



**Learn Lead Serve**

# **SRI SRI UNIVERSITY**

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## **INNOVATION AND STARTUP POLICY**



# **ABOUT THE INCUBATOR**

## **SSU Innovation Pvt. Ltd.: An Incubator**

Inspired by Sri Sri Ravi Shankar Ji's initiatives to create job creators, Sri Sri University has started MBA in Entrepreneurship. Sri Sri University (SSU) is the only university in Eastern India, which has two years full-time programme in Entrepreneurship, which is approved by AICTE, Govt. of India. Many of our alumni have started their ventures in the areas of solar energy, IT, agriculture, organic food trading, skill development, education and have achieved noble turnover within a period of 3-4 years of time.

SSU Innovation Pvt. Ltd., the incubation center of Sri Sri University conducts mentoring sessions for the budding entrepreneurs of our campus on a regular basis. Our signature event Startup Forerunner is organized every year, where we invite sector specific mentors, incubators and investors to strengthen the startup ecosystem of SSU and support startup ecosystem of Odisha. We also conduct various workshops on the Business model, Business plan, Pitch deck development, how to raise funding, pitch lab, etc. frequently in our campus. Our University contributed maximum number of business ideas to the Startup Yatra organized by Govt. of India in the recent past. Sri Sri University is recognized as a Nodal agency for registering, evaluating and recommending for funding for startups registered in Odisha in the areas of Agri Entrepreneurship, Food Processing and Social Entrepreneurship.

## **Vision, Mission and Objectives**

### **Vision**

- To be a center of excellence that fosters synergy between the academia and the industry that fuels entrepreneurial spirit through offering a conducive ecosystem to promote the innovation capacity of the startups/ SMEs to create new technology based products and markets leading to the job creation to strengthen the regional and national economy.

### **Mission**

- Create awareness among the students & graduates about the importance of small and medium business houses towards community development.



- Support them to develop independent self-sustaining business ventures.
- Enhancing links between institutes of repute, research institutions and the business community.
- Contribute to the growth and success of emerging technology businesses.

## **Objectives**

- To inculcate a culture of innovation driven entrepreneurship in the state.
- To foster an entrepreneurial culture, by providing the students, alumni, and budding startups, opportunities to transform their business ideas to reality.
- To provide a conducive working environment to the incubatees to nurture their innovative ideas.
- To liaise with private and public sector funding sources, government agencies, industrial associations, chambers of commerce and industries to provide facilitation and networking for incubate companies.
- To promote new technology/ knowledge/ innovation based startups.
- To provide a platform for speedy commercialization of technology developed by new entrepreneurs.
- To build a vibrant startup ecosystem, by establishing a network between academia, financial institutions, industries, and other institutes.
- Assistance to existing incubatees by way of specialized services e.g. patenting, "Copyright", arrangement of venture capital, helping towards marketing of products & processes. Awareness.

## **STRATEGIES AND GOVERNANCE**

- a) Entrepreneurship promotion and development will be one of the major dimensions of SSU strategy. To facilitate development of an entrepreneurial ecosystem in SSU, specific objectives and associated performance indicators will be defined for assessment.
- b) Resource mobilization plan has been worked out at SSU for supporting pre-incubation, incubation infrastructure and facilities. A sustainable financial strategy is also defined in order to reduce the organizational constraints to work on the entrepreneurial agenda.
  - Investment in the entrepreneurial activities is a part of the institutional financial strategy. Minimum 1% fund of the total annual budget of the institution is allocated for funding and supporting innovation and startups related activities through creation of separate 'Innovation fund'.



- SSU has also plan in 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.
  - To support technology incubators, SSU shall approach private and corporate sectors to generate funds, under Corporate Social Responsibility (CSR) as per Section 135 of the Company Act 2013. SSU may also raise funding through sponsorships and donations. SSU will actively engage alumni network for promoting Innovation & Entrepreneurship (I&E).
- c) For expediting the decision making, hierarchical barriers should be minimized and individual autonomy and ownership of initiatives would be promoted.
  - d) Student and faculty startup Policy and action plan is formulated at university level, which is in line with the current document along with well-defined short-term and long-term goals.
  - e) SSU has developed and implemented I & E strategy and policy for the entire institute in order to integrate the entrepreneurial activities across various centers, departments, faculties, within the institutes, thus breaking the silos.
  - f) Product to market strategy for startups will be developed by the institute on case to case basis.
  - g) Development of entrepreneurship culture will not be limited within the boundaries of the institution, but also in developing entrepreneurship culture in its vicinity (regional, social and community level).
  - h) Strategic international partnerships will be developed using bilateral and multilateral channels with international innovation clusters and other relevant organizations. Moreover, international exchange programs, internships, engaging the international faculties in teaching and research would also be promoted.

## NURTURING INNOVATIONS AND STARTUPS

1. Incubation support: Offer access to pre-incubation & incubation facility to start ups by students, staff and faculty members for mutually acceptable time-frame.
2. Licensing of IPR from institute to start up: Ideally students and faculty members intending to initiate a startup 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 obviate the early stage financial burden.

3. Setting up a startup (including social startups) and working part-time for the startups while studying / working: SSU will allow their students / staff to work on their innovative projects and setting up startups (including Social startups) or work as intern / part-time in startups while studying / working. Student Entrepreneurs may earn credits for working on innovative prototypes/Business Models. Student inventors will also be allowed to opt for startup in place of their mini project/ major project, seminars, summer trainings.
4. Students who are under incubation, but are pursuing some entrepreneurial ventures while studying will be allowed to use their address in the University to register their company with due permission from the competent authority of the University. The Startup can use the address of the University maximum for a period of one year. SSU/SSU Innovation Pvt. Ltd. will not have any liability (legal or financial) accrue to it at any stage, because of any kind of physical, financial, moral activity of any startup, which will be clearly mentioned in the agreement for onboarding of the incubates in the incubation centre.
5. Students who are entrepreneurs will be allowed to sit for the examination, even if their attendance is less than the minimum permissible percentage, with due permission from the competent authority of the University.
6. SSU 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. Student entrepreneurs may earn academic credits for their efforts while creating an enterprise. SSU shall set up a review committee for review of start up by students, and based on the progress made, it may consider giving appropriate credits for academics.
7. SSU shall 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 startups and come back. SSU shall consider allowing 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 members.
8. SSU shall facilitate the startup activities/ technology development by allowing students/ faculty/staff members to use institute infrastructure and facilities, as per the choice of the potential entrepreneur in the following manners:



- Short-term/ six-month/ one-year part-time entrepreneurship training.
  - Mentorship support on regular basis.
  - Facilitation in a variety of areas including 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.
  - SSU 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.
9. In return of the services and facilities, the SPV of SSU, i.e. SSU Innovation Pvt. Ltd. will take 2% - 9.5% equity/ stake in the startup/company, based on the support services provided and the turnover of the startup (Annexure A may be referred)
- For staff and faculty, SSU 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 9.5% cap of company shares, listed above.
  - Faculty and staff members can have stake in the student startups for providing support in the areas of; mentoring, product development, IPR, market linkage, investment, etc. There will be a tripartite agreement between the Startup, SSU Innovation Pvt. Ltd. and the faculty member. The exit period will be at least 3 years for faculty members. If the faculty member leaves SSU in less than 3 years, the stake will be transferred to SSU Innovation Pvt. Ltd. and can further be given to a new faculty member, who would be taking up the responsibility for the startup. If the startup represents its dis-satisfaction for the mentoring support provided by the faculty member, then SSU Innovation Pvt. Ltd. will have the right to settle the dispute mutually beneficial for all the stakeholders. 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.
  - 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 SSU. In that case, during the cooling period, University cannot force startup to issue equity on the first day of granting incubation support.



10. SSU shall 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.
11. SSU shall also extend this startup facility to alumni of the University as well as outsiders.
12. Participation in startup related activities will be considered as a legitimate activity of faculty members in addition to teaching, R&D projects, industrial consultancy and management duties and will be considered while evaluating the annual performance of the faculty. Every faculty will be encouraged to mentor at least one startup.
13. Product development and commercialization as well as participating and nurturing of startups will 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. This will be at the discretion Hon'ble Vice Chancellor of the University.
14. SSU will not have any liability accrue to it at any stage, because of any activity of any startup.

## **SUPPORT & ASSISTANCE FOR BUDDING ENTREPRENEURS**

- **Mentoring Support**- *Mentoring is most often defined* as a professional relationship in which an experienced person. (the *mentor*) assists another (the mentored) in developing specific skills and knowledge that will enhance the less-experienced person's professional and personal growth. SSU will provide mentoring support through its experienced mentors (successful startup founders, industry experts, academicians, etc.) at least once in a fortnight.
- **Prototype Development** - The Prototyping Model is a systems development method (SDM) in which a prototype (an early approximation of a final system or product) is built, tested, and then reworked as necessary until an acceptable prototype is finally achieved, from which the complete system or product can be developed. SSU will provide knowledge, mentoring and laboratory support for development of prototype, minimum viable product (MVP) and product.
- **Market Testing** - To test multiple marketing scenarios and select the most promising for expansion. Introducing a new product or service without first testing the market is like jumping off a cliff into the sea, blindfolded--unthinkable, life threatening, treacherous and unnecessarily risky. SSU will provide marketing support startups to the incubated startups
- **Product Development** - The creation of products with new or different characteristics that offer new or additional benefits to the customer. Product development may involve modification of an



existing product or its presentation, or formulation of an entirely new product that satisfies a newly defined customer want or market niche.

- **IPR Support:** Patent filing for provisional and final publication support will be provided by the incubation Centre.
- **Market Linkage** - The market linkage model of startups will facilitate trade relationships between the target population or “clients,” small producers, local firms and cooperatives, and the external market.
- **Pitch deck Development Support** - A pitch deck is a brief presentation, often created using PowerPoint, Keynote or Prize, used to provide your audience with a quick overview of your business plan. You will usually use your pitch deck during face-to-face or online meetings with potential investors, customers, partners, and co-founders.
- **Investor Linkage** – SSU will provide the support of connecting investors of different categories such as; seed funding agencies, angel investors, venture capitalists to startups

## **Workshop**

- **Design Thinking workshop** – *Design Thinking* is revolutionizing work as we know it. The principles and processes of *Design Thinking* are helping folks in our time directly approach complex problems, innovate collaboratively, and create holistic, sustainable solutions with a **human-centered focus**.
- **Idea evaluation workshop** - Generating a large number of ideas is a key part of the creative thinking process. For brainstorms and creative thinking sessions the evaluation phase of the process is critical and typically needs as much time and attention as the idea generation.
- **Business model canvas workshop** - Business Model Canvas and Value Proposition Canvas Workshops. A business model is the foundation upon which an organization's strategy is built. In today's ever-changing economic climate, companies must review their business model from time to time to maximize their performance and cultivate their growth.
- **Business plan workshop** - Shop floor or facility where actual physical work (such as machining) is performed. Training class or seminar in which the participants work individually and/or in groups to solve actual work related tasks to gain hands-on experience.
- **How to identify cofounder workshop** - A person who, in conjunction with one or two other individuals, is instrumental in starting a business, charity or some other enterprise.

## **Physical Infrastructure**

Furnished/Semi-furnished space as per the requirement of the startup

- Internet



- Electricity
- Water facility
- Hostel facility, if available
- Laboratory and workshop facilities
- Library facility
- Conference Hall & Meeting room (with nominal charge)
- Mentoring support
- Cubicle
- Telephone service
- Cafeteria and Canteen

## **NORMS FOR FACULTY STARTUPS**

1. Only those technologies should be taken for faculty startups which originate from within SSU.
2. Role of faculty may vary from being an owner/ direct promoter, mentor, consultant or as on-board member of the startup.
3. Faculty member startup may consist of faculty members alone or with students or with faculty of other institutes or with alumni or with other entrepreneurs.
4. In case the faculty/ staff member holds the executive or managerial position for more than three months in a startup, they will go on sabbatical/ leave without pay/ utilize existing leave.
5. Faculty member must clearly separate and distinguish on-going research at the institute from the work conducted at the startup/ company.
6. In case of selection of a faculty member 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 member.
7. Faculty member must not accept gifts from the startup.
8. Faculty member must not involve research staff or other staff of institute in activities at the startup and vice-versa.
9. Human subject related research in startup should get clearance from ethics committee of the institution.



# **PRODUCT OWNERSHIP RIGHTS FOR TECHNOLOGIES DEVELOPED AT UNIVERSITY**

1. When SSU facilities / funds are used substantially or when IPR is developed as a part of curriculum/ academic activity, IPR is to be jointly owned by inventor(s) and SSU.

2. Inventor(s) and SSU could together license the product / IPR to any commercial organization, with inventors having the primary say. License fees could be either / or a mix of:

- Upfront fees or one-time technology transfer fees
- Royalty as a percentage of sale-price
- Shares in the company licensing the product

This license fee will be divided in a ratio of 50%:50% between inventor and SSU Innovation Pvt. Ltd.

3. SSU won't hold the equity, so the SPV of SSU, i.e. SSU Innovation Pvt. Ltd. will hold equity on SSU behalf.

4. 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 has shares in the company, shares will again be 1% to 4%. For a pure software product licensing, there may be a revenue sharing to be mutually decided between the institute and the incubated company.

5. On the other hand, if product/ IPR is developed by innovators not using SSU 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.

6. If there is a dispute in ownership, a minimum five membered committee consisting of two faculty members (having developed sufficient IPR and translated to commercialization), two of the institute's alumni/ industry experts (having experience in technology commercialization) 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. SSU can use alumni/ faculty of other institutes as members, if SSU cannot find sufficiently experienced alumni / faculty member of their own.



7. SSU incubation center will only be a coordinator and facilitator for providing services to faculty member, staff member 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 SSU to pay for patent filing, they can have a committee which 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-institute funds, then they alone should have a say in patenting.
8. SSU'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 member in the department / institute will have no say, including heads of department, heads of institutes, deans, registrars or executive registrar.
9. Interdisciplinary research and publication on startup and entrepreneurship should be promoted by SSU.

## **PRE-INCUBATION AND INCUBATION INTERVENTIONS**

A progressive innovation and startup ecosystem comprise of several key components, mainly a vibrant academia led innovation, pre-incubation, incubation, acceleration, access to seed, angel and venture capital funding, market access, practical regulatory support, ease of doing business and growth and upscaling environment with government's ownership to drive the agenda. The table no. 1 highlights the phases and intervention to support the budding entrepreneurs of SSU.

**Table No. 1**

No.	Phase	Ecosystem Layer	Key Interventions
I	<b>Pre-Incubation</b>	Exposure / Culture-building	<ul style="list-style-type: none"> <li>- Outreach to student</li> <li>- Literacy program in innovation / IPR</li> <li>- Engaging various stakeholders</li> <li>- Changing mindset</li> <li>- Conducive and creative environment</li> </ul>
II		Ideas / Innovation	<ul style="list-style-type: none"> <li>- Design thinking &amp; ideation</li> <li>- Problem-solving skills</li> <li>- Pedagogic, academic &amp; skill programs</li> <li>- Live projects &amp; research</li> <li>- Projects to proof of concepts (PoC)</li> </ul>



			<ul style="list-style-type: none"> <li>- PoC to minimum viable prototypes (MVP)</li> <li>- Common infrastructure &amp; resources</li> <li>- Startups and other business ideas</li> <li>- Ecosystem building</li> <li>- IP creation and protection</li> <li>- Academic &amp; pedagogic interventions</li> <li>- Pre Seed support</li> <li>- Validation through early users</li> <li>- Motivation / awards / citation / recognition</li> </ul>
III	<b>Incubation Phase</b>	Start up	<ul style="list-style-type: none"> <li>- Business model development</li> <li>- Mentorship</li> <li>- Market access &amp; incubation</li> <li>- Industry linkages</li> <li>- Policy support</li> <li>- Post seed support</li> <li>- Funding for full-fledged product realization</li> <li>- Angel funding</li> <li>- Customer validation</li> <li>- Legal and strategic support</li> <li>- Access to dedicated infra</li> </ul>
IV		Scale up	<ul style="list-style-type: none"> <li>- Growth stage support</li> <li>- Regulatory support</li> <li>- Venture capital and private equity</li> <li>- Acceleration support</li> <li>- Public policy support</li> <li>- Ease of running technology business</li> <li>- Facilitating exit</li> <li>- Expansion &amp; globalization</li> </ul>



## Annexure A

### Proposed Equity Structure

<b>Sl. No.</b>	<b>Support Services by SSU</b>	<b>Equity by SSU Innovation Pvt. Ltd.</b>
1.	Mentoring	2%
2.	Incubation Space	3%
3.	Mentoring + Incubation Space	4%
4.	Mentoring + Incubation Space + <b><i>Lab support for prototype development</i></b>	5%
5.	Mentoring + Incubation Space + Lab support for <b><i>product development</i></b>	6%
6.	Mentoring + Incubation Space + Lab support for product development + <b><i>Patent Filing Support (Provisional)</i></b>	6.5%
7.	Mentoring + Incubation Space + Lab support for product development + <b><i>Patent Filing Support (Final Publication)</i></b>	7%
8.	Mentoring + Incubation Space + Lab support for product development + <b><i>Pilot Testing of the Product / Market Testing</i></b>	7.5%
9.	Mentoring + Incubation Space + Lab support for product development + Pilot Testing of the Product / Market Testing + <b><i>Market Linkage</i></b> (at least with one client, client size may vary from startup to startup)	8.5%
10.	Mentoring + Incubation Space + Lab support for product development + Pilot Testing of the Product / Market Testing + Seed Funding (Grant linkage) / <b><i>Investor Connect</i></b> (access to at least 2 investors)	9.5%



(Prof. (Dr) B. R. Sharma)

**Executive Registrar**