculty, Staffs and Students**

Sri Shanmuga College of Engineering & Technology (SSCET) foster student creativity by providing a good platform through design thinking and help them to bring their ideas and imaginations into life. Entrepreneurship promotion and development is the core of SSCET strategy. A student/group of students have to find out a problem statement. The Problem statement should be realistic and it should be associated directly with social issue. The problem statement must be adhered to any area. Student has to find out a potential solution that can solve the predefined problem. The solution should be an innovative one and should maximize the industry engagement.

#### **1. Policy Statement**

- 1) To establish and inculcate among Faculty, Staffs and Students on Campus Technology
- 2) Startups which will enhance Values for the benefit of society and Economic Growth in the State of Tamil Nadu and in the Country.

#### **2. Policy Objectives**

Sri Shanmuga College of Engineering and Technology faculty and Students Startup policy objectives are

- a) To create Entrepreneurship Development and Innovation Councils in the Institute by creating infrastructure such as incubation centers.
- b) To promote entrepreneurship as a preferred career choice among the students and provide assistance for the successful launching of their start-ups.
- c) To encourage faculty and student startups in order to commercialize the products/process developed by them, which will benefit the society at large.



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### 3. Definitions

Accelerators	Startup Accelerators design programs in batches and transform the promising business side into reality under the guidance of mentors and several other available resources.
Angel Fund	An angel investor is a wealthy individual who invests his or her personal capital and shares experiences, contacts, and mentors (as possible and required by the startup) in exchange for equity in that startup). Angels are usually accredited investors. Since their funds are involved, they are equally desirous in making the startup successful.
Co-Creation	Co-creation is the act of creating together. When applied in business, it can be used as an economic strategy to develop new business models, products and services with customers, clients, trading partner or other parts of the same enterprise or venture.
Corporate social responsibility	Corporate social responsibility (CSR) is a self-regulating business model that helps a company to be socially accountable – to itself, its stakeholders, and the public.
Equity	An equity share, commonly referred to as ordinary share also, represents the form of fractional or part ownership in which a shareholder, as a fractional owner, undertakes the maximum entrepreneurial risk associated with a business venture. The holders of such shares are members of the company and have voting rights.
Entrepreneurial culture	A culture/ society that enhance the exhibition of the attributes, values, beliefs and behaviors that are related to entrepreneurs.
Entrepreneurial	An Individual who has an entrepreneurial mindset and wants to make his/her idea Individuals successful.



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#### **4. Norms for the Faculty, Staff and Students Startup**

This policy permits faculty and students to transform the ideas based on IPR owned/co-owned by them for running Startup Company. Faculty startup includes a faculty member alone or with students or with faculty of other institutes or alumni or with other entrepreneurs. The following mechanisms are evolved for running such a company within the Institute.

##### **For Faculty and Staffs**

- a. The Institute should provide space, infrastructure, mentorship support, seed funds, support for accounts, legal, IPRs etc for the Startup company owned by Faculty and staff. In return for the services, the Institute may take 2.0–9.5% equity / stake in the company.
- b. If a faculty member is a Owner or Co-Owner of such companies with the permission of the Institute and be a Director on the Board, he/she may also play an operational role(Technical Adviser, CEO, Manager etc.) with the approval of the Institute with the conditions given below :
  - (i) No restriction on the shares that faculty / staff can hold, as long as they don't spend more than 20%of office time on the startup company in the role mentioned and do not compromise in their academic and administrative work/responsibilities.
  - (ii) Faculty must clearly separate and distinguish on-going research work at the Institute from the work conducted at the startup /company
  - (iii) Faculty must not involve research staff or other staff of institute in the activities of the startup and vice versa.
  - (iv) Faculty must not accept honorariums or gifts from the startup.
- c. In case the faculty/staff holds the executive or managerial position form more than three months in a startup company, they should be on sabbatical/leave without pay/ or utilize existing leave.
- d. Other Faculty members may undertake projects from the company owned by a



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faculty member/staffs following the Institute norms of consultancy projects that prevails. Similarly for the utilization of any testing / characterization of product developed by the company it should be as per the norms of the Institute testing charges.

- e. The IPR rights for the technology developed by the company and faculty as per as per the IPR Policy of the Institute.
- f. A Company owned or co-owned by a faculty/ staff will normally be required to incubate at the Institute incubator. However, in exceptional cases, where the faculty /staff / wants to incubate outside the institute, a sufficient justification has to be provided for the approval of the Institute. Decision of the Institute is final and binding in this case.
- g. For the incubation of the Company owned or co owned by a faculty/staff evaluation should be as per the incubation policy of the existing incubator in the Institute.

#### **For Students**

Institutes are requested to encourage as many startups by the students with interdepartmental and inter-institutional participation, taking note of the fact that startup planning and management requires interdisciplinary skills. Students should be encouraged to develop entrepreneurial mindset 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. The Institute should prepare the students for creating startup through the above activities.

- a. Institute may allow students to establish Startup or working part time for the startup already present with the Institute Incubator while studying / working as intern.
- b. Allow the students to earn credit for working on the Innovative prototypes /



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business models to a maximum of 1Credit/semester certified by the Incubator and approved by the concerned students Department Committee.

- c. Students may be allowed to opt for startup in place of mini project/summer training / Seminar with the approval of Concerned students Department Committee.
- d. Students may be permitted to use the startup idea / prototype development as their major project work for the Institute academic requirements with the approval from the affiliated incubator.
- e. Student Startup may be permitted to use the address of the Hostel or the Incubator to register the Company while studying in the Institute
- f. Institute may exempt Student startup affiliated with the Institute incubator to avail maximum up to 20 % attendance in any semester. Including this grace of 20% attendance, student should secure 75% attendance in each subject to appear for the end semester examination.
- g. Students may be allowed to undertake a semester/year break to work with startups affiliated with the Institute Incubator, after completion of 6 th semester and rejoin the Institute to complete the course with the approval from the Institute.
- h. Institute may set-up a review committee (senior faculty in charge of EDIC, HOD of the Student Department, CEO of Incubator and Dean / Principal of the Institute) for review of student startup to provide accommodation for the student entrepreneur within the campus for a maximum period of 6 months.
- i. For the incubation of the Company owned or co-owned by the student, evaluation is as per the incubation policy of the existing incubator in the Institute for the seed funding / any other support required.

## **5. Intellectual Property Rights Protection and licensing**

Intellectual Property Rights (IPR) denotes the specific legal rights of the inventors to hold and exercise Patents, Trademarks, Copyrights, Industrial Designs, etc. IPR aims to



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exclude third parties from exploiting the protected subject matter for a certain period of time (normally 20 years), without explicit authorization from the right holders. The IPR developed by the Institute / startup has to be protected and licensed as per the Institute norms.

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 startup by Faculty /Staff/ Students, with inventors having the primary say. License fees could be either/or a mix of Up-front fees or one-time technology transfer fees or Royalty as a percentage of sale-price or Shares in the company licensing the product.

c) 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.

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

e) 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.

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.

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## **6. Review**

This policy is subject to the review once in 3 years. This policy is as per the MHRD National Innovation and Startup policy 2019 for students and faculty and Tamil Nadu Government startup policy 2018-23 based on the change in these policies time to time.

## **References**

1. National INNOVATION and START UP Policy 2019 for Students and Faculty MHRD, GOI [www.mhrd.gov.in /www.mic.gov.in](http://www.mhrd.gov.in/www.mic.gov.in)
2. Tamil Nadu Startup and Innovation Policy - 2018-23, Entrepreneurship Development and Innovation Institute, Chennai [www.edjtn.in](http://www.edjtn.in)
3. Startup Policy - 2016, AICTE - New Delhi [www.aicte-india.org](http://www.aicte-india.org)



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