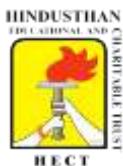


Approval of formulated Innovation & start-up policy

With reference to the Governing Council meeting held on 23.10.2021 for finalization of innovation & startup Policy at Hindusthan Institute of Technology as per the recommendation of Nation Innovation & Startup Policy (NISP), Meeting called to approve the drafted Hitech Innovation & start-up policy. A detailed policy document (draft) had been shared with all the committee members for a week time. The committee members approved policy document and the same will be with effective from 01.11.2021. Approved final version of Innovation & start-up policy to be uploaded on Hindusthan institute of technology website under innovation & startup policies section.



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HINDUSTHAN

INSTITUTE OF TECHNOLOGY

(Approved by AICTE, New Delhi, Permanently affiliated to Anna University, Chennai)

(An Autonomous Institution, Accredited by NBA and Accredited with "A" Grade by NAAC)

Pollachi Highway, Valley Campus, Coimbatore – 641 032.



HINDUSTHAN INSTITUTE OF TECHNOLOGY INNOVATION & START-UP POLICY AND GUIDELINES 2021 FOR FACULTY AND STUDENTS

November 2021

I. Innovation Incubation Foundation

Development Foundation for Innovation Technology-based companies are encouraged, supported, and promoted in Coimbatore, which also offers an atmosphere for their growth through incubation at the Centre. The Innovation Incubation Foundation actively participates in changing the entrepreneurial mindset and environment for coming up with ideas, developing products, and commercializing enterprises that are affiliated with the foundation's primary mission.

The Main Objectives

- To foster innovation and support new businesses by building and supplying physical infrastructure.
- To facilitate the delivery of incubation services to innovative and start-up businesses through the provision of management and technology consultancy services.
- To engage in entrepreneurial activities and foster a culture of innovation and entrepreneurship that will result in start-ups focused on technology.

Our focus and thrust Areas for the Incubation are

- Software / Application Development
- Green Technology
- Information Technology
- Artificial Intelligence
- Robotics/Embedded System Technologies
- Machine Learning
- Block Chain Technology
- Internet of Things

II. HITECH – I&E Policy

The HITECH Faculty, Staff, Students and Stakeholder Startup Policy 2020 were designed in accordance with the aforementioned National Innovation Start-Up Policy [1], State Government Policy [2], and Start-Up Policy for Faculty, Staffs, and Students at Anna University [3] and guidelines.

This policy address the

1. Strategies and Governance
2. Start-ups Enabling Institutional Infrastructure
3. Nurturing Innovations and Start-ups
4. Norms for the Faculty, Staffs and Students Startups
5. Intellectual Property Rights Protection and licensing
6. Monitoring
7. Review

1. Strategies and Governance

- Importance of innovation, implementation of policy and entrepreneurial activities should be promoted for the entire institute through the institutional programs such as conferences, workshops, internships, etc.
- Investment for the Innovation, startup entrepreneurial activities must be up to 1% fund of the total annual budget of the institution.
- The policy is presumed to nurture innovation, investment in R&D, infrastructure, knowledge creation, technological development and skilled manpower, resulting in high growth entrepreneurial ventures.
- Extending support to social entrepreneurship for a positive social impact and inclusion.
- Enabling startups to design, create, and adhere to best practices that guarantee business operations are carried out successfully without introducing extra risks.
- Ensuring that businesses are operated ethically and transparently while fostering good business practices.
- It is assumed that the policy will promote entrepreneurship with high growth through innovation, R&D investment, infrastructure, knowledge creation, technological advancement, and skilled labour.
- Increasing support for social entrepreneurship to promote inclusivity and a beneficial social impact.
- Enabling startups to design, create, and adhere to best practices that guarantee business operations are carried out successfully without introducing extra risks.
- Ensuring that businesses are operated ethically and transparently while fostering good business practices.

2. Start-ups Enabling Institutional Infrastructure

- Development of pre-incubation (IICs in accordance with the guidelines set forth by the MHRD's Innovation Cell, EDC, Start-up Cell, Student Clubs, etc.), incubation, and facilities inside the institute using internal and external resources.
- To close the innovation-incubator gap, the Pre-Incubation/Incubation facility will be open 24 hours a day, 7 days a week to all students, employees, and faculty across all departments and disciplines at the university.

Facilities

Infrastructural support in terms of an air-conditioned co-working space, with round the clock operations, institutional security and availability of facility management team for any instant need.

1. Incubation Units are provided for the Incubate and are tastefully constructed, furnished, and air-conditioned official dedicated workspaces. The incubators include plug-and-play functionality as well as high-speed wireless and cable connectivity. There are meeting and conference rooms accessible for conversations and brainstorming.
2. Audio and video conferencing capabilities are offered in meeting rooms, which may be reserved online. Depending on availability and in accordance with HITECH policies, Start-ups may use the large conference halls facility.
3. Use of the Innovation Lab, which has specialist equipment like a 3D printer and software. The resources for creating prototypes are available, and Incubate may make use of them with advance approval.
4. Access to the databases of research papers and foreign publications makes it possible to use well-known library services.

IT infrastructure that is industry-compatible and includes high-speed internet connectivity with lots of dedicated capacity. On demand, all necessary IT equipment is always made available.

- There are also amenities for video conferencing and meeting rooms.
- Specialized hardware and computer tools are made accessible upon request.
- Depending on the need, server space and infrastructure for application testing would also be given.
- Desktop PCs, office phones, and photocopiers are available (based on demand and supply).

3. Nurturing Innovations and Start-ups

➤ Offerings & Services

- HITECH offers Pre-Incubation and Incubation support in a variety of forms and services based on the required needs.
- It offers a shared working environment in terms of inspiration, direction, mentoring, value-based collaboration, physical co-working locations, and resources for virtual incubation.
- The entire services are generally divided into two subsets: facilities and services, which include infrastructural, technological, mentorship, knowledge-based support, and services.
- Offer entrepreneurship skills training programmes to fill the gap between industry demands and existing curricula for both start-ups and other underprivileged people.
- Networking events must be planned to provide a venue for aspiring entrepreneurs to meet investors and present their ideas.

➤ Services

By letting students, teachers, and staff use institute infrastructure and equipment in the ways that the potential entrepreneur chooses, the institute will encourage start-up operations and technology development. Short-term part-time entrepreneurship training.

- Regularly scheduled mentoring support.
- Facilitation in a range of areas, such as technology advice, ideation, creativity, design thinking, development, R & D support, fund raising, financial management, cash-flow management, new venture planning, business development, product development, social entrepreneurship, product costing, marketing and outreach, legal support, brand-development, human resource management, as well as law and regulations impacting a business.
- Technical mentoring, business mentoring, and financial advising services will all be offered by the Center. Additionally, it will work on knowledge management, outreach, and exposure to incubators.
- Once the incubation efforts are complete, the institute itself may establish a seed fund or connect the start-ups to other seed-fund providers, angel funds, or venture funds.
License institute IPR as discussed in below.
- Intern Assistance Well-trained students will be made available as interns; for

technologies, core team, etc., they can be employed as needed and required in fields like technology, creative, business, etc. in accordance with HITECH rules and regulations.

- After carefully reviewing each application and reaching a conclusion, the advisory group awards grants, fellowships, and need-based financial services. Another support would be assistance with loan applications.
- When necessary, a special committee will be established, and it will have the authority to grant seed funding support after considering potential and scalability criteria.
- Deferred Compensation To reduce the financial strain on start-ups, provisions for delaying the Incubation charges are also available on very lenient terms with previous approach and agreement from the HISP committee members.

4. Norms for the Faculty, Staffs and Students Startups

This policy allows academic staff, employees, and students to create startup businesses based on ideas in IPR. Any faculty member may start a class alone, with students, or with both, as well as academic staff, graduates, or business partners from other universities. The Institute has developed the following methods in order to manage such a corporation.

For Faculty and Staffs

a. The Institute may provide startup companies owned by teachers and staff with support in the form of office space, infrastructure, mentorship, seed funding, account support, legal counsel, and IPR protection, among other things. In exchange for the services, the Institute may accept 2.0–9.5% of the company's equity or shares (As per the policy guidelines of the state government and affiliated university).

A faculty member may be an Owner or Co-Owner of such businesses and act as a Director on the Board with the Institute's approval. The faculty member may additionally play an operational role with the Institute's approval and within the following limitations (Technical Adviser, CEO, Manager, etc.)

- Teachers and staff are allowed to own an unlimited number of shares, provided that they do not interfere with their academic or administrative responsibilities and do not devote more than 20% of their working hours to the new company in the aforementioned capacity.
- Faculty must clearly distinguish between current research at the Institute and work done at startups or for-profit firms.
- Academic staffs are not allowed to accept honoraria or gifts from the company

- b.** In a new company, a faculty or staff person should be on sabbatical (unpaid time off) or should utilize existing leave if they hold an executive or managerial position for longer than six months. Other professors may accept projects from a company owned by a faculty member or staff member, according to the general Institute rules for consulting assignments. Similar to this, any characterization or testing carried out on a product developed by the Company shall be in accordance with the standards provided by the Institute testing fees.
- c.** According to the IPR Policy(Refer Annexure 1) of the Institute, the firm and the relevant faculty will jointly own the IP Rights for the technology generated by them and the company in accordance with section 5.
- d.** Normally, a company owned or co-owned by faculty or staff must incubate at the institute's incubator. In unusual circumstances, where the faculty or staff wishes to incubate outside the institute, the Institute must be convinced that the request is justified. The Institute's decision in this matter is final and binding.
- e.** Evaluations for companies that are owned or co-owned by academics or staff should follow the guidelines of the institute's current incubator.

For Students

Students are urging institutes to assist as many startups as possible by engagement across departments and institutions because startup creation and management require cross-disciplinary knowledge. Education professionals can support students in adopting an entrepreneurial attitude by exposing them to training in cognitive abilities (such as design thinking, critical thinking, etc.), experiential learning, and by inviting local first-generation business owners or experts to talk to young minds. It is important to plan activities such as concept and innovation competitions, hackathons, workshops, boot camps, seminars, conferences, and exhibitions, as well as ongoing mentoring by academic and business experts, posing real-world challenges, rewarding winners, and recognizing their accomplishments. By engaging in the aforementioned activities, the Institute will teach its students how to create businesses.

- a. The Institute may provide startup companies owned by students with support in the form of office space, infrastructure, mentorship, seed funding, account support, legal counsel, and IPR protection, among other things. In exchange for the services, the Institute may accept the 2.0–9.5% of the company's equity or shares (As per the policy guidelines of the state government and affiliated university).

- b.** While participating in classes or working as interns, the institution may allow students to build their own firms or to work part-time for startups that are currently housed in the incubator.
 - c.** With approval from the Department Committee and in compliance with the study regulations, Students who express concern may be allowed to receive credit for creating original prototypes or business models.
 - d.** Students may opt for start-up in place of their mini project or major project, seminars, or summer trainings with the approval of the Committee for Concerned Students in the Department.
 - e.** Students may be permitted to use the creation of a company concept or prototype as their main project work towards the Institute's academic requirements with permission from the linked incubator.
 - f.** With the institution's necessary consent, students who are enrolled in an incubator programme but are also involved in some entrepreneurial endeavors during their studies may utilize the institute location to register their business.
 - g.** Students who are also company owners may be allowed to sit the exam with the institute's official consent even if their attendance falls below the minimum percentage required by the institute's rules.
 - h.** Students may be allowed to take a semester-long or year-long hiatus (or even longer, depending on the recommendation of the review committee the institution has established) to concentrate on their start-ups before returning to class to complete the course, according to some institutions. Students who are business owners may be given academic credit for their work.
 - i.** To evaluate student startups, the Institute may form a review committee made up of the Principal of the Institute, the CEO of the Incubator, the CEO of the Student Department, and the Senior Faculty in Charge of EDC. The review committee may choose to grant the proper academic credit based on the results.

5. Intellectual Property Rights Protection and licensing

The term "intellectual property rights" (IPR) refers to the particular legal rights that creators have to possess and exercise things like patents, trademarks, copyrights, industrial designs, etc. IPR seeks to prevent exploitation of the protected subject matter by third parties for a certain amount of time (often 20 years) without the right holders' consent.

express consent. The Institute's or startups intellectual property must be licensed and protected in accordance with Institute standards.

Licensing of IPR from institute to start up:

Students and faculty who want to launch a start-up based on technology they have developed or co-developed, or technology owned by the institute, should ideally be able to take a license on it easily, either in exchange for equity in the venture, license fees, or royalties to alleviate the financial burden of the early stages. When significant institute resources are utilized or when intellectual property is created as a component of a course or academic activity, the institute and the inventors are to share ownership of the intellectual property.

- a. Inventors and the institution could agree to license the good or IPR to any business entity, with the inventors having the final word. A combination of upfront costs and one-time technology transfer fees may make up license fees.
- b. Royalty as a proportion of the sale price
- c. Shares of the business that is licensing the product.

According to the existing law, an institute might not be permitted to hold equity; hence they might ask SPV to hold equity on their behalf. The royalties would be no more than 4% of the sale price, preferably 1 to 2%, unless it is a pure software product, if one or more of the inventors choose to incubate a company and license the product to this firm. If its stock in the corporation, shares will once more range from 1% to 4%. There may be a revenue sharing arrangement for a pure software product licensing that is mutually agreed upon between the institute and the incubator firm.

- If a product or intellectual property (IPR) is created by innovators without utilizing any institute facilities, outside of regular business hours (for staff and faculty), or as a component of a student's curriculum, the product or IPR will be fully owned by innovators in proportion to the contributions made by them. In this situation, creators have the option of using the technology as they see fit or granting licenses to third parties.
- If there is a disagreement over ownership, a minimum five-person committee made up of two faculty members (who have sufficiently developed their intellectual property and translated it to commercialization), two institute alumni/industry experts, and one legal advisor with experience in IPR will examine the situation after meeting with the inventors and help them resolve it, hopefully to everyone's

satisfaction.

- The institute's intellectual property (IPR) cell or incubation Centre will solely serve as a coordinator and facilitator for the services offered to faculty, staff, and students. They won't be able to influence how the invention is used, how it is patented, or how it will be licensed. A committee that can determine whether the IPR is worthy of patenting can be formed by the institute if they are going to pay for the patent filing. Faculty with expertise in technology translation may be included on the committee. A patent should only be granted if the inventors are paying for it themselves or with money from a non-institutional source.
- Faculty and subject-matter specialists who have demonstrated excellence in technology translation will make up the majority of the institute's decision-making bodies for incubation, intellectual property rights, and technology licensing. The heads of departments and institutions as well as deans and registrars will not be able to influence the decision.
- The institutions should encourage interdisciplinary study and publication of start-up and entrepreneurial topics.

6. Monitoring

- a) Knowledge sharing through collaboration and partnership will be essential to the success of the startup policy for HITECH Faculty, Staff, and Students. The principal is in charge of carrying out the policy, and the institute must offer assistance and direction in setting up, directing, and coordinating these interactions.
- b) Regular impact analyses of the Institute's entrepreneurial initiatives, including pre-incubation, incubation, and entrepreneurship education, should be carried out using well-defined evaluation criteria, such as the number of workshops and conferences held, the infrastructure of the fab lab, the IPR policy, and the meetings of the Review Committee at the Departmental and Institution Levels.
- c) As shown in the accompanying Table, the number of startups developed, the institutional level support system offered, participant satisfaction, and new business partnerships established by the institutes should all be reported.

Year	Number of Startup	Employment generated	Revenue	Surplus	IPR
1					
2					

The success of the policy should be measured in terms of its social, sustainable economic and technological effects on the market based on its economic output.

7. Review

This policy is up for review every three years. This policy is in accordance with the National Innovation, Startup Policy 2019 for Students and Faculty of the Ministry of Education (MHRD), the Startup Policy 2018-23 of the Tamilnadu Government, and Anna University based on the periodic changes to these policies. The existing regulation is in effect until October 2024.

III. References

1. National Innovation and Startup Policy 2019 for Students and Faculty MHRD, GOI www.mhrd.gov.in / www.mic.gov.in
2. Tamil Nadu Startup and Innovation Policy: 2018-23, Entrepreneurship Development and Innovation Institute, Chennai, www.editn.in
3. Startup Policy – 2016, AICTE – New Delhi www.aicte-india.org
4. Anna University Start-Up Policy for Faculty, Staffs and Students

IV. Definitions

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 start-up) in exchange for equity in that start-up). Angels are usually accredited investors. Since their funds are involved, they are equally desirous in making the start-up 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.
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.
Entrepreneurship	Entrepreneurship education seeks to provide students with the knowledge, skills education and motivation to encourage entrepreneurial success in a variety of settings.
Fab Lab	A fab lab is a small-scale workshop offering digital fabrication. A fab lab is typically equipped with an array of flexible computer-controlled tools that cover several different length scales and various materials, with the aim to make "almost anything".
Hackathon	A hackathon is a design sprint-like event in which computer programmers and others involved in software development, including graphic designers, interface designers, project managers, and others, often including domain experts, collaborate intensively on software projects.
Incubation	Incubation is a unique and highly flexible combination of business development processes, infrastructure and people, designed to nurture and grow new and small businesses by supporting them through the early stages of development.
Intellectual property Rights licensing	A licensing is a partnership between an intellectual property rights owner (licensor) and another who is authorized to use such rights (licensee) in exchange for an agreed payment (fee or royalty).
Pre-incubation	It typically represents the process which works with entrepreneurs who are in the very early stages of setting up their company. Usually, entrepreneurs come into such programs with just and idea of early prototype of their product or service.
Prototype	A prototype is an early sample, model, or release of a product built to test a concept or process.
Seed fund	Seed fund is a form of securities offering in which an investor invests capital in a start-up company in exchange for an equity stake in the company
Startup	An entity that develops a business model based on either product innovation or service innovation and makes it scalable, replicable

	and self-reliant and as defined in Gazette Notification No. G.S.R. 127(E) dated February 19, 2019.
Faculty / Staff Startup	A Start-up that is initiated by Faculty (s) / Staff (s) / student(s) enrolled in any academic
Student Startup	Institution recognized/approved by AICTE.
Technology Business incubator (TBI)	TBI is an entity, which helps technology-based Incubator start-up businesses with all the necessary resources/support that the start-up needs to evolve and grow into a mature business.
Technology commercialization	TC is the process of transitioning technologies from Commercialization the research lab to the marketplace.

C.M
Principal

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ANNEXURE-I

**HITECH
INTELLECTUAL PROPERTY RIGHTS POLICY**



HINDUSTHAN INSTITUTE OF TECHNOLOGY

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HITECH

INTELLECTUAL PROPERTY RIGHTS POLICY

The IPR policy intends to support and protect the original work of Faculty Members, Staff Members and Students. Policy is designed in a way to provide conducive and competitive environment within the campus.

Objectives

- **IPR awareness creation:** By organizing awareness programs to sensitize faculty and students in the campus and disseminating awareness about rights to protect intellectual property and related legal issues.
- **Foster creativity and innovation:** By organizing Technical Innovation activities at institute level to ensure participation of students in national and international levels.
- **Generation of IPRs:** By providing proper support to innovators for knowledge creation.
- **Commercialization of IPRs:** By developing industry relationships and initiating startups.

Applicability

This policy is applicable to all staff members and students of Hindusthan Institute of Technology involved in invention/creation of any kind of intellectual property such as patent, copyright, trade mark, trade secret, design, confidential information and integrated circuit's layout.

Ownership

- Institute shall be the joint owner of all the inventions/creations, in whole or part, developed in the institute utilizing its resources.
- Inventions including process, product, software, designs and integrated circuit layouts invented by the staff and student without significant utilization of institution's resources and not connected with the professional conduct of staff or student, for which he/she is associated with institution, shall be owned by the creator.
- If the invention is a result of joint work carried out at institute, with support from external organization/agency in any form such as financial assistance provided by the external agency, ownership of the intellectual property will be based on the mutual agreement of Hindusthan Institute of Technology with the external agency/organization.
- In case the inventor leaves the institute due to some reason, it shall be mandatory for the inventor to assign the intellectual property rights to the institute before leaving the institute.
- Under all circumstances, Hindusthan Institute of Technology reserves the right to use intellectual property for any purpose.

Obtaining IPR and Fee for the potential creations

Inventor shall provide the necessary inputs and information for filing IPR application with institution. Institute will accept the cost involved for accessing the intellectual property information data bases, patent filing and registration and other associated tasks with filing the application.

Commercialization

Institute shall attempt to market the intellectual property based on the market demand for the intellectual property to which it has ownership or joint ownership. The creator(s) are expected to support in this process. If institute has not been able to commercialize the creative work in a reasonable time frame; the creator may approach the IPR cell for the reassignment of property rights. In that case inventors should reimburse patenting fees to the institute to receive ownership rights of intellectual property.

Revenue Sharing

Institute and inventor revenue sharing ratio will be 60:40. In case of multiple inventors, every inventor will get equal share or as per agreed terms. For intellectual property owned between institution and industry, as in the case of collaborative research, sharing of revenue and patenting fees will be as per the agreement with the collaborating industry provided that the industry also shares the patenting fees.



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