



SHRI GURU RAM RAI UNIVERSITY

Patel Nagar Dehradun-248001, Uttarakhand

[Estd. by Govt. of Uttarakhand, vide Shri Guru Ram Rai University Act no. 03 of 2017 & Recognized by UGC u/s 2(f) of UGC Act 1956]

Star up Policy of Innovation and Incubation Center

Preamble:

Students and faculty members and at SGRR University are continuously engaged with extensive innovation & incubation activities in several cutting-edge research areas. However, most of these research outcomes do not get translated into commercial products, benefiting the society in general, due to several reasons. To promote entrepreneurship among faculty members, SGRR University in line with the best practices of other higher education institutes across the country, encourages faculty members and students to undertake entrepreneurship related activities with the incubation support from Innovation and Incubation Centre for Entrepreneurship (IIC). Objective of supporting entrepreneurship is to encourage participation of faculty, and students in commercial ventures, companies or similar entities with equity participation as an additional dimension to their existing roles as faculty, or student. SGRR University encourages its faculty, and students to engage in the businesses, that are direct result of the innovation & incubation activities at SGRR University, be on the board of such companies in the capacity of a Managing Director, Chairman, Promoter or any such role, subject to the terms and conditions of Institute startup Policy across various departments within the institute.

Vision:

Institute IIC-policy document is being considered as a guiding framework to envision an educational system oriented towards startups and entrepreneurship opportunities for students, and faculty members. Institute also aims to act as a driving force in developing entrepreneurship culture in its vicinity (regional, social and community level), which shall include giving opportunity for regional startups, provision to extend facilities such as incubation for them and active involvement of the institute in defining strategic direction for local development. In order to achieve the cultural and attitudinal shift and to ensure that Innovation and Startup culture is the primary base of our education system, this document provides key information, which aims to enable SGRR University to actively support the

faculty, and students to participate in innovation and entrepreneurship (I&E) related activities. This policy document will also evolve with time and adopt the best practices to facilitate the innovation and entrepreneurship among faculty, and students.

- Institute startup policy emphasizes that the entrepreneurship is all about creating a business/company, which is financially successful.
- The faculty/students engaging in Entrepreneurship must refer to the Govt conflict of Interest Guidelines, so that a balance is maintained between the Institute's needs and the needs of the concerned faculty, or student. The concerned person would need to sign the Conflict of Interest avoidance form (Annexure 3) with a full disclosure on formal approval of the enterprise / start-up proposal by the Institute.
- Every academic year, each school needs to conduct one-one lecture/workshop on startup and entrepreneurship in collaboration with IIC. These activities will help create an innovative ecosystem in our university.
- It is expected that faculty members will make all efforts to balance their academic responsibilities while assuming any role in the start-ups / founding companies and will make sure to adhere to the policy.

Definitions:

- **“Institute”** shall mean SGRR University.
- **“Policy”** means Institute startup Policy of IIC - SGRR University.
- **“Faculty Member”** shall mean a full-time faculty member of SGRR University.
- **“Student”** shall mean a full-time student enrolled and studying at SGRR University.
- **“Executive capacity”** shall mean a role as a VC/ Registrar/ Director-IIC.
- **“Company”** shall mean a start-up company, having at least one Faculty member/student engaged in the company as a founder/co-founder.
- **Incubation:** Incubation is a unique and flexible business development processes, designed to nurture and grow new businesses by supporting them with co-working space and mentorship through the early stages of development.
- **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 enter into full-fledged incubation program a little later.
- **Start-up:** An entity that develops a business model based on either product innovation or service innovation and makes it scalable, replicable and self-reliant.
- **IPR Licensing:** A licensing is a partnership between an intellectual property rights owner and another entity that is authorized to use such rights (licensee) in exchange for an agreed payment (fee or royalty).

1. Eligibility: Kind of Companies:

Companies eligible under this “Policy”: Such a company must pursue businesses that are a direct result of the innovation and incubation activities of the faculty / students of SGRR University. In such cases, the faculty (s) and student(s).

Companies not eligible under this Policy: A faculty member/ student cannot associate, either as a Promoter/Founder/Director in Non-executive capacity or in any “Executive Capacity”, with: a) companies involved directly / indirectly in a business which is in conflict with the SGRR University employee’s manual, policies and procedures. b) any such class of companies as notified by SGRR University from time to time.

2. Role of the Faculty/ Student as founder:

The Faculty/ student has to take prior permission from the Institute before associating with any business venture or starting a new venture, through the application (Annexure 2).

The enterprise formed by the faculty/ student would be the enterprise floated by the Individuals and not floated by SGRR University. It has also to be ensured that no reputational or financial liabilities accrue to SGRR University, and the share of SGRR University (as agreed in agreement between SGRR University and the company) and of IIC (if incubated) in the revenue generated by enterprise, and/or equity as per the agreement, is protected. Additional information which is required to be followed by faculty members engaged in such activities, is given below:

- a) Innovative research, related ideas and technologies developed at SGRR University with a potential of commercialization should be taken for the startups by faculty/ students.
- b) This policy is prepared for the faculty, or student being a founder/co-founder of the startup. Details on the equity and revenue sharing between start-up and the institute or incubator are given in point 7 describing “Overview of Entrepreneurship Methodology at SGRR University” and separately in Annexure 5. The faculty can choose one of these options (as defined next) but other modes of engagements may evolve with time.
- c) Founder/Promoter: Faculty/ student may start a company and can take up the role of a non-executive director/chairman/promoter with an explicit permission from the Institute. Faculty / student must not hold any office of profit in the start-up. It means that they must not withdraw the salary from the start-up being a full-time

employee at the SGRR University. The start-up company can be jointly owned by the faculty members/ research staff and /or graduating students / alumni or possible others with a complete disclosure of the related information.

- d) Whenever the founder/co-founder (faculty) may want to take on a full-time role in a start-up, they should submit an application describing the opportunity and intent. This will be reviewed by the institute, and a model suitable for the specific case will be defined to work full-time in the company in an Executive Capacity. Institute may allow a faculty to go on sabbatical / leave without pay in such cases. Eligibility and approvals of such cases are governed by the extant rules and the related policies of the Institute.
- e) Faculty as a founder must not achieve or attempt to achieve any undue gain or advantage either to himself or to his relatives, partners, or associates, and must avoid a situation in which he may have a direct or indirect interest that conflicts, or possibly may conflict, with the interest of the Institute.
- f) Faculty must not involve other staff of the institute in activities at the startup and vice-versa unless staff is a co-founder of the company, and the permission for the same has been granted by the institute.
- g) Human subject related research in start-up should get clearance from ethics committee of the institute and must follow the guidelines in practice as per the existing rules.
- h) Participation in start-up related activities will be considered as a legitimate activity of faculty in addition to teaching, innovation & incubation projects, industrial consultancy and management duties and will be encouraged.
- i) It should be noted however that the faculty member of SGRR University should take all possible steps to ensure that his/her duties and responsibilities as a member of SGRR University faculty, take priority over all other activities regardless of the nature of his/her engagement with the company.

3. Using Intellectual Property and other Institute Resources:

- a) Intellectual property of any kind created by faculty, other staff, students, visitors and others such as trainees from other institutes, participating in SGRR University programs or using funds or facilities of the institute, are owned by SGRR University. However, for the details on the terms and conditions related to IPR ownership, disclosures, evaluation, commercialization and revenue sharing, please refer to the Intellectual Property Policy given in the IIC.
- b) A faculty members/ students intending to start a company based on the technology developed or co-developed by them or the technology owned by the institute, would be allowed to take a license on the said technology on terms defined by the institute, in return of revenue share in the venture and/ or license fees and/ or royalty to obviate the early stage financial burden.
- c) In the event the faculty/ student would want to use an existing Intellectual Property developed at SGRR University and protected by filing/grant of patent where SGRR University is an applicant & the faculty/ student is an inventor, the inventor(s) may request for an exclusive license of the IP from the Institute to the company, the grant of which may be guided by the Institute's IPR policy given in the IIC.
- d) The faculty/ student would submit an application for the same to the office of Director-IIC. Upon obtaining permission, the company may initiate the process of getting the IPR licensed to it. The exclusive license may be given to the company on a perpetual basis till the time the company is in the business and/or the IPR is within its protected period.
- e) In any case, SGRR University reserves the "First Right of Refusal" for licensing out the technology or any IPR generated / owned by the Institute.
- f) The company should not use the laboratory and other such facilities of the department to which the founding faculty member/ student is affiliated. If the founder's lab at SGRR University is presumed to be used during the course of association with IIC, it can be only allowed with the permission from the head of the Institution with a clearly defined conflict of interest.
- g) The company may also use other facilities of the Institute on payment basis as per the prevailing norms. The company will also have to pay for office space at incubation centre (IIC), as applicable.
- h) Also, in view to ensure safety and security of all concerned, all compliances and proce-

dures for lab usage should be strictly followed.

- i) If any IP is generated by the startup during their course of incubation, the information about its filing and status of IP application should be provided to IIC, for the records.
- j) The above points on IP explain the policy framework in general. For more details please refer to the Institutes' IPR policy given in the IIC of the institute.

4. Disclosure and Compliance:

Financial and non-financial disclosure agreement will be signed as per the existing Institute norms. Also, a separate Conflict of Interest Avoidance Statement (Annexure 4) will have to be furnished by the company. At all times, the founder(s) of the company must ensure that the company he/she is associated with is compliant with all the norms of the State of Uttarakhand. Non-compliance by the founder(s) shall have no bearing on the SGRR University.

5. Support from other Faculty Members:

Support from other faculty members (other than founders and assigned faculty mentors) of the institute during and after the incubation (if applicable, see below) period of the company would be treated under the Institute's existing consultancy norms.

6. Funding for the Company:

The company will have its own funding and accounting procedures in line with the prevailing statutory norms. There should not be any exchange of funds, human resources or any other resources between the Institute resources and the company. However specific and legitimate requests can be considered such as the request for the usage of institute facilities / instrumentation on the payment basis, subjected to approvals from the Institute with clear terms and conditions.

7. Startup and Entrepreneurship Methodology at SGRR University:

- a) Initial registration form for student (Annexure 1) or Academic Information form (Annexure 2) to be submitted by the interested faculty to IIC, SGRR University.

- b) After approval of Startup coordinator, the form faculty /students of SGRR University may approach the Institute even at ideation stage before incorporation of a company for an in-principle approval for incubation of the idea at IIC.
- c) For the incubation of the company, a detailed Application form (Annexure 3) along with a relevant business plan must be submitted to IIC. Founders can approach the IIC team for any help related to preparation of business plan etc.
- d) Business plan will be first evaluated by the project consultant of our University, and a feedback is given to the founders to improve the proposal on its readiness, feasibility, market strategy framework, competitiveness, sustainability, deliverables and value proposition etc, and provide their comments. Overall review will be shared with a committee headed by the Director-IIC. If required, founders may have to deliver a presentation in front of the review committee.

Review Committee members:

- I. Director-IIC
 - II. Principle Coordinator-IIC
 - III. University project consultant.
 - IV. Startup Coordinator-IIC
 - V. Entrepreneurship coordinator-IIC
 - VI. IPR coordinator-IIC
 - VII. Finance coordinator-IIC
- e) The equity level determination and revenue sharing provisions will be done with help of an expert committee followed by approval of formation of the company by the head of the Institute and approval of incubation by Director-IIC. The Institute and the company may negotiate and should enter into an agreement for financial consideration by the company towards SGRR University and IIC, as mentioned below:
- The Institute will have a share in the revenue of the company, measured in terms of cost of units of product or services rendered by the company, at fair market value on a given date.
 - IIC may hold fully paid equity Shares of up to 20% in the Company with a limited

liability to the amount of shares held by the IIC. The IIC will reserve the right to liquidate any or all of the equity shares after five years or later, of incorporation of the company while the company will reserve the first right of refusal for purchase of such equity shares.

- OR, a combination of equity shares and share in the revenue of the company, measured in terms of cost of units of product or services rendered by the company, at fair market value on a given date.
 - In any case the liability of the IIC will not exceed the total amount of the paid-up equity shares held by IIC. It is the duty of the company to indemnify the Institute/IIC all the time.
 - All decisions on sharing the equity and/or revenue between the start-up and the Institute / IIC would be on the discretion of the Institute expert committee as mentioned above.
 - The expert committee may recommend an overall equity share of the IIC not to exceed beyond 20%.
 - For the indicative model of equity and revenue sharing that is developed benchmarking with the IITs, please refer to the Annexure 5.
- f) There would be no restriction on shares that founders can take, as long as they do not spend more than 20% of their duty time on the startup in advisory or consulting role and do not compromise with their existing academic and administrative work / duties.
- g) In case of compulsory equity model, start-up can be given a cooling period of 3 months to use incubation services on rental basis to take a final decision on equity sharing etc. based on satisfaction of services offered by the incubator. In that case, during the cooling period, institute will not force the start-up to issue equity on the first day of granting incubation support.
- h) A company will necessarily be required to be incubated at the Innovation and Incubation Centre (IIC), SGRR University. However, in exceptional cases, the institute may allow founder(s) to incubate the company outside the institute if sufficient justification is provided, and approval is given by the head of the institute.
- i) Founder/Promoter need to give a full disclosure and sign forms of Conflict of Interest Avoidance (Annexure 3) along with other forms given at the end of this policy document.

8. Graduating from IIC:

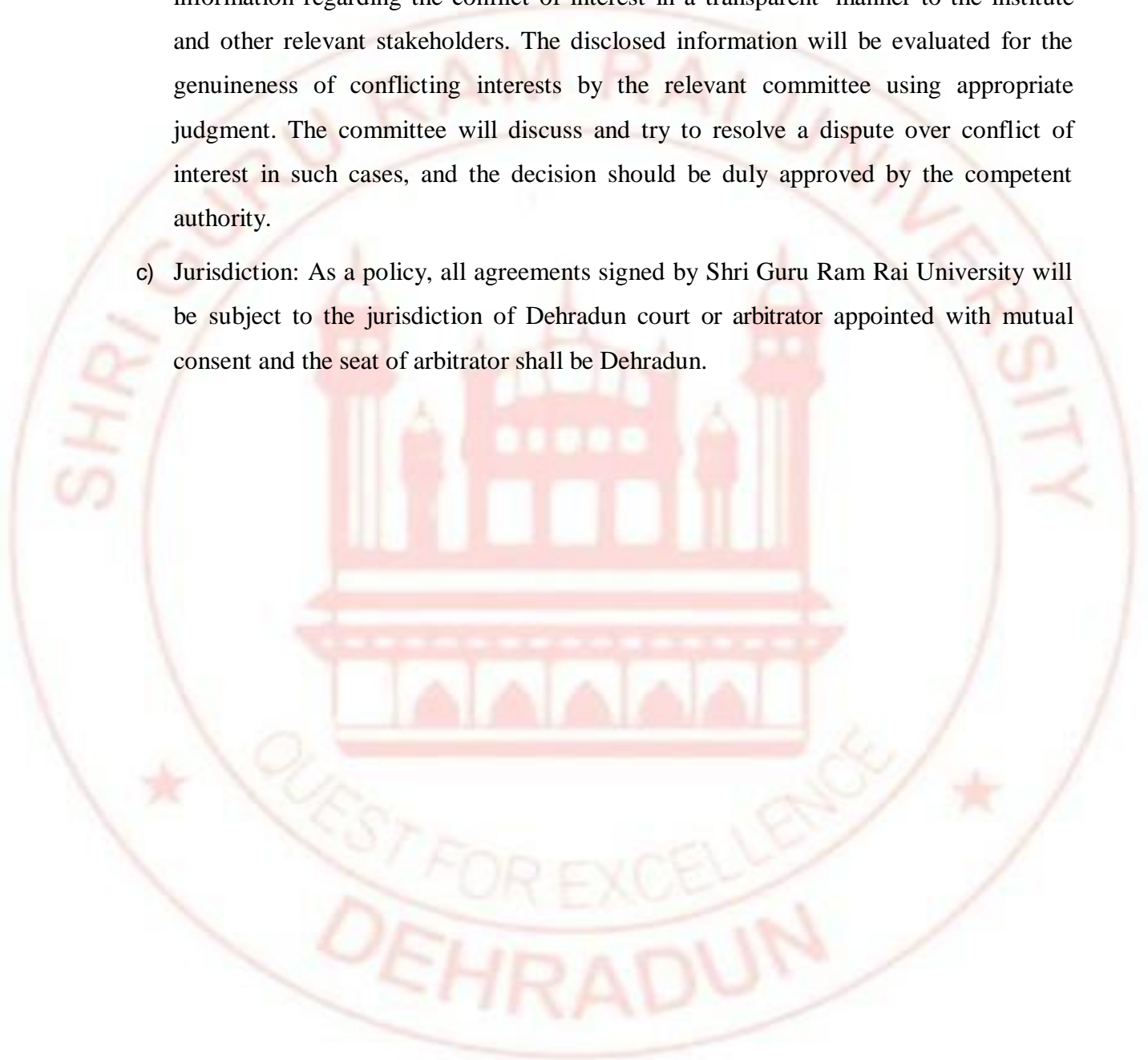
The company should take an exit from IIC under any of the following circumstances:

- a) Completion of stay for eighteen months, unless the stay is extended by IIC.
- b) When the annual gross revenues of the Incubated start-up (excluding all the taxes) exceed 2 crore or the Net Profit after Tax exceeds 50 Lakhs, and the number of employees of the company exceeds 20.
- c) Underperformance or non-viability of the business proposition: The criteria for the same will be decided and applied by IIC on a case to case basis.
- d) Irresolvable disputes between promoters/founders. IIC will decide the position or point when disputes are deemed to be irresolvable.
- e) Change in promoters'/ founders' team or business profile of the company without concurrence of IIC.
- f) When the company enters in an acquisition, merger or amalgamation deal or reorganization deal resulting in substantial change in the profile of the company, its promoters, directors, shareholders, products or business plans, or when a company plans for a public issue.
- g) Non-compliance of IIC's terms and conditions or any other reasons which IIC may find it necessary for an Incubated company to leave IIC.
- h) Notwithstanding anything written elsewhere, the decision of IIC in connection with the exit of an Incubated company shall be final and shall not be disputed by any Incubatee.

9. Resolution of Conflicts:

- a) In situations in which the objectivity of a faculty/ research staff/student –due to his/her association with the Company - could reasonably be questioned, the Institute may establish an independent committee consisting of two faculty members with relevant experience in IPR, Entrepreneurship or Industrial collaborations, and Director IIC and an external expert to investigate the operation of the company and possible conflict of interest between the functioning of the company and the academic duties of the faculty members/research staff associated with the Company. The faculty member/research staff may appeal to the Registrar of the SGRR University for a review of the committee's decisions. The decision of the Registrar, in this regard, would be final.

- b) In case of conflict situation, IIC expects the concerned people to disclose all information regarding the conflict of interest in a transparent manner to the institute and other relevant stakeholders. The disclosed information will be evaluated for the genuineness of conflicting interests by the relevant committee using appropriate judgment. The committee will discuss and try to resolve a dispute over conflict of interest in such cases, and the decision should be duly approved by the competent authority.
- c) Jurisdiction: As a policy, all agreements signed by Shri Guru Ram Rai University will be subject to the jurisdiction of Dehradun court or arbitrator appointed with mutual consent and the seat of arbitrator shall be Dehradun.



Annexure 1
Innovation & Incubation Centre
SHRI GURU RAM RAI UNIVERSITY
Patel Nagar Dehradun-248001, Uttarakhand

[Estd. by Govt. of Uttarakhand, vide Shri Guru Ram Rai University Act no. 03 of 2017 & Recognized by UGC u/s 2(f) of UGC Act 1956]

Registration Form

Name-_____

Email id.-_____

Course-_____

Mobile no-_____

Department_____

School-_____

State-_____

Startup Idea-_____

Startup Idea related to:

- | | | | |
|--|--|--|-------------------------------------|
| <input type="checkbox"/> Food Processing and Agriculture | <input type="checkbox"/> Biotechnology | <input type="checkbox"/> Pharmaceuticals | |
| <input type="checkbox"/> Travel and Tourism | <input type="checkbox"/> Ayush | <input type="checkbox"/> Education | <input type="checkbox"/> Healthcare |

Why did you select this Idea? _____

Signature of Incubatee

Annexure 2

ACADEMIC INFORMATION FORM (for faculty)

(To be filled separately by each founder involved in the Entrepreneurship activities)

1. Faculty Name _____
2. Affiliations (Department : _____
etc) & Designation _____
3. Date of Joining the : _____
Institute _____
4. Contact Details: : (Email): _____ (Mobile): _____

5. Academic Load at : _____
present: _____
Research Students : _____
Course work : _____

- Research Projects : _____

- Consultancy/Other : _____
commercial Projects _____
- Association with other _____
companies/start-up.
- Signature _____
:
- Date: _____

Annexure 3

BUSINESS SUPPORT INFORMATION FORM

(One form to be filled for every Enterprise)

1.Name of the Enterprise: _____

2.Name and address of all Faculty involved in this enterprise:

3.Name of Directors / Promoters / Other partners / co-founders

4.Is the enterprise: ☐ a startup ☐ already existing (Year of establishment) If a startup, what governing structure is proposed?

☐ **Private Ltd Company**

☐ **Other (Mention the details)**

5.What is the business area of the enterprise?

State concisely the main business of the Enterprise, as you would want it written in the Memoranda of Association of the Enterprise or equivalent document(s).

6.Indicate the expected milestones of the Enterprise activities (E.g. Registration, First Market-ing, External Funding, Revenue generation, Break even points etc.)

7.Briefly indicate the proposed role of each of the co-founders/faculty/research staff in the Enterprise mentioned

8.Are you, in this enterprise, planning to use knowledge/technology/intellectual property developed at the Institute? **YES** / **NO**

Briefly describe, if your answer is **YES**:

9. What is the Intellectual Property (IP) Status?

- Not registered at all
- Registered (patent/ copyright / trademark)
- Registration awaited (Tick the appropriate IP type)
- IP Rights Awarded and owned by SGRR University
(Inventor name/s.....)

10. What is the planned equity structure of the Enterprise?

11. How start-up would raise the first round of funding and then attain sustainability?

12. Value proposition about your idea.

13. Please state below, if there is any other information relevant to your Enterprise.

Signature/s:

Date:

Annexure 4

CONFLICT OF INTEREST AVOIDANCE STATEMENT

Name of the faculty:

Designation & Department Affiliations:

Enterprise: The term “Enterprise” encompasses entity such as company, business unit, society, trust and other economic entities, whether for profit or otherwise, with which the faculty/staff member proposes to involve himself/herself:

Name and Address of Enterprise:

Does the faculty member wish to utilize in or for the above Enterprise any technology or know-how developed at the Institute:

YES / NO

If “YES”, please provide name(s) and brief description(s) of such technology/know-how.

Declaration:

Subsequent to the permission granted to me by the Institute to engage in entrepreneurship ac-

tivities related to the above mentioned Enterprise, and considering my equity position at the Enterprise and continued relationship with the Enterprise as well as the Institute, I acknowledge the potential for a conflict of interest between my performance of the various roles at the Institute and my contractual, entrepreneurial, or other obligations in relation to the above mentioned Enterprise. I hereby assure the following to the Institute:

1. I shall ensure that this entrepreneurship activity does not interfere with my normal duties at the Institute such as teaching, research guidance, etc.
2. I've agreed to abide all the points mentioned in the Institute Conflict of Interest policy, and would make sure to disclose if there is any conflict of interest or potential conflict of interest in near future.
3. I've agreed to share with the host institute -----% of the annual revenue generated of the start-up named ----- and / or Innovation and -----% equity with Innovation and Incubation Centre for Entrepreneurship (IIC).
4. I shall not use the Institute's resources including facilities, personnel, equipment or confidential information except in an incidental way, as part of my entrepreneurship activities. If the Enterprise wishes to make use of Institute resources, it will be subjected to normal processes of the Institute. The explicit permission of the appropriate Institute authorities will be taken in such cases.
5. I shall inform the Institute, on a timely basis, of any IP or discovery of potentially patentable inventions, resulting from my work, alone or along with others, during my involvement with the above Enterprise, irrespective of the source of funding of such work.
6. I understand that this permission to involve myself with the above enterprise does not automatically entitle me to associate myself with other entities, whether or not related to the above enterprise, and that I shall separately seek the Institute's permission for each such association. I also understand that my involvement with the above enterprise and any other shall be concerned with my technological/scientific area of activity, and notwith extraneous or irrelevant activities.
7. I will not spend more than 1 day of effort per week towards activities related to the

enterprise. In the event I need to devote full time to the above start-up enterprise for a few months or a year, I shall abide by the Institute's provision of trade-off against earned leave, sabbatical leave, etc with a proper permission.

8. I certify that I shall not indulge in any activity prejudicial to the interests of the Institute or my work therein while performing my role with the above enterprise.
9. I agree that if ever a conflict arises between my legal obligations to the Enterprise and to the Institute, my legal obligations to the Institute shall override.
10. I certify that I shall not use the name of the Institute, its associated entities, or their logos for the purpose of promoting the Enterprise or for advertising the products or services provided by the Enterprise.

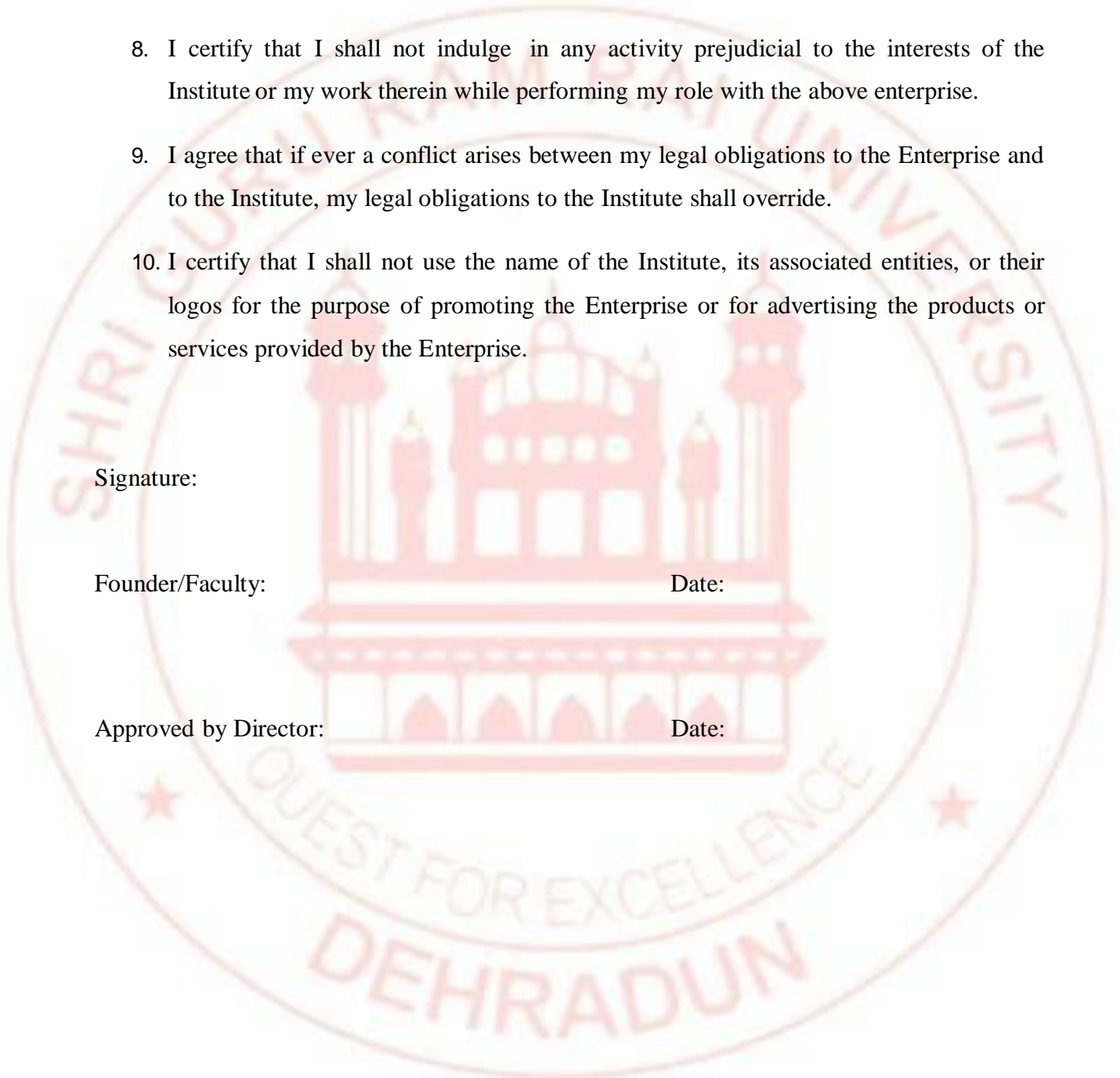
Signature:

Founder/Faculty:

Date:

Approved by Director:

Date:



Annexure 5

Proposed Equity and Revenue Sharing Model for start-ups at SGRR University

| Sr. No. | Organization | Equity Ownership | Revenue Sharing (from products / services of the company) |
|--|---|------------------|---|
| 1 | Shri Guru Ram Rai University Dehradun. | Nil | Up to 10% |
| | <i>Incubation Centre – Innovation and Incubation Centre (IIC)</i> | Up to 20% | Up to 5% |
| | Founder/ Promoter of the Start-up | Remaining | Remaining |
| <u>References for indicative equity model</u> | | | |
| 1 | Indian Institute of Technology, Roorkee | Nil | Up to 5% |
| | <i>Incubation Centre - Technology Incubation and Entrepreneurship Development Society (TIDES)</i> | Up to 20% | Up to 5% |
| | Founder/ Promoter of the Start-up | Remaining | Remaining |
| 2 | Indian Institute of Technology, Kanpur | Nil | Nil |
| | <i>Incubation Centre – Startup Incubation and Innovation Centre (SIIC)</i> | Up to 20% | Flexible |
| | Founder/ Promoter of the Start-up | Remaining | Remaining |
| 3 | Indian Institute of Science Education and Research, Bhopal | Nil | Up to 10% |
| | <i>Incubation Centre – Innovation and Incubation Centre for Entrepreneurship (IIC)</i> | Up to 20% | Up to 5% |
| | Founder/ Promoter of the Start-up | Remaining | Remaining |