

A large illustration occupies the upper half of the page. It features a person sitting on a laptop on the left, a glowing yellow lightbulb in the center, and several large blue gears of different sizes on the right. A large yellow arrow points upwards from the bottom left towards the center. In the bottom right, two people are standing next to a flipchart displaying a bar graph.

Anna University **START-UP POLICY**

for **Faculty and Students**

Anna University, Chennai 600 025.

March 2022

Anna University, Chennai

START-UP POLICY
for
Faculty and Students



Anna University
Chennai – 600 025, Tamil Nadu

March – 2022

1. Summary

Anna University offers higher education in Engineering, Technology, Architecture and Applied Sciences relevant to the current and projected needs of the society. The faculty, and students of Anna University are always committed towards knowledge generation in the area of manufacturing, healthcare, education, logistics, social sector, urban development, agriculture, environment, and ICT. The Anna University Faculty and Students Startup Policy will enable to actively engage students, faculties in innovation and entrepreneurship related activities. This Policy outlines the Intellectual Property ownership management, technology licensing and commercialization, guidelines for permitting faculty and students to involve in startup activities thus enabling creation of a robust innovation and Start up ecosystem in the University.

2. Applies to

Faculty and Students of Anna University – University Departments, University Colleges and Affiliated Colleges

3. Policy Development Team

Director – CED, Anna University - Convener

Director – P&D, Anna University - Member

Director – Legal Cell, Anna University - Member

Director – CTDT, Anna University – Member

Director – CIPR, Anna University - Member

Director – CAC, Anna University - Invitee

DR – Personal, Anna University – Invitee

4. Review Team

HODs of University Departments, Directors, Finance Officer and the Registrar Anna University, Chennai

5. Version

AUFSTP - 2020.001

6. Related Documents

a) National INNOVATION and STARTUP

Policy 2019 for Students and Faculty - MHRD,GOI

www.mhrd.gov.in / www.mic.gov.in

(b) Tamil Nadu Startup and Innovation Policy – 2018-23 www.editn.in

(c) Startup Policy – 2016, AICTE – New Delhi www.aicte-india.org

(d) Anna University Intellectual Property Policy, July 2016, CIPR, Anna University, Chennai

7. Date of implementation : 16.03.2022

8. Date of Next formal review

1. Introduction

Anna University offers higher education in Engineering, Technology, Architecture and Applied Sciences relevant to the current and projected needs of the society. The faculty, staffs and students of Anna University are always committed towards knowledge generation in the area of manufacturing, healthcare, education, logistics, social sector, urban development, agriculture, environment, and ICT. To convert this knowledge in to commercial products / process a well-defined innovation and startup policy is needed.

Tamil Nadu Startup and Innovation Policy 2018-23 aims to nurture innovation, knowledge creation, technological development, investment in R&D, infrastructure development and skilled manpower, resulting in higher growth in entrepreneurial venture in various sectors.

This policy encourages:

- (a) To permit both faculty and students to establish startups based on the research project works in the University.

Based on the above Government policy guidelines, Anna University Faculty, and Students Startup Policy 2020 is developed. This policy addresses the

- a) Development of Entrepreneurship Cells for Innovation and Startup in the University
- b) Norms for the Faculty, Staffs and Students Startups

- c) Intellectual Property Rights Protection and licensing
- d) Monitoring of the policy implementation.

2. Policy Statement

To create Faculty and Students Driven on Campus Technology Startups that will add to Value for Both Social and Economic Growth in the State of Tamil Nadu and in the Country

3. Policy Objectives

- a) *To establish Entrepreneurship Development and Innovation Councils in the University by creating infrastructure such as incubation centers, Fab labs etc.*
- b) *To encourage the students to take up entrepreneurship as a preferred career choice and provide assistance for the successful launching of their start-ups.*
- c) *To promote faculty led startups to commercialize the products / process developed by them as per the University IP Policy.*

4. Definitions

Accelerators

Startup Accelerators design programs in batches and transform promising business ideas 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 is 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 an idea of early prototype of their product or service. Such companies can then graduate into full-fledged incubation programs

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 startup 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 / Student Startup

A Start-up that is initiated by Faculty (s) / student(s) enrolled in any academic institution recognized/approved by AICTE.

Technology Business incubator (TBI)

TBI is an entity, which helps technology-based Incubator startup businesses with all the necessary resources/support that the startup needs to evolve and grow into a mature business.

Technology commercialization (TC)

TC is the process of transitioning technologies from Commercialization the research lab to the marketplace

Technology licensing

Agreement whereby an owner of a technological intellectual property (the licensor) allows another party (the licensee) to use, modify, and/or resell that property in exchange for a compensation.

Venture Capital

It is the most well-known form of startup funding. Venture Capitalists (VCs) typically reserve additional capital for follow-up investment rounds. Another huge value that VCs provide is access to their networks for employees or clients for products or services of the startup

5. Policy Implementation

Based on the guidelines of the Tamil Nadu Startup Policy 2018-2023 [1] and MHRD National Innovation and Startup Policy 2019 [2], the following actions points are prescribed for the University.

- a) Centre for Entrepreneurship Development shall promote Importance of Innovation and Entrepreneurial agenda as per the State and National needs at the University by way of interaction with young entrepreneurs through workshops, conferences, etc.

- b) Establishment of fab labs / makers' space in the University that will serve as a bridge between Innovators and Incubators and it should be accessible 24 x 7 to students and faculty of all the departments across the University.
- c) Provide training programs for both startups as well as other needy persons on the entrepreneurship skills to bridge the gap between industry requirement and current curriculum.
- d) Networking events must be organized to create a platform for the budding entrepreneurs to meet the Investors and pitch their ideas.

6. Norms for the Faculty 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 may be owned by a faculty member alone or with students or with faculty of other Institution/University or alumni or with other entrepreneurs. The collaboration with outsiders must be justified appropriately in the application for scrutiny / approval. If collaboration with faculty / students from other University are permitted, necessary indemnity bond should be signed. The following guidelines are evolved for running such a company with in the University.

6.1. For Faculty

- a) The University Incubator should provide space, infrastructure, mentorship support, seed funds, support for accounts, legal, IPR services, etc. for the Startup company owned by Faculty. In return for the services, the University may hold 9 % equity / stake in the company. The IPR services can be availed from the CIPR by the Incubator.
- b) If a faculty member is the Owner or Co-owner of such companies with the permission of the University and be a Director on the Board, he / she may also play an operational role (Technical Adviser, CEO, Manger etc.) with the approval of the University with conditions given below:
 - Faculty must clearly separate and distinguish on-going research work at the University from the work at the startup / company. Faculty must not involve research staff or other staff of University in the activities of the startup and vice versa.

- Faculty must not accept honorariums/ remuneration/ salary or gifts from the startup.
 - No restriction on the shares that faculty can hold as long as they do not 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.
- c) In case the faculty holds the executive or managerial position for more than three months in a startup company, they should be on sabbatical /leave without pay/ utilize existing leave as per norms of the University.
- d) Other Faculty members may undertake projects from the company owned by a faculty member following the University 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 University testing charges.
- e) The IP Rights for the technology developed by the startup and faculty shall be held jointly by the startup and the University as per the IPR Policy of the University (CIPR). However, the University shall be the owner of the Intellectual Property.
- f) A Company owned or co-owned by a faculty will normally be required to incubate at the University Incubator. However, in the exceptional cases, where the faculty wants to incubate outside the University, a sufficient justification has to be provided for the approval of the University and an indemnity bond may be signed by the faculty. Decision of the University is final and binding in this case.
- g) For the incubation of the Company owned or co-owned by a faculty evaluation and progress monitoring should be as per the incubation policy of the existing incubator in the University; which will be considered for seed funding / any other support.
- h) In case of selection of a faculty startup by an outside accelerator, a maximum leave of two years may be permitted to the faculty as per University leave norms. The leave period must be taken in to account as continuation of service for the concerned faculty.
- i) For any IPR related issues and any other legal infringements pertaining to the startup, the concerned faculty involved in the startup will be solely responsible.

6.2. For Students

University has to encourage as many as startups by the students with inter departmental and Inter-College participation, taking note of the fact that startup planning and management requires inter-disciplinary 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 should be routinely organized as per the guidelines as given below.

- a) University may allow students to establish Startup or working part time for the startup already present with the University Incubator while studying / working as intern.
- b) Allow the students to earn credits for their curricular requirements depending upon the extent to which they involve in the startup activities. Such requirements / earning of credits may be adopted as per the regulations of the academic program given by the University.
- c) Student Startup may be permitted to use the address of the Incubator to register the Company while studying in the University.
- d) University may exempt Students involved in startups affiliated with the University incubator to avail maximum up to 35 % attendance including claim through ODs/ Medical certificates in a semester; or the attendance requirement as per the Academic Courses regulations in vogue.
- e) Students may be allowed to undertake a semester / year break to work with startups affiliated with the University Incubator, after completion of 6th semester (4 Year UG course) / 8th Semester (5 Year Integrated Course) / 2nd Semester (2 Year PG Course) and rejoin the University to complete the course with the approval from the University. Any revisions in Academic Courses regulations in this regard is applicable.
- f) University may set-up a review committee (Senior faculty in charge of Centre for Entrepreneurship Development / Mentor, HOD of the Student Department,

CEO of Incubator and Dean / Principal of the College) for review of student startup to provide accommodation in hostel for the student entrepreneur within the campus during break of study period and for a maximum period of 1 year even after completion of the course if the startup is functioning.

- g) 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 University for the seed funding / any other support required.
- h) For any IPR related issues and any other legal infringements pertaining to the startup, the concerned Student(s) of the startup will be solely responsible.
- i) The students may be permitted to attend the Campus Placements after delayed completion of their program due to officially availed break of study.

7. 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 exclude third parties from exploiting the protected subject matter for a certain period of time (normally 20 years) for patents, without explicit authorization from the right holders. The IPR developed by the University / startup has to be protected and licensed as per the University IP norms. All support needed for protecting IPR will be provided by the Incubator through the CIPR. Hence the procedures outlined by CIPR for ownership, Patent filing, Maintenance of Patents, Patents fee, transfer of IP, Revenue sharing, Copyrights will be adopted as it is also the University's IP policy [4].

8. Monitoring

The success of the Anna University Faculty and Students startup policy will depend upon the Knowledge exchange through collaboration and partnership. The implementation of the policy is the responsibility of College Dean / principal and Colleges must provide support mechanisms and guidance for creating, managing and coordinating these relationships.

- a. Impact assessment of University's entrepreneurial initiatives such as pre-incubation, incubation, entrepreneurship education should be performed regularly using well defined evaluation parameters such as Number of Workshops, conferences conducted / fab lab infrastructure / IPR policy / Review committee both at Department and University level.

- b. Number of startups created, support system provided at the University level and satisfaction of participants, new business relationships created by the University should be recorded as indicated in the following Table.

Faculty Startup:

Year	Number of Startup	Employment generated	Revenue	Surplus	IPR
1					
2					
3					

Student Startup:

Year	Number of Startup	Employment generated	Revenue	Surplus	IPR
1					
2					
3					

The success of the policy should be in terms of social / sustainable economics / technological impact in the market based on the commercial output.

9. Review

- a) This policy is subject the review 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.
- b) Next review of the policy is in Aug 2023.

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 Intellectual Property Policy, July 2016, CIPR, Anna University, Chennai <https://www.annauniv.edu/ipr/index.php>