

## **National INNOVATION and STARTUP Policy 2019 for Students and Faculty**

A Guiding Framework for Higher Education Institutions



 **Ministry of Human  
Resources Development**  
Government of India | [www.mhrd.gov.in](http://www.mhrd.gov.in) | [www.mic.gov.in](http://www.mic.gov.in)



Dipan Sahu  
Asst. Innovation Director  
MoE's Innovation Cell, AICTE, New Delhi



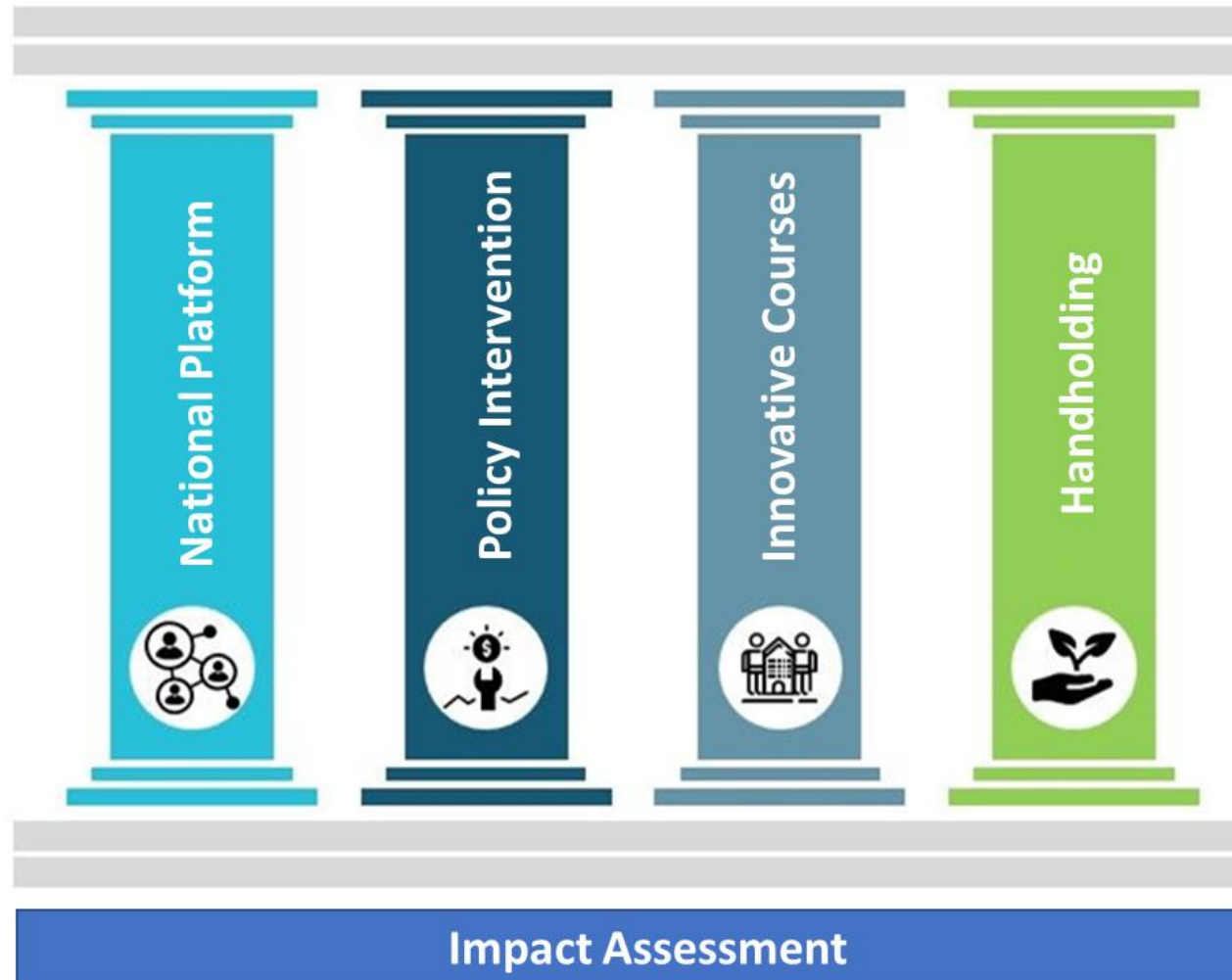
**Empowering India Through Innovation**



**कपिला - KAPILA**

कलाम बौद्धिक संपदा साक्षरता और जागरूकता अभियान

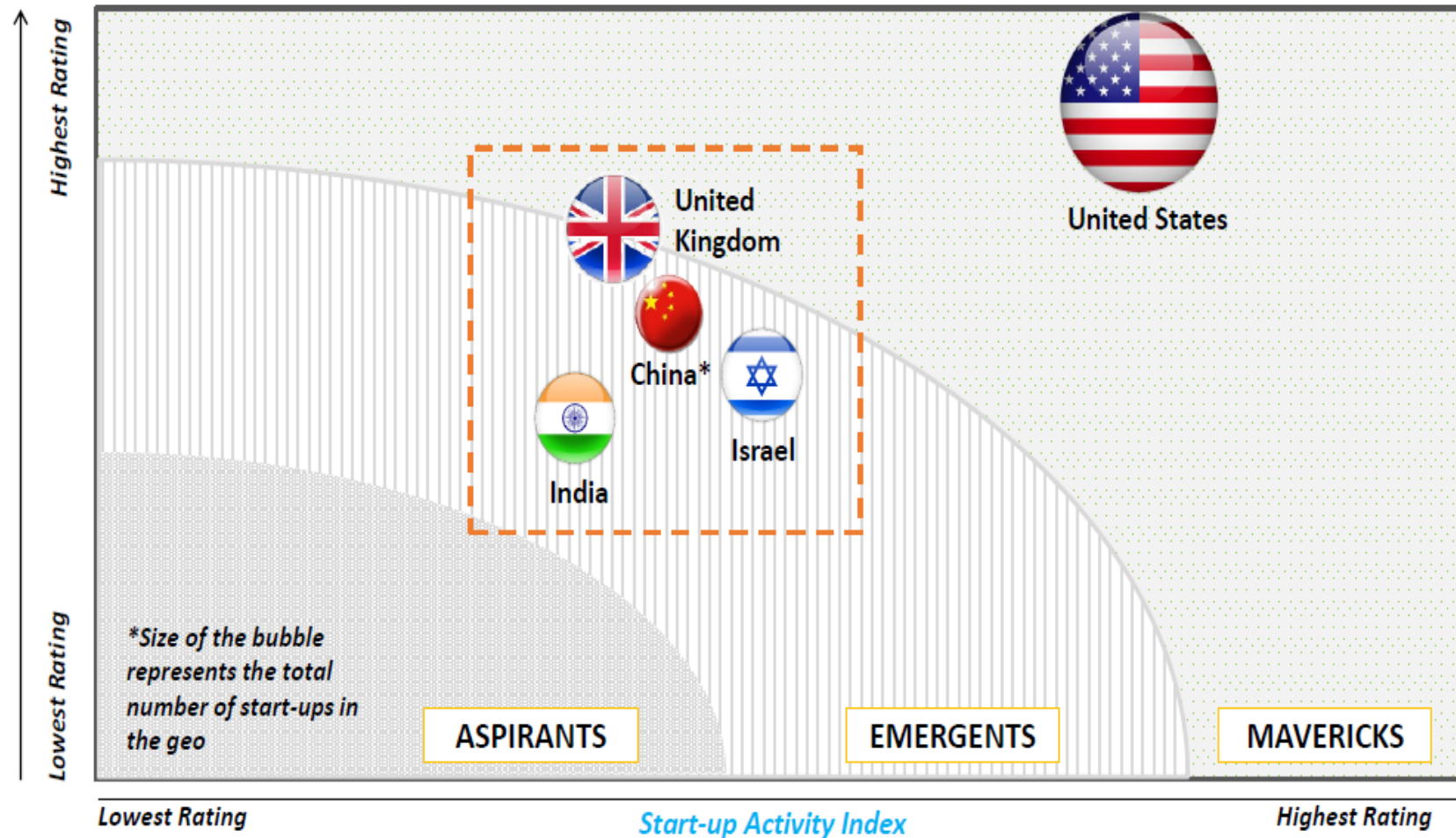
# INTERVENTIONS



# Global Start-up Landscape

- India positioned 3<sup>rd</sup> and competing with Israel

Govt. Focus & Country Specific Indices =  $f[\text{Government Initiatives (Govt. Policies, Govt. Funding), Country Specific Indices (Global Innovation Index, Ease of Doing Business)}]$

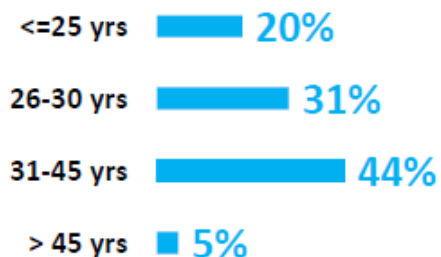


Start-up Activity Index =  $f[\text{Landscape (Total Start-ups, Start-ups Per Capita, Acquisitions), Unicorns Analysis, Investors Ecosystem \& Funding, Advanced Tech Focus}]$

# Indian I&E Ecosystem



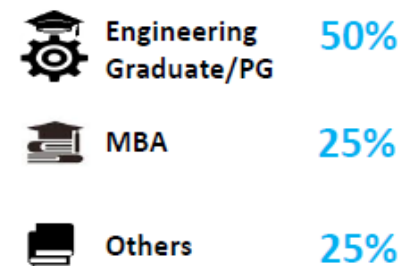
## Age Distribution



Median age of founders:  
2017 – 32 years | 2016 – 31 years



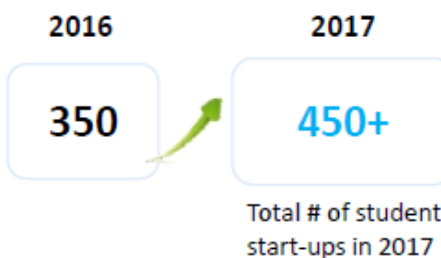
## Educational Qualification



Others incl. CA/Financial Diploma, MBBS, BCA/MCA, BA/MA, etc.



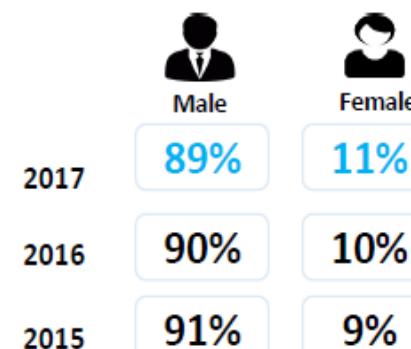
## Student Start-ups



30% YoY Growth Rate

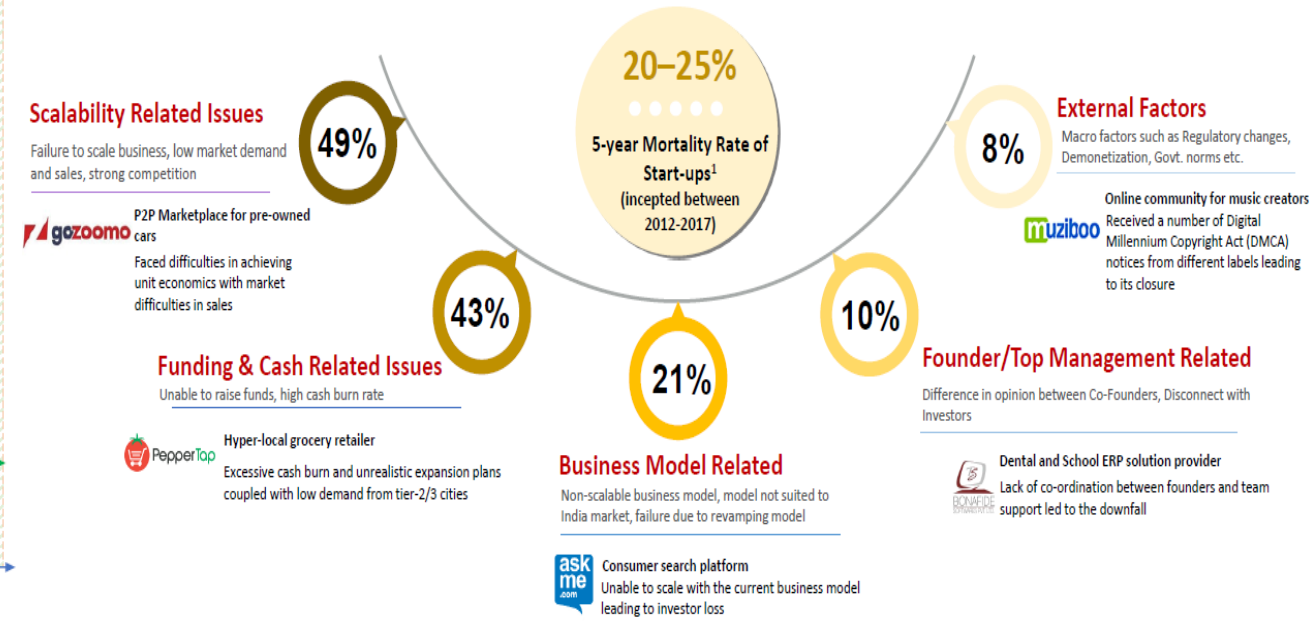
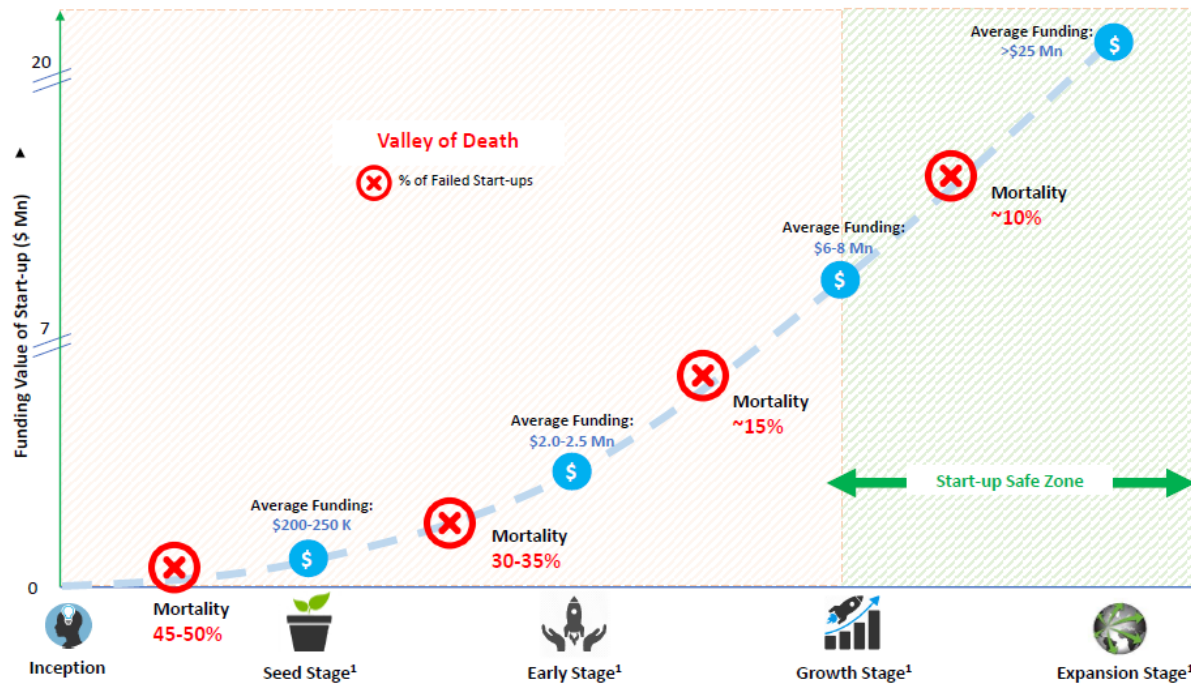


## Female Entrepreneurs





# Start-up Mortality

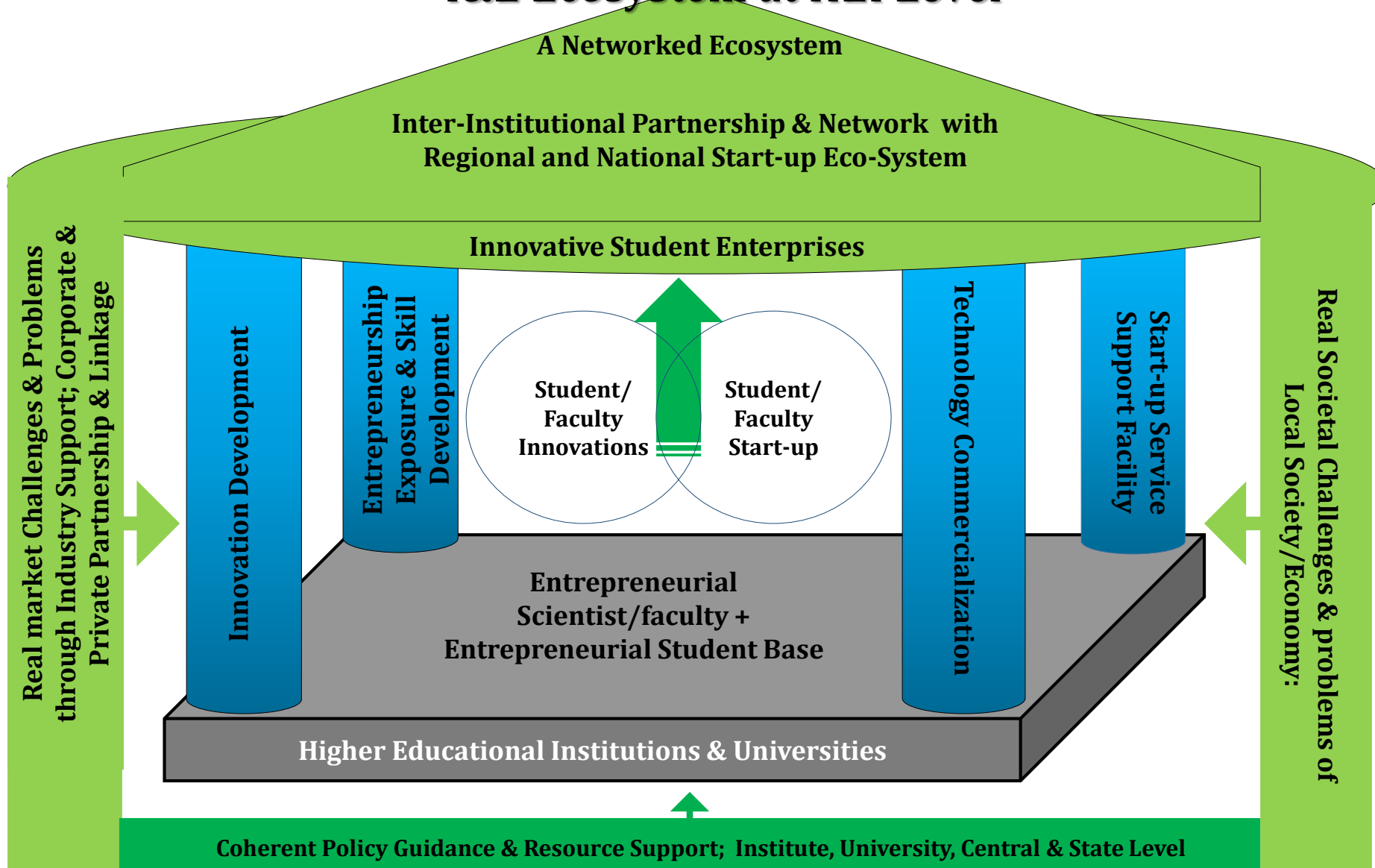


- Majority of Start-ups dying within 1.6-1.9 years of Inceptions
- 55% of failed start-ups have received funding
- 20% failed start-ups graduated from Incubators/Accelerators

# Quest for Development of an Enabling System/Culture in HEIs

- Establishing and Building of an I&E Ecosystem
- Streamlining of Existing I&E Ecosystem
- Strengthening of Current I&E Ecosystem

# I&E Ecosystem at HEI Level

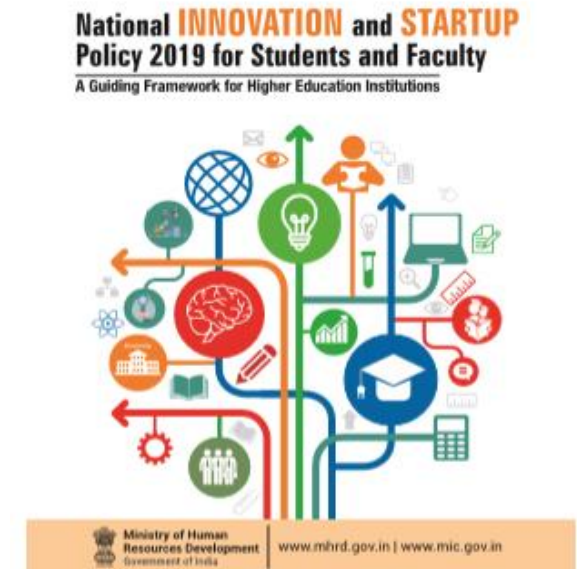




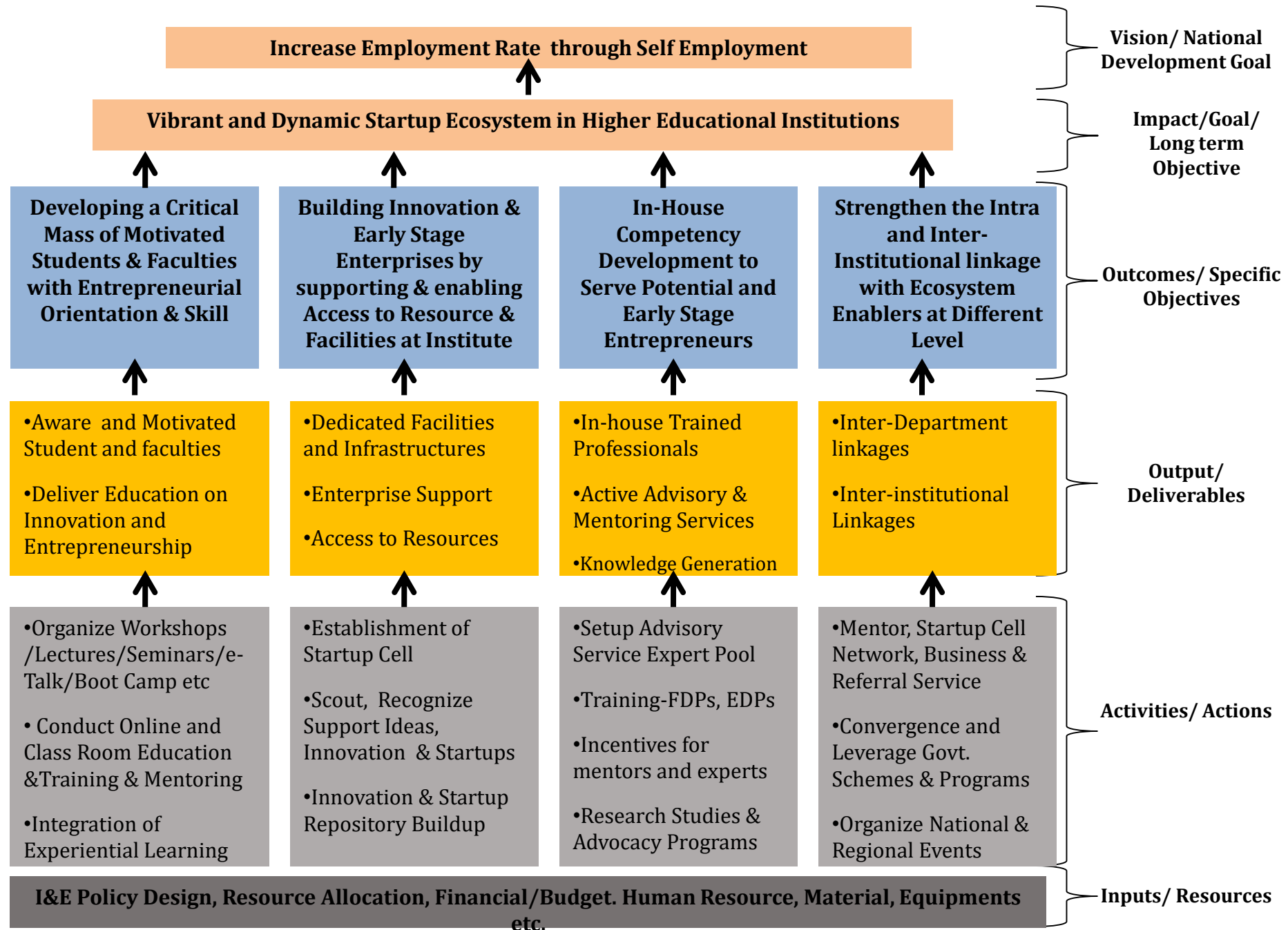
# National Innovation and Start-up Policy 2019 for Students & Faculty in HEIs



- NISP 2019 was launched by Hon'ble Minister of Human Resource Development on 11 September 2019.
- The policy intends to guide HEIs to promote students' and faculty driven innovations & startups.
- It will be instrumental in leveraging the potential of student's problem solving & entrepreneurial mind-set and promoting a strong intra and inter-institutional partnerships.



# Objective Tree/Policy Logic – Start-up Ecosystem Development at Institution Level



# Thrust Areas of NISP 2019

1

A. HEIs Strategies & Governance for Promoting Innovation & Entrepreneurship

A1. Creating Innovation Pipeline and Pathways for Entrepreneurs

A2. Building Organizational Capacity, Human Resources and Incentives

A3.

Collaboration  
Co-creation  
and Business  
Relationship  
and  
Knowledge  
Exchange

2

B. Norms for Faculty & Students Driven Innovations and Startups

B1 & B2. Incentivizing Faculty & Students for Entrepreneurship

B3. Norms for Faculty Startup

3

C. Incubation & Pre-Incubation support

4

D. IP Ownership Rights for Technologies Developed at HEI

5

E. Pedagogy & Learning Interventions for Supporting Innovations & Startups

6

F. Entrepreneurial Performance Impact Assessment

## A. Strategies & Governance for promoting Entrepreneurship

- HEIs should formulate University/HEI level I&E Policy in accordance with the NISP and State Startup Policies.
- HEIs should Achieve through Mission Statements rather than Stringent Control System
- A Sr. Faculty (at the level of Dean/Director/Equivalent Position) with less hierarchy and autonomy must drive the Entrepreneurial Agenda.
- Intra and Inter institutional Relation to promote E&I agenda & Institute can provide services and facilities to outsider entrepreneurs too.
- Resource Mobilization Plan Should be in Place
  - Own Resource: 1% fund of the total annual budget
  - Raising fund from Diverse Sources ( State and Central Agencies)
  - Incubation Fund support under CSR, Section 135 of the Company Act 2013
  - Sponsorship, Donation from Alumni Network
- All HEIs should join the Institution's Innovation Council (IIC) network and participate, participate in Smart India Hackathon (SIH) and participate in Atal Ranking of Institutions Innovation Achievement (ARIIA)

## A1. Creating Innovation Pipeline and Pathways for Entrepreneurs

- HEI to ensure maximum student should participate in I&E activities and go through pre-incubation process of Problem identification, Solution development, Proof of Concept validation and prototype development, business model and proposal development.
- HEI should link and collaborate their Incubation unit with external agencies and ecosystem enablers and provide network support to incubate startups.
- Connecting student entrepreneurs with incubate startups for internship, experience sharing and encouraging participation of students in innovation and business plan competitions and organize such competitions/hackathons on campus.



## A2. Building Organizational Capacity, Human Resources and Incentives

- Institute should recruit staff that have a strong innovation and entrepreneurial/industrial experience, behavior and attitude, this will help in fostering the I&E agenda and culture in HEI.
- Faculty and departments of the institute have to work in coherence and cross departmental linkage and maximum utilization of internal resources and knowledge.
- Faculty and staff should be encouraged to do courses/trainings/certificates on innovations, entrepreneurship and IPR.
- To retain talent, institute should develop academic and non-academic incentives and reward mechanism for all staff, faculty and stakeholders.
- A performance matrix should be developed and used for evaluation as part of annual performance and contribution of faculty/staff towards achieving I&E agenda should be part of matrix.

## A3. Collaboration, Co-creation and Business Relationship and Knowledge Exchange

- Institute should develop a policy or guideline document for forming and managing the relationships with external stakeholders including private industries.
- Knowledge exchange through collaboration and partnership should be made as part of institutional policy.
- Mechanisms should be devised by the institute to ensure maximum exploitation of entrepreneurial opportunities with industrial and commercial collaborations.
- Knowledge development should be done by the institute through development of innovation knowledge platforms using ICT capabilities. Repository of ideas, PoCs, Innovations and Startups can be managed through the platform.

## B. Norms for Faculty and Student Driven Innovations & Startups

### B1. Incentivizing Students for Innovation and Entrepreneurship

HEIs should establish process/clear guideline and mechanism for easy creation and nurturing of startups/enterprises by students (UG, PG and PhD), faculty and staff of HEI by setting up a committee and working committees on following:

- Allow students to setup Startup ( Social and tech and non-tech ) or working part-time for the startup while studying/working as intern
- Allowing students to earn credit for working on Innovative prototypes/business Models.
- Student Innovators/entrepreneurs may allowed to opt for startup in place mini project /major project, seminar and summer training etc.
- Allow student entrepreneurs to take a semester break/year break to work o their startup
- Allowing student entrepreneurs/innovators to appear for the examination. (institute need to set up minimum attendance and after reviewed by committee on case to case basis).
- Allowing Student entrepreneurs to use the address of Hostel (or) pre-incubation and (or) incubation unit to register their venture while studying at HEI.

## B2. Incentivizing Faculty for Innovation and Entrepreneurship

- Allowing faculty to start Startup based on the technology developed in the lab at the institute or previously developed somewhere else but have ownership on IP, if technology based.
- Allow faculty and staff to take off for a semester/year as sabbatical/unpaid leave/casual leave /earned leave for working on startup and come back.
- No restriction on shares that staff and faculty can take as long as they don't spend more than 20% of office time on the startup in advisory or consultants role and don't compromise with their existing academic and administrative work or duties.
- In case faculty/staff is drawing salary form institute, institute's stake/equity on startup should be limited to 20% of total share of faculty/staff or 9.5% of total stake which ever is minimum.

## B3. Norms for Faculty Startup

- Role of faculty while teaching may be as owner/founder/co-founder/Director-promoter/adviser/mentor/consultant but cant take role of employee as CEO or other managerial role in his/her startup and cant draw salary from startup and cant accept gifts from his own startup. He/she can take share on profit and dividend only if any from startup as owner/shareholder.
- Faculty must clearly separate and distinguish on-going research at the institute from the work conducted at the startup/company.
- In case selection for acceleration or incubation, he may take sabbatical leave or other leave up to one semester or year or more based on committee recommendation.
- Faculty must not involve research staff or other staff engaged in academic projects of institute in activities at the startup



## C. Incubation & Pre-Incubation support Facility Creation and Access

- Creation of Pre-Incubation and Incubation (SPV – Section 8 of Company Act or Society Act)
- Pre-incubation and Incubation Support: Attach with nearest Incubation Unit if not exist in campus
- Promotion and intensification of Technology Commercialization efforts. Allow Licensing of IPR from Institute to Startup incubated at Incubation Unit.
- Facility should be accessible to 24x7 to student, staff and faculty of all discipline and department across the institute.
- Provision and streamline relevant services and mentoring support through pre-incubation/incubation units in-return for fees, equity sharing (or) zero payment basis.
- In return of services offered (Space, Infrastructure, mentorship, seed fund, accountant and legal and patent support) and use of facilities at institute/incubation unit may take upto 2 to 9.5% equity/stake in the startup/company incubated.
- In case of compulsory equity model, startup may be given a cooling period of 3 months to use the incubation services on rental basis to take final decision

## D. IP Ownership Rights for Technologies Developed at HEI

- If fund and (or) resource of HEI used substantially, then IPR should be made jointly by Institute and inventor and license together and revenue sharing among the parties.
- If any one of inventor want to start a startup based on the technology developed as above, then it can be licensed to inventor with royalty would be no more than 4% of sales price, preferably 1-2%, unless it is pure software product.
- If it is in form of shares, then it will again between 1-4%. In case software share divide is based on mutually decided between the institute/incubation unit and incubate company.
- On any dispute on IPR ownership and revenue sharing and licensing, then a five member committee setup at HEI will look into the matter and recommend.
- Interdisciplinary research and publication on startup and entrepreneurship should be promoted by HEIs.

## E. Pedagogy and Learning Interventions for Entrepreneurship Development

- Adopt and produce desirable learning outcomes as part of curricular, co- curricular and extra curricular level.
- Create and publish tool kit on innovation and startup and IPR for open access to students and faculties.
- Student clubs/bodies on innovation and IPR and Startup must be established and engaged.
- HEI should start recognizing and giving Innovation and Entrepreneurship awards to best achievers form campus annually. And confer gold medal kind of rewards during convocations ceremony.
- Teaching on tolerating and encouraging failures.
- Creating awareness among students and teaching methods should include case studies of real business stories of failure and success, experiential learnings.
- Pedagogy changes nee to be done to ensure that maximum number of students projects and innovations are based around life challenges. It should be constantly reviewed and updated.
- Start a part time or full time MS/MBA/PGDM in Innovation , Entrepreneurship and Venture Development Course to be offered through Incubation Unit as per the AICTE guideline.

## F. Entrepreneurial Performance Impact Assessment

- Performance Analysis of services and facilitates on regular basis
- Development of key performance indicators
- Focus on Input, process, output, outcome and impact level

# Monitoring and Impact : Key Performance Indicator Setting



## ARIIA

ATAL RANKING OF INSTITUTIONS  
ON INNOVATION ACHIEVEMENTS

**9 Broad Parameters**  
**48 Indicators**  
**6 Initiatives**

Sl. No	Parameters	Non-Technical HEI	Technical HEI
1	Developing an Innovative and Entrepreneurial Mind-set through Series of Activities	8	4
2	Teaching and Learning: Academic Programmes related to Innovation & Entrepreneurship (I & E) & IPR offered by the HEI	10	6
3	Dedicated Infrastructure & Facilities to Promote Innovation & Entrepreneurship at HEI	13	13
4	Generation of Innovations/ ideas with the support of HEI and recognition received	13	13
5	Ventures Established with the support of the HEI & Recognitions Received	8	12
6A	Angel & VC Fund/Investment Mobilized to Support Innovation & Startups Incubated at HEI	3	5
6B	Promotion of Collaboration for & Co-Creation of I & E initiatives	8	5
7	Intellectual Property (IP), Generation and Commercialization	14	19
8A	Annual Budget on Promoting and Supporting I&E Activities: Total expenses towards I & E and IPR support activities	8	8
8B	Total Revenue Generated by HEI from Incubation Services to Startups and Commercialization of IP and Innovations	4	6
9	Participation of HEI in I & E Initiative of MOE	11	9
<b>Total</b>		<b>100</b>	<b>100</b>



# Adoption of NISP in HEIs

# Policy Adoption at HEI Level: NISP – ARIIA - IIC





# Policy Formulation Process & Phases

## Action Items

### Policy Formulation

### Policy Implementation

### Policy Impact Creation

S.No	Action Items for Policy Formulation	Status	Document of Proof (Doc Uplad)	URL of Proof (URL)	Date	Action
	• HEIs to Join the NISP Policy Campaign and Nominated NISP Coordinator for Policy Adoption					
	• Formation of a I&E Policy Formulation Committee at HEI Level					
	• Formulation of I&E Policy at HEI Level					
	• Awareness Generation among students, faculties, and staff at the HEI level					



Policy Formulation

Policy Implementation

Policy Impact Creation

# Policy Implementation Process

## Action Items

S.No	Action Items for Policy Formulation	Status	Document of Proof (Doc Upload)	URL of Proof (URL)	Date	Action
	<ul style="list-style-type: none"><li>Formation of the policy implementation team by teaming up with IIC of Institute</li><li>Planning of Programs/Activities Intervention to achieve the Objectives</li><li>Setting up the Key Performance Indicators (KPIs) for the action plan</li><li>Finalization of the Action Plan and Resource Allocation</li><li>Participate in Atal Ranking of Institutions on Innovation Achievements (ARIIA 2022)</li></ul>					



Ministry of Education  
Government of India



MHRD'S  
INNOVATION CELL  
(GOVERNMENT OF INDIA)

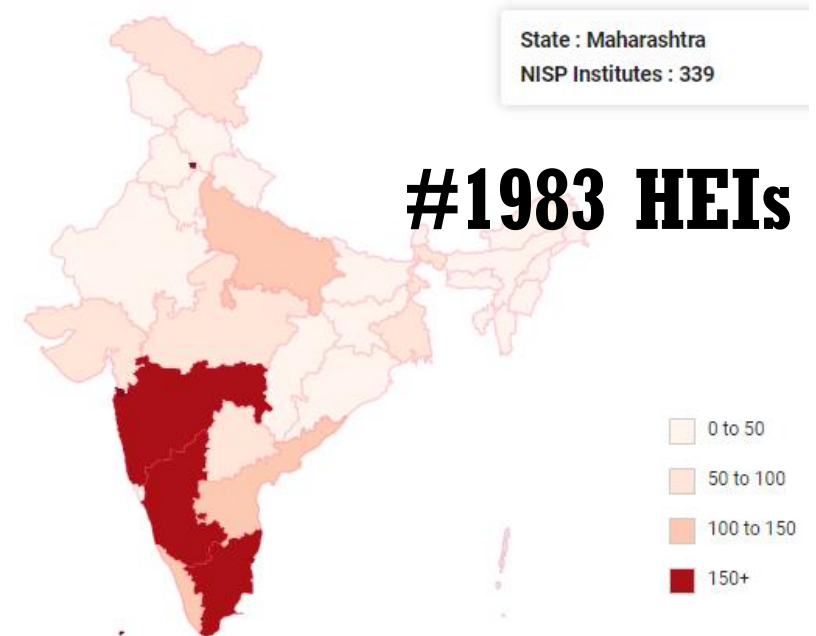
# NISP Adoption in HEIs

- #1288 Private Colleges/Institutes (Affiliated or Standalone)
- #333 Govt. Colleges/Institutes (Affiliated or Standalone)
- #80 Institute of National Importance & Central Universities/CFTIs
- #148 University/ Deemed University (Private)
- #134 State University & Deemed Universities (Govt. & Govt. Aided)

**365 HEIs Formulated I&E Policy at the Institute Level for Implementation**

**We are Currently Accepting Nominations from HEIs those have not joined the NISP Campaign so far to undergo the 3<sup>rd</sup> Phase Training on NISP Adoption**

**Write to us at [startup@aicte-india.org](mailto:startup@aicte-india.org)**



**<https://nisp.mic.gov.in>**