DBIT Innovation and Startup Policy

Don Bosco Institute of Technology,
Mumbai

Contents

PREAMBLE

At DBIT, we believe that every engineer must contribute towards deriving sustainable solutions that can solve the industrial as well as societal problems. The creative and innovative ideas are often generated at educational level by the young, enthusiastic and creative minds which may lead to start-ups. The Start-up and entrepreneurship activities have gained momentum in India in last ten years and in line with this, we have decided to start Don Bosco Incubation Centre (DBIC) to foster entrepreneurship amongst the students & faculty members and nurture technology start-ups. Hence, DBIT would endeavor to develop on - campus incubation center, which will provide scratch-to-scale support for technology-based entrepreneurship. Further, such center will facilitate the conversion of research activity into entrepreneurial ventures leading to paradigm shift in students' attitude from being a job seeker to becoming a jobcreator.

The proposed DBIT Incubation Centre (DBIC) will have a potential to create start-ups focusing on economic growth, social relevance and sustainability. DBIC will provide a platform for many new programs in collaboration with Government, Industry and Academia. DBIC would seek support from central and state governments including Department of Science and Technology (DST), MIDC and Atal Incubation Centre (AIC), etc.

The Policy and Procedures laid herein are applicable for operational matters related to Pre-incubation (Proof of Concept) and proposed Incubation (Physical or virtual) activities. The policy, therefore, is applicable to all DBIC supported entities and teams, which include start-ups, companies and individual teams supported:

a) under pre-incubation programs (Pre-incubatees)
b) under Physical and Virtual incubation (Incubatees/Companies/Incubatee companies)
c) under seed support programs of Don Bosco Center for Learning (DBCL)
d) using co-working space without formal incubation support

The National Innovation and Startup Policy (NISP) 2019 for Students and Faculty was launched by MHRD, now Ministry of Education (MoE) to guide HEI's to promote student and faculty driven innovations and startups. Further, the NISP 2019 will be instrumental in leveraging the potential of student's problem solving and entrepreneurial mind-set and promoting strong intra and inter-institutional partnerships.

A committee of eleven members was constituted in DBIT to formulate detailed guidelines for various aspects related to innovation, startup and entrepreneurship. This committee deliberated on various aspects of nurturing the innovation and startup culture in DBIT, which covered Intellectual Property ownership, revenue sharing mechanisms, norms for technology transfer and commercialization, equity sharing, etc. After multiple rounds of meetings, DBIT Innovation and Startup Policy was prepared for students and faculties of DBIT in particular and DBCL as well.

VISION

- We will strive to become a vibrant startup hub that promotes entrepreneurial culture amongst youth.

MISSION

- To develop incubation facilities & provide a conducive ecosystem for faculty & students to start-up
- To conduct events, informative sessions and motivational programs to help aspiring startups
- To collaborate and network with academia, industry, funding agencies, existing incubators and other benefactors to support the start-ups.

1. Procedure for Student Startups

a. A student/group of students should find out a problem statement and a potential solution to the predefined problem. The final year projects with innovative idea could be developed into a minimum viable product (MVP).

b. Each group will be assigned to a mentor and each group has to prepare a prototype or design.

c. The prototype will be evaluated by experts to decide whether it is eligible for a startup or not.

d. Once the idea/prototype is eligible for startup as decided by experts, this should be registered as a student startup under a form of business entity like Partnership Firm, LLP, Private Limited Company and One Person Company. Start-ups should provide a copy of the registration certificate/letter to DBIT.

e. In next step, the student startup should be admitted to the proposed DBIC for incubating startup.

f. Faculty members/group of faculty members would be allowed to collaborate with students.

2. Eligibility

The admission to DBIT Innovation and startup scheme can be in any one of the following categories:

CATEGORY I:
Faculty, academic staff and students of DBIT with the intent of setting up a technology business enterprise qualify for a pre- incubation project. The team must have an innovative idea and will undergo pre- incubation stage. It is expected that the team would become Category II team within 1 year from beginning the pre- incubation.

CATEGORY II:
Technology based Start-up Company promoted by an entrepreneur desirous of R&D partnership with the institute or a company, with the objective of commercializing a novel technological idea, scaling up a laboratory proven concept and setting up a technology business enterprise. Following are the eligibility criteria for admission to DBIT Innovation and startup scheme.

- It is open to the faculty, staff, researchers, alumni and students of DBIT.
- DBIT Innovation and startup policy would also welcome outside promoters.

- Majority of Founders/ core team should be Indian citizens.
- A company has to be registered with RoC (Registrar of Companies) to be incubated in the proposed DBIC(except Category I). A company not registered with RoC (Proprietorshipor Partnership) would have to do so within 6 months of admission to DBIC or before the disbursal of seed fund, whichever is earlier.
- DBIT Innovation and startup scheme would admit only technology based companies in any engineering discipline.

3. Admission Procedure

Those who want to avail DBIT innovation and startup scheme must register through website www.DBITincubator.in. (proposed) After registering online, they have to give details of their ideas, registration certificates etc. The confirmation of admission will be notified online.

4. Nurturing Innovation and startups

DBIT Innovation and startup scheme establish processes and mechanisms for easy creation and nurturing of Startups/enterprises by students, staff, faculty, alumni and potential start up applicants even from outside the institutions. The DBIT Innovation and startup scheme will ensure to achieve following:

Proposed Incubation support:

Offer access to pre-incubation & the proposed Incubation facility to start ups by students, staff and faculty for mutually acceptable time-frame.

Permission for licensing of IPR from institute to start up:

Students and faculty members with intention of starting up based on the technology developed or co-developed by them or the technology owned by the institute, should be allowed to take a license on the said technology on easy term, either in terms of equity in the venture and/ or license fees and/ or royalty to weed-out the early-stage financial burden.

Permission for setting up a startup and working part-time for the startups while studying / working:

DBIT will permit its students /staff to work on their innovative projects and setting up startups or work as intern / part-time in startups (incubated in any recognized HEIs/Incubators) while studying / working. Student inventors may also be permitted to opt for startup in place of their mini project/ major project, summer trainings. The salient features of incubation process are given below:

1. The student must describe how they will separate and clearly distinguish their

ongoing studies as a student from the work being conducted at the start up.

2. Students who are under incubation, while studying would be allowed to use their address in the institute to register their company with due permission from the institution.

3. Student entrepreneurs would be allowed to sit for the examination, even if their attendance is less than the minimum permissible percentage, with due permission from the institute.

4. DBIT will permit its students to take a semester/year break (or even more depending upon the decision of review committee constituted by the institute) to work on their startups and re-join academics to complete the course. Student entrepreneurs may earn academic credits for their efforts while creating an enterprise. Institute would set up a review committee for review of startup by students, and based on the progress made, it may consider giving appropriate credits for academics.

5. Faculty and staffs are allowed to take off for a semester / year (or even more depending upon the decision of review committee constituted by the institute) as unpaid leave/ casual leave/ earned leave for working on startups and come back. DBIT allows the use of its resource to faculty/students/staff wishing to establish start up as a fulltime effort. The seniority and other academic benefits during such period may be preserved for such staff or faculty.

6. DBIT will provide a part-time/full time MS/ MBA/ PGDM (Innovation, entrepreneurship and venture development) program where one can get degree while incubating and nurturing a startup company. AICTE has already issued guidelines for a similar program.

7. DBIT will facilitate the startup activities/ technology development by allowing students/ faculty/staff to use institute infrastructure and facilities, as per the choice of the potential entrepreneur in the following manners:

    a. Short-term/ six-month/ one-year part-time entrepreneurship training.
    b. Mentorship support on regular basis.
    c. Facilitation in a various area such as technology development, ideation, creativity, design thinking, fund raising, financial management, cash-flow management, new venture planning, business development, product development, social entrepreneurship, product costing, marketing, brand-development, human resource management as well as law and regulations impacting a business.
    d. DBIT may also link the startups to other seed-fund providers/ angel funds/ venture funds or itself may set up seed-fund once the incubation activities mature.
    e. In return of the services and facilities, DBIT will take 2% to 9.5% equity/ stake in the startup/company, based on brand used, faculty contribution, support provided and use of institute's IPR (a limit of 9.5% is suggested

so that institute has no legal liability arising out of startup. The institute should normally take much lower equity share, unless its full-time faculty/ staff have substantial shares). Other factors for consideration should be space, infrastructure, mentorship support, seed funds, support for accounts, legal, patents etc.

f. For staff and faculty, DBIT will take no-more than 20% of shares that staff / faculty takes while drawing full salary from the institution; however, this share will be within the 9.5% cap of company shares, listed above.

g. No restriction on shares that faculty / staff can take, as long as they do not spend more than 20% of office time on the startup in advisory or consultative role and do not compromise with their existing academic and administrative work / duties. In case the faculty/ staff holds the executive or managerial position for more than three months in a startup, then they will go on sabbatical/ leave without pay/ earned leave.

h. In case of compulsory equity model, Startup may be given a cooling period of 3 months to use incubation services on rental basis to take a final decision based on satisfaction of services offered by the DBIT/the proposed incubator. In that case, during the cooling period, institute cannot force startup to issue equity on the first day of granting incubation support.

i. The institute would also provide services based on mixture of equity, fee-based and/ or zero payment model. So, a startup may choose to avail only the support, not seed funding, by the institute on rental basis.

j. DBIT would extend this startup facility to alumni of the institute as well as outsiders.

k. DBIT will consider faculty participation in entrepreneurship related activities as a legitimate activity of faculty in addition to teaching, R&D projects, industrial consultancy and management duties. It will be considered while evaluating the annual performance of the faculty and every faculty would be encouraged to mentor at least one startup.

l. Product development and commercialization as well as participating and nurturing of startups would now be added to a bucket of faculty-duties and each faculty would choose a mix and match of these activities (in addition to minimum required teaching and guidance) and then respective faculty are evaluated accordingly for their performance and promotion.

m. DBIT will update/change/revise performance evaluation policies for faculty and staff as stated above.

n. DBIT would ensure that at no stage any liability accrue to it because of any activity of any startup.

4.1 Pre incubation facility

The phase of pre-incubation can prepare student entrepreneurs for the incubation phase by providing them prerequisite skills and knowledge that will help them validate and assess their ideas as well as define their business models in detail. In the pre- incubation planning phase, the activities such as identification of problems, idea generation, collection & screening of ideas, business plan preparation, prototype development & testing, would be performed so that student startup is finally registered and incubated. DBIT will permit admission into a start-up incubation/co-working space programme of any TBI (approved by GoI).

4.2 Incubation facility

After pre-incubation, student startups would be admitted in the proposed DBIC for availing incubation facility. The incubation facility would promote the received student ideas into successful startups. For this noble cause a number of facilities and services such as infrastructural services, mentoring & advisory services, market research & counseling, etc. would be by the proposed DBIC to incubatees so that the innovative ideas can be converted to successful startups.

5. IPR evaluation

Any IPR related activity will be dealt as per the proposed DBIT IPR policy. This document explains the policy and the procedures for the Intellectual Property filing, evaluation of Intellectual Property, ownership, royalty sharing and is applicable to all the full and part time employees full-as well as students. The document provides some salient features of IPR policy of DBIT and may be used as guidelines for IPR evaluation.

5.1 Evaluation of IP

Evaluation of Intellectual Property will be done by the proposed IPC (Intellectual Property Committee). IPC will assist various departments of DBIT in all matters relating to intellectual property. Among other responsibilities, the IPC will help various departments to secure protection for intellectual property and will review infringements, maintain central databases and files of patent applications, issued patents, trademarks and copyrights, licenses and agreements, coordinate with various departments in negotiating and preparing license and other agreements and review and approve as to form all agreements relating to intellectual property.

IPC shall be a standing committee with a tenure of five years. The Principal/Executive Director shall be the Chairman of this committee. Three members shall be nominated by the Principal/Executive Director from members of the faculty in order to provide broad technical expertise across various disciplines. The committee will invite subject experts as and when required. Evaluation of IP means:

- Determining the ownership of IP and who made the intellectual contribution.
- Determining whether an IP is innovative and qualifies the eligibility so given under respective statute in India or foreign countries.
- Determining whether the IP has a reasonable chance for commercialization.

5.2 Royalty Income Sharing

For transfer/ licensing of/ permission to use IP owned by DBIT in favor of the incubatee companies, the costs of securing the property, licensing, including the costs to operate and support a technology transfer office and IPC, and the costs of obtaining a patent or other protection for the property on behalf of the DBIT shall first be recaptured from any royalties or other license payments received by DBIT and the remainder of such income (including, but not limited to, license fees, prepaid royalties, minimum royalties, milestone payments and sublicense payments) shall be divided as per following proposed rule.

Cumulative Net Income	**Inventor**	**Department of the inventor**	**DBIT**
Rs. 1 to Rs. 1,00,000	65%	15%	20%
Rs. 1,00,001 to Rs. 5,00,000	60%	15%	25%
Above Rs. 5,00,000	50%	20%	30%

5.3 Product Ownership Rights for Technologies Developed at Institute

a. When DBIT facilities / funds are used substantially or when IPR is developed as a part of curriculum/ academic activity, IPR is to be jointly owned by inventors and DBIT.

b. On the other hand, if product/ IPR is developed by innovators not using any DBIT facilities, outside office hours (for staff and faculty) or not as a part of curriculum by student, then product/ IPR will be entirely owned by inventors in proportion to the contributions made by them. In this case, inventors can decide to license the technology to third parties or use the technology the way they deem fit.

c. If there is a dispute in ownership, a minimum five-member committee consisting of two faculty members (having developed sufficient IPR and translated to commercialization), two of the DBIT alumni/ industry experts (having experience in technology commercialization) and one legal adviser with experiencein IPR, will examine the issue after meeting the inventors and help them settle this, hopefully to everybody's satisfaction. DBIT will use alumni/ faculty of other institutes as members, if there is no sufficiently experienced alumni / faculty of its own.

d. The proposed DBIT IPR cell or incubation center will only be a coordinator and facilitator for providing services to faculty, staff and students. They will have no say on how the invention is carried out, how it is patented or how it is to be licensed. If

DBIT is to pay for patent filing, it will constitute a committee to examine whether the IPR is worth patenting. The committee should consist of faculty who have experience and excelled in technology translation. If inventors are using their own funds or non-DBIT funds, then they alone should have a say in patenting.

e. DBIT's decision-making body with respect to incubation / IPR / technology- licensing will consist of faculty and experts who have excelled in technology translation. Other faculty in the department / institute will have no say, including heads of department, heads of institutes, deans or registrars.

f. DBIT would promote interdisciplinary research and publications on startup and entrepreneurship.

6. Organization capacity, HR & Incentives

a. DBIT will appoint personnel with strong innovation and entrepreneurial/ industrial experience, behavior and attitude. This will help in fostering the I&E culture.

- Some of the relevant faculty members with prior exposure and interest would be deputed for training to promote I&E.
- To achieve better engagement of staff in entrepreneurial activities, institutional policy on career development of staff would be developed with constant upskilling.

b. Faculty and departments of the DBIT have to work in coherence and cross-departmental linkages should be strengthened through shared faculty, cross-faculty teaching and research in order to gain maximum utilization of internal resources and knowledge.

c. Periodically some external subject matter experts such as guest lecturers or alumni will be engaged for strategic advice and bringing in skills which are not available internally.

d. Faculty and staff are to be encouraged to do courses on innovation, entrepreneurship management and venture development. In order to attract and retain right people, institute would develop academic and non-academic incentives and reward mechanisms for all staff and stakeholders that actively contribute and support entrepreneurship agenda and activities.

- The reward system for the staff may include sabbaticals, office and lab space for entrepreneurial activities, reduced teaching loads, awards, trainings, etc.
- The recognition of the stakeholders may include offering use of facilities and services, strategy for shared risk, as guest teachers, fellowships, associateships, etc.
- A performance matrix would be developed and used for evaluation of annual performance.

7. Creating innovation pipeline & pathways

a. To ensure exposure of maximum students to innovation and pre incubation activities at their early stage and to support the pathway from ideation to innovation to market, mechanisms has been devised at DBIT.

- Spreading awareness among students, faculty and staff about the value of entrepreneurship and its role in career development or employability would be a part of the DBIT entrepreneurial agenda.
- Students/ staff would be taught that innovation (technology, process or business innovation) is a mechanism to solve the problems of the society and consumers. Entrepreneurs should innovate with focus on the market niche.
- Students would be encouraged to develop entrepreneurial mindset through experiential learning by exposing them to training in cognitive skills (e.g. design thinking, critical thinking, etc.), by inviting first generation local entrepreneurs or experts to address young minds. Initiatives like idea and innovation competitions, hackathons, workshops, boot camps, seminars, conferences, exhibitions, mentoring by academic and industry personnel, throwing real life challenges, awards and recognition would be routinely organized.
- To prepare the students for creating the start up through the education, integration of education activities with enterprise-related activities would be done.

b. DBIT would link its startups and companies with wider entrepreneurial ecosystem and by providing support to students who show potential, in pre-startup phase. Connecting student entrepreneurs with real life entrepreneurs will help the students in understanding real challenges which may be faced by them while going through the innovation funnel and will increase the probability of success.

c. DBIT has established Institution's Innovation Councils (IICs) as per the guidelines of MoE's Innovation Cell and allocated appropriate budget for its activities. DBIT IIC would guide departments in conducting various activities related to innovation, startup and entrepreneurship development. Collective and concentrated efforts would be undertaken to identify, scout, acknowledge, support and reward proven student ideas and innovations and to further facilitate their entrepreneurial journey.

d. For strengthening the innovation funnel, DBIT would endeavor to arrange for financing for the potential entrepreneurs.

- Networking events would be organized to create a platform for the budding entrepreneurs to meet investors and pitch their ideas.
- DBIT would provide business incubation facilities through the proposed DBIC: premises at subsidized cost. Laboratories, research facilities, IT services, training, mentoring, etc. should be accessible to the new start-ups.
- DBIT would develop a culture to promote the understanding that money is not FREE and is risk capital. The entrepreneur must utilize these funds and return.

While funding is taking risk on the entrepreneur, it is an obligation of the entrepreneur to make every effort possible to prove that the funding agency did right in funding him/ her.

- DBIT would develop a ready reckoner of Innovation Tool Kit, which will be kept on the homepage on DBIT's website to answer the doubts and queries of the innovators and enlisting the facilities available at the institute.

8. Norms for faculty startup

a. DBIT has created norms for faculty startups for better coordination of the entrepreneurial activities. Only those technologies would be taken for faculty start-ups which originate from within DBIT.

   - Role of faculty may vary from being an owner/ direct promoter, mentor, consultant or as on-board member of the startup.
   - DBIT would work on developing a policy on 'conflict of interests' to ensure that the regular duties of the faculty don't suffer owing to his/her involvement in the startup activities.
   - Faculty startup may consist of faculty members alone or with students or with faculty of other institutes or with alumni or with other entrepreneurs.

b. In case the faculty/ staff holds the executive or managerial position for more than three months in a start-up, they will go on sabbatical/ leave without pay/ utilize existing leave.

c. Faculty must clearly separate and distinguish on-going research at the institute from the work conducted at the startup/ company.

d. In case of selection of a faculty start up by an outside national or international accelerator, a maximum leave (as sabbatical/ existing leave/ unpaid leave/ casual leave/ earned leave) of one semester/ year (or even more depending upon the decision of review committee) may be permitted to the faculty.

e. Faculty must not accept gifts from the startup.

f. Faculty must not involve research staff or other staff of institute in activities at the startup and vice-versa.

9. Collaboration, Co-creation, Business relation

a. Stakeholder engagement would be given prime importance in the entrepreneurial agenda of DBIT and would find potential partners, resource organizations, micro, small and medium sized enterprises (MSMEs), social enterprises, schools, alumni, professional bodies and entrepreneurs to support entrepreneurship and co-design the programs.

b. DBIT would develop policy and guidelines for forming and managing the relationships with external stakeholders including private industries.

c. DBIT would exchange knowledge through collaboration & partnership and provide

support mechanisms and guidance for creating, managing and coordinating these relationships.

d. Through formal and informal mechanisms such as internships, teaching and research exchange programmes, clubs, social gatherings, etc., faculty, staff and students of the DBIT would be given the opportunities to connect with their external environment.

10. Periodic Assessment

Impact assessment of entrepreneurial initiatives such as pre-incubation, incubation, entrepreneurship education would be performed regularly using well defined evaluation parameters such as

a. Monitoring and evaluation of knowledge exchange initiatives, engagement of all departments and faculty in the entrepreneurial teaching-learning would be assessed.

b. Number of startups created, support system provided at DBIT and satisfaction of participants, new business relationships created by DBIT would be recorded and used for impact assessment.

c. Impact would also be measured for the support system provided by DBIT to the student entrepreneurs, faculty and staff for pre-incubation, incubation, IPR protection, industry linkages, exposure to entrepreneurial ecosystem, etc.

d. Formulation of strategy and impact assessment would go hand in hand. The information on impact of the activities would be actively used while developing and reviewing the entrepreneurial strategy.

e. Impact assessment for measuring the success would be in terms of sustainable social, financial and technological impact in the market.

11. Conflict of Interest

The inventor(s) are required to disclose any conflict of interest or potential conflict of interest. If the inventor(s) and/or their immediate family have a stake in a licensee or potential licensee company then they are required to disclose the stake they and/or their immediate family have in the company. Under these circumstances, it must be ensured by the inventor(s) that their entrepreneurial activities do not have an adverse impact on inventor(s) teaching, research and any other institutional responsibilities.

12. Agreements

The agreements such as Incubation agreement, Non-Disclosure agreement, Equity agreement, Technology transfer/Technology license agreement, loan agreement, usage of Lab agreement, etc. with DBIT would be required to be signed by the startup companies to the extent applicable:

13. Disclaimer

The incubatee company will understand and acknowledge that DBIT intends to provide supports and services to the Company in good faith to pursue its objective to promote entrepreneurship by converting innovative technologies developed at DBIT to commercialization by incubating and supporting new enterprises. It is understood that by agreeing to provide various supports and services, DBIT does not undertake responsibility for:

- Ensuring the success of an incubatee company, its products/ process/ services or marketability.
- Ensuring quality of support and services provided by DBIT to the complete satisfaction of the incubatee companies or their promoters/ founders.
- Ensuring quality of services of the consultants engaged by the incubatee companies through DBIT/DBIT network. Incubatee companies will have to apply their judgements before getting in to a relationship with them.
- The incubatee companies agree that DBIT or their employees shall not be held liable for any reason on account of the above.

14. Others:

a. DBIT does not guarantee success and/or feasibility of the technology transferred from the Institute. DBIT or any person representing them shall not be liable for any acts or omissions of the incubated company.

b. The above policy is subject to periodical review and amendment at any time.

c. Any/all disputes between the parties shall be referred for arbitration to the competent authority, whose decision will be final and binding upon the parties. The place of arbitration shall be Mumbai.

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