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**GNITS - INNOVATION AND STARTUP POLICY
[Aligned with National Innovation and Start-up Policy (NISP)]**

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Vision

Our vision is to create an ecosystem to promote Innovation and Entrepreneurship among students, faculty and the local community and guide them toward successful startups and enterprises.

Mission

- Implement and regulate IIC guidelines for developing an innovation ecosystem
- Integrate innovation and entrepreneurship courses as a part of academics.
- Develop innovation and incubation ecosystem by conducting Hackathons, Ideathons, and design competitions
- Create collaboration with industry and academic experts to share expertise on innovation and entrepreneurship
- Conduct pre-scheduled awareness and training programs on deep tech innovation and entrepreneurship
- Establish the required infrastructure to support the ecosystem.

Short-term Goals

- To develop novel, innovative, design and critical thinking skills to motivate students and faculties towards innovation and entrepreneurship through course projects, Mini-projects and interdisciplinary major projects
- To reinforce the institution-industry interactions and to channel its outcome towards achieving the mission.
- To nurture entrepreneurial culture by organizing a large number of relevant Faculty Development Programs (FDPs), Short Term Training Programs (STTPs), seminars, hackathons and workshops.
- To assist student groups to prototype their innovative ideas.

Long-term Goals

- To promote research and IPR activities among the students and faculty community as part of their Teaching and learning activities
- To associate with the government bodies like DST, CII, MSME and other academic institutions for transferring world-class facilities to the stakeholders of GNITS.
- To extend dedicated support to Indian-based start-ups developing innovative technology solutions.
- To provide a platform for young students to develop products with global recognition that can generate business opportunities.
- To encourage start-up initiatives by providing opportunities to explore more into consultancy activities.

Strategies and Governance

- a. To facilitate the development of an entrepreneurial ecosystem in GNITS and nearby areas, specific objective and associated key performance indicators will be periodically defined for assessment.
- b. Resource mobilization plan will be worked out at the GNITS for supporting innovation, pre-incubation, incubation infrastructure, and facilities. A sustainable financial strategy will be defined in order to reduce the organizational constraints to work on the entrepreneurial agenda.
 - i. Minimum 1% fund of the total annual budget of the institution should be allocated for funding and supporting innovation and startups related activities through creation of separate 'Innovation fund'.
 - ii. The strategy should also involve raising funds from diverse sources to reduce dependency on the public funding. Bringing in external funding through government (state and central) such as DST, DBT, MHRD, AICTE, TDB, TIFAC, DSIR, CSIR, BIRAC, NSTEDB, NRDC, Startup India, Invest India, MeitY, MSDE, MSME, etc. and non- government sources should be encouraged.
 - iii. To support technology incubators, academic institutes may approach private and corporate sectors to generate funds, under Corporate Social Responsibility (CSR) as per Section 135 of the Company Act 2013.
- c. Institute may also raise funding through sponsorships and donations. GNITS should actively engage alumni network for promoting Innovation & Entrepreneurship (I&E).
- d. For expediting the decision-making, hierarchical barriers will be minimized and individual autonomy and ownership of initiatives will be promoted.
- e. Institute should develop and implement I&E strategy and policy for the entire institute in order to integrate the entrepreneurial activities across various centers, departments, faculties, within the institute, thus breaking the barriers.
- f. Importance of innovation and entrepreneurial agenda should be known across GNITS and should be promoted and highlighted at institutional programs such as conferences, workshops, etc.
- g. Development of entrepreneurship culture should not be limited within the boundaries of the Institute. Institute should be the driving force in developing entrepreneurship culture in its vicinity (regional, social and community level). Moreover, international exchange programs, internships, engaging the international faculties in teaching and research should also be promoted.

Startups Enabling Institutional Infrastructure

Pre-incubation and incubation facilities for nurturing innovations and startups will be created. Incubation and Innovation can be organically interlinked and effort will be to link Innovation to Enterprises to Financial Success.

- a. AIC-GNITS Foundation will provide facilities to support pre-incubation and Incubation/ acceleration by mobilizing resources from internal and external sources.

- b. Pre-Incubation/Incubation facility part of AIC-GNITS will be accessible 24x7 to students, staff, and faculty of all disciplines and departments across the institute.
- c. AIC-GNITS Foundation, registered under Section-8 of the company act 2013 with independent governance structure. This will allow more freedom to Incubators in decision-making with less administrative hassles for executing the programs related to innovation, IPR and Startups. Moreover, they will have better accountability toward investors supporting the incubation facility.
- d. Mentoring and other relevant services may be offered through Pre-incubation/Incubation units in-return for fees, equity sharing and (or) zero payment basis through AIC-GNITS Foundation.

Nurturing Innovations and Start ups

- a. GNITS will establish processes and mechanisms for easy creation and nurturing of Start ups/enterprises by students (UG, PG), staff (including temporary or project staff), faculty, alumni and potential start up applicants even from outside the institutions
- b. While defining their processes, GNITS will ensure to achieve following:
 - i. **Incubation support:** Offer access to pre-incubation & Incubation facility to start ups by students, staff and faculty for mutually acceptable time-frame through AIC-GNITS Foundation.
 - ii. GNITS will allow IPR license on the developed technology on easy term, either in terms of equity in the venture and/ or license fees and/ or royalty to obviate the early-stage financial burden.
 - iii. GNITS will allow their students/staff to work on their innovative projects and setting up start-ups or work as intern / part-time in start-ups (incubated in AIC-GNITS or any Incubator in the Innovation ecosystem in Telangana) while studying / working. Student inventors may also be allowed to opt for start-up in place of their mini project/ major project, seminars, summer trainings.
- c. Students who are under incubation, but are pursuing some entrepreneurial ventures while studying will be allowed to use their address in the institute to register their company with due permission from the Principal, GNITS and the G. Pulla Reddy Educational Trust Managing Trustees.
- d. Students' entrepreneurs should be allowed to sit for the examination, even if their attendance is less than the minimum permissible percentage, with due permission from the institute.
- e. GNITS will allow their 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.
- f. The institute should explore provision of accommodation to the entrepreneurs within the campus for some period.
- g. Allow faculty and staff to take off for a semester / year (or even more depending upon the decision of review committee constituted by the institute) as sabbatical/ unpaid leave/ casual leave/ earned leave for working on start-ups and come back. Institution may consider allowing use of its resource to faculty/students/staff wishing to establish start up as a full-time effort.

- h. Institute will facilitate the start-up activities/ technology development by allowing students/ faculty/ staff to use institute infrastructure and facilities, as per the choice of the potential entrepreneur through AIC-GNITS Foundation in the following manners:
- i. Short-term/ six-month/ one-year part-time entrepreneurship training.
 - ii. Mentorship support from AIC-GNITS on a regular basis.
 - iii. Facilitation in a variety of areas including technology development, ideation, creativity, design thinking, fundraising, financial management, cash-flow management, new venture planning, business development, product development, technology entrepreneurship, product costing, marketing, brand development, human resource management as well as law and regulations impacting a business.
 - iv. Institute may also link the start-ups to other seed-fund providers/ angel funds/ venture funds or itself may provide the seed fund once the incubation activities mature.
 - v. License institute IPR as discussed in [Product Ownership Rights](#) below
 - i. In return, of the services and facilities, the institute may take 2% to 8% equity/ stake in the start-up/ company, based on brand used, faculty contribution, support provided, and use of institute's IPR.
- For staff and faculty, institute can 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 8% cap of company shares, listed above.
 - No restriction on shares that faculty/staff can take, as long as they do not spend more than 20% of office time on the start-up 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 start-up, then they will go on sabbatical/ leave without pay/ earned leave.
 - In case of compulsory equity model, Start-up may be given a cooling period of 3 months to use incubation services on a rental basis to take a final decision based on satisfaction of services offered by GNITS or AIC-GNITS Foundation. In that case, during the cooling period, institute cannot force start-up to issue equity on the first day of granting incubation support.
- j. The institute will also provide services based on mixture of equity, fee-based and/ or zero payment model. So, a start-up may choose to avail only the support, not seed funding, by the institute on rental basis.
 - k. Institute could extend this start-up facility to alumni of the institute as well as outsiders
 - l. Participation in start-up related activities needs to be considered as a legitimate activity of faculty in addition to teaching, R&D projects, industrial consultancy, and management duties and must be considered while evaluating the annual performance of the faculty. Every faculty may be encouraged to mentor at least one start-up. Product development and commercialization as well as participating and nurturing of start-ups 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. GNITS will update/change/revise performance evaluation policies for faculty and staff as stated above.
- n. GNITS ensure that at no stage any liability accrue to it because of any activity of any start-up.

Product Ownership Rights for Technologies Developed at Institute

- a. When institute 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 the institute.
 - i. Inventors and GNITS could together license the product / IPR to any commercial organisation, with inventors having the primary say. License fees could be either / or a mix of
 - a. Upfront fees or one-time technology transfer fees
 - b. Royalty as a percentage of sale-price
 - c. Shares in the company licensing the product
 - ii. GNITS will not hold the equity as per the current statute, so the Incubation centre i.e., AIC-GNITS Foundation will hold equity on their behalf.
 - iii. If one or more of the inventors wish to incubate a company and license the product to this company, the royalties would be no more than 4% of sale price, preferably 1 to 2%, unless it is pure software product. If it is shares in the company, shares will again be 1% to 4%. For a pure software product licensing, there may be revenue sharing to be mutually decided between the Incubation centre and the incubated company.
- b. On the other hand, if product/ IPR is developed by innovators not using any institute 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-membered committee consisting of two faculty members (having developed sufficient IPR and translated to commercialisation), two of the institute industry experts / alumni (having experience in technology commercialisation) and one legal advisor with experience in IPR, will examine the issue after meeting the inventors and help them settle this, hopefully to everybody's satisfaction. GNITS can use alumni/ faculty of other institutes as members, if they cannot find sufficiently experienced alumni/ faculty of their own.
- d. GNITS incubation centre i.e. AIC GNITS Foundation 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 however in specific case, clarifications can be sought. When GNITS is paying for patent filing, the institute will constitute a committee that can 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-university funds, then they alone should have a say in patenting.
- e. Institute'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. Interdisciplinary research and publication on start-up and entrepreneurship should be promoted by the institutions.

Organizational Capacity, Human Resources and Incentives

- a. GNITS will recruit staff that have a strong innovation and entrepreneurial/ industrial experience, behaviour and attitude. This will help in fostering the I&E culture
 - i. Some of the relevant faculty members with prior exposure and interest should be deputed for training to promote I&E.
 - ii. To achieve better engagement of staff in entrepreneurial activities, institutional policy on career development of staff should be developed with constant upskilling
- b. Faculty and departments of the institute 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 can be engaged for strategic advice and bringing in skills which are not available internally.
- d. Faculty and staff should be encouraged to do courses on innovation, entrepreneurship management and venture development.
- e. In order to attract and retain the right people, institute should develop academic and non-academic incentives and reward mechanisms for all staff and stakeholders that actively contribute and support entrepreneurship agenda and activities.
 - i. The reward system for the staff may include sabbaticals, office and lab space for entrepreneurial activities, reduced teaching loads, awards, training, etc.
 - ii. The recognition of the stakeholders may include offering use of facilities and services, strategy for shared risk, as guest teachers, fellowships, associateships, etc.
 - iii. A performance matrix will be developed and used for evaluation of annual performance.

Creating Innovation Pipeline and Pathways for Entrepreneurs at Institute Level

- 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 will be devised at institute level.
 - i. Spreading awareness among students, faculty and staff about the value of entrepreneurship and its role in career development or employability will be a part of the GNITS entrepreneurial agenda.
 - ii. Students/ staff will be taught that innovation (technology, process or business innovation) is a mechanism to solve the problems of the society and consumers. Entrepreneurs will innovate with a focus on the market niche.
 - iii. Students will be encouraged to develop an entrepreneurial mind set 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 will be routinely organized.
- iv. To prepare the students for creating the start up through the education, integration of education activities with enterprise related activities will be done.
 - b. GNITS will link their start-ups and companies with wider entrepreneurial ecosystem and by providing support to students who show potential, in prestart up 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. GNITS will establish Institution's Innovation Councils (IICs) as per the guidelines of MHRD's Innovation Cell and allocate an appropriate budget for its activities. IICs should guide institutions in conducting various activities related to innovation, start-up and entrepreneurship development. Collective and concentrated efforts should 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 of the GNITS, access to financing must be opened for the potential entrepreneurs.
 - i. Networking events must be organized to create a platform for the budding entrepreneurs to meet investors and pitch their ideas.
 - ii. Provide business incubation facilities: premises at a subsidised cost. Laboratories, research facilities, IT services, training, mentoring, etc. will be accessible to the new start-ups.
 - iii. A culture needs to be promoted to understand that money is not FREE and is risk capital. The entrepreneur must utilize these funds and return them. 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.

Norms for Faculty Start-ups

- a. For better coordination of entrepreneurial activities, norms for faculty to do start-ups will be created by the GNITS. Only those technologies will be taken for faculty start-ups that originate from within the GNITS.
 - i. Role of faculty may vary from being an owner/ direct promoter, mentor, consultant or as on-board member of the start-up.
 - ii. Institutes will 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 start-up activities.
 - iii. Faculty start-up 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 ongoing research at the institute from the work conducted at the start-up/ 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 constituted by the institute) may be permitted to the faculty.
- e. Faculty must not accept gifts from the start-up.
 - f. Faculty must not involve research staff or other staff of the institute in activities at the start-up and vice-versa.
 - g. Human subject-related research in start-up should get clearance from ethics committee of the institution.
 - h. Institute shall bear the incorporation expenses of the Faculty start-up and also support the Faculty start-up through AIC-GNITS on a case-to-case basis
 - i. Institute shall take upto 20% of the company shares as the Faculty are working full time for the institute. The compulsory equity model is dependent on the support provided by the institution in terms of both intangible and tangible benefits.

Norms for Student Start-ups

- a. The students of GNITS should incorporate a company with a GNITS Faculty, if the idea belongs to the Faculty of GNITS
- b. If the student is getting benefitted through GNITS faculty or AIC-GNITS mentors by way of mentoring, funding, etc., GNITS has the right to take a compulsory equity of 2% to 20% depending on the nature of support AIC-GNITS has been extending
- c. In case the GNITS student alumni are working on a research idea in the college during her tenure and are interested to incorporate the company to take the research idea further, it is under the discretion of the Faculty in charge of the research project and GNITS to take a decision regarding the incorporation and GNITS shall extend all possible support to mentor the students and faculty.
- d. The incorporation expenses shall be borne by GNITS and AIC-GNITS shall mentor the students and faculty to develop the prototype and enter into the market.
- e. AIC-GNITS shall also provide opportunities to alumni student start-ups in terms of market acceleration, and domain-specific internships to develop the Proof of Concept of the idea.
- f. The students cannot accept gifts from the start-up
- g. The students/faculty shall inform and discuss with the AIC-GNITS team, the changes in the shareholding pattern, or before taking any executive decisions regarding the company.

Pedagogy and Learning Interventions for Entrepreneurship Development

- a. Diversified approach should be adopted to produce desirable learning outcomes, which should include cross-disciplinary learning using mentors, labs, case studies, games, etc. in place of traditional lecture-based delivery.
 - i. Student clubs/ bodies/ departments must be created for organizing competitions, bootcamps, workshops, awards, etc. These bodies should be involved in institutional strategy planning to ensure enhancement of the student's thinking and responding ability.
 - ii. Institute will start annual 'INNOVATION & ENTREPRENEURSHIP AWARD' to recognize outstanding ideas, successful enterprises and contributors for promoting innovation and enterprises ecosystem within the institute.

- iii. For creating awareness among the students, the teaching methods should include case studies on business failure and real-life experience reports by start-ups.
- iv. Tolerating and encouraging failures: Our systems are not designed for tolerating and encouraging failure. Failures need to be elaborately discussed and debated to imbibe that failure is a part of life, thus helping in reducing the social stigma associated with it. Very importantly, this will be a part of institute's philosophy and culture.
- v. Innovation champions should be nominated from within the students/ faculty/ staff for each department/ stream of study.
- b. Entrepreneurship education should be imparted to students at curricular/ co-curricular/ extracurricular level through elective/ short term or long-term courses on innovation, entrepreneurship and venture development. Validated learning outcomes should be made available to the students.
 - i. Integration of expertise of the external stakeholders should be done in the entrepreneurship education to evolve a culture of collaboration and engagement with external environment.
 - ii. In the beginning of every academic session, institute will conduct an induction program about the importance of innovation and entrepreneurship (I&E) so that freshly inducted students are made aware about the entrepreneurial agenda of the institute and available support systems. Curriculum for the entrepreneurship education should be continuously updated based on entrepreneurship research outcomes. This should also include case studies on failures.
 - iii. Industry linkages should be leveraged for conducting research and survey on trends in technology, research, innovation, and market intelligence.
 - iv. Sensitization of students should be done for their understanding on expected learning outcomes.
 - v. Student innovators, start-ups, experts must be engaged in the dialogue process while developing the strategy so that it becomes need based.
 - vi. Customized teaching and training materials should be developed for start-ups.
 - vii. It must be noted that not everyone can become an entrepreneur. The entrepreneur is a leader, who would convert an innovation successfully into a product; Others may join the leader and work for the start-up. It is important to understand that entrepreneurship is about risk taking. One must carefully evaluate whether a student is capable and willing to take risk.
- c. Pedagogical changes need to be done to ensure that a maximum number of student projects and innovations are based around real life challenges. Learning interventions developed by the institute for inculcating entrepreneurial culture should be constantly reviewed and updated.

Collaboration, Co-creation, Business Relationships and Knowledge Exchange

- a. Stakeholder engagement will be given prime importance in the entrepreneurial agenda of the GNITS. Institute will 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.

- i. To encourage co-creation, bi-directional flow/ exchange of knowledge and people will be ensured between institutes/ organisations such as incubators, software technology parks of India and science parks, etc.
- ii. GNITS will organize networking events for better engagement of collaborators and will open up the opportunities for staff, faculty and students to allow constant flow of ideas and knowledge through meetings, workshops, space for collaboration and lectures etc.
- iii. Mechanism will be developed by the institute to capitalize on the knowledge gained through these collaborations.
- iv. Care will be taken to ensure that events don't become an end goal. First focus of the Technology Business Incubator will be to create successful ventures.
- b. The institute will develop policy and guidelines for forming and managing the relationships with external stakeholders including private industries.
- c. Knowledge exchange through collaboration and partnership should be made a part of GNITS policy and institute will provide support mechanisms and guidance for creating, managing and coordinating these relationships.
 - i. Through formal and informal mechanisms such as internships, teaching and research exchange programmes, clubs, social gatherings, etc., faculty, staff and students of GNITS will be given the opportunities to connect with their external environment.
 - ii. Connect of the GNITS with the external environment must be leveraged in form of absorbing information and experience from the external ecosystem into the institute's environment.
 - iii. Single Point of Contact (SPOC) mechanism should be created in the institute for the students, faculty, collaborators, partners and other stakeholders to ensure access to information.
 - iv. Mechanisms will be devised by the institute to ensure maximum exploitation of entrepreneurial opportunities with industrial and commercial collaborators.
 - v. Knowledge management should be done by the institute through development of innovation knowledge platform using in-house Information & Communication Technology (ICT) capabilities.

Entrepreneurial Impact Assessment

- a. Impact assessment of institute's entrepreneurial initiatives such as pre-incubation, incubation, entrepreneurship education should be performed regularly using well defined evaluation parameters.
 - i. Monitoring and evaluation of knowledge exchange initiatives, engagement of all departments and faculty in the entrepreneurial teaching and learning should be assessed.
 - ii. Number of start-ups created, support system provided at the institutional level and satisfaction of participants, new business relationships created by the institute will be recorded and used for impact assessment.
 - iii. Impact should also be measured for the support system provided by the institute to the student entrepreneurs, faculty and staff for pre-incubation, incubation, IPR protection, industry linkages, exposure to entrepreneurial ecosystem, etc.

- b. Formulation of strategy and impact assessment should go hand in hand. The information on impact of the activities should be actively used while developing and reviewing the entrepreneurial strategy.
- c. Impact assessment for measuring the success should be in terms of sustainable social, financial and technological impact in the market. For innovations at pre-commercial stage, development of sustainable enterprise model is critical. COMMERCIAL success is the ONLY measure in long run.

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