

IIT Palakkad Innovation and Startup Policy

Preamble:

The Indian Institute of Technology Palakkad, henceforth referred to as the Institute, strongly encourages its students, staff and faculty to innovate and undertake entrepreneurial activities both within and outside the Institute. To facilitate this, the following policy has been drafted.

Governance

An Innovation and Entrepreneurial (I&E) council, consisting of a faculty-in-charge (chair) and two additional faculty members, will handle all innovation and startup-related decisions at the Institute. The Institute will provide the I&E council with the necessary administrative support. I&E Council is responsible for monitoring and periodically reporting innovation related activities to the Senate.

Innovation Fund

1. I&E activities are a part of the institute's financial strategy. Institute will invest at-least 1% of its total annual budget to fund and support I&E related activities through a separate 'Innovation fund'; a fund wholly managed by the Institute. This fund will also be augmented by bringing in external funding through government (state and central) such as DST, DBT, MOE, AICTE, TDB, TIFAC, DSIR, CSIR, BIRAC, NSTEDB, NRDC, Startup India, Invest India, MeitY, MSDE, MSME, NGO, and other Public, Private and Government Entities.
2. Private and corporate sectors can support technology incubation/incubators by contributing to the Institute Innovation Fund. Such contributions can be treated as Corporate Social Responsibility (CSR) contributions as per Section 135 of the Companies Act 2013.
3. Institute's Innovation Fund can also be supported through sponsorships and donations.
4. Fund utilization for I&E programs will be at the discretion of the Institute's I&E Council.

Policies for IIT Palakkad member(s) involved in I&E related activities as founders and co-founders

IIT Palakkad encourages its students, staff and faculty to work on their innovative projects and startup ideas. Implementation of this policy should enable and encourage startups. The implementation will ensure that all approvals are handled at the earliest, preferably within 2 weeks.

A. Students

- UG/PG students can earn co-curricular academic credits for pursuing startup-related activities at any *Business Incubator (BI)* approved by the I&E council. The exact number of credits awarded will depend on the nature of the activity and as decided by the Senate from time to time.
- The maximum duration a student is allowed to spend in a program will be counted excluding the period which he/she spends in the Innovation and Startup activities approved by the institute.
- If a student wishes to get credit for the work done in startup and innovation projects, towards course related project activities, then the norms for evaluation of the project work carried out in an external organization will apply.
- The Senate also recommended that students involved in innovation and startup projects can defer sitting for placement by upto one year.
- Students who are incubating their startups in any business incubator approved by the I&E Council are allowed to use the institute BI namely TECHIN address, to register their company after obtaining due permission.

B. Staff

- After obtaining prior approval from the competent authority, the following can be considered for staff pursuing startup-related activities at any business incubator approved by the I&E council
 - Relaxation in office working hours.
 - Sanction of leave with and without pay as decided by the competent authority from time to time.
- Participation in innovation and startup-related activities may be given due weightage during annual appraisal and promotion.

C. Faculty

- Product development and commercialization as well as participating and nurturing of startups would now be added to a bucket of faculty-driven activities and each faculty would choose a mix and match of these activities (in addition to minimum required teaching and guidance).
- Faculty are allowed to spend up to 20% of their working hours on their start-up activities.
- Any faculty who would like to spend more than 20% of their working hours for startup-related activities are required to obtain appropriate approval from the I&E council and the competent authority in advance.
- Faculty may be allowed to avail vacation leave outside the vacation period with prior approval from the competent authority. While taking vacation leave outside the vacation period (i.e) during the academic semester, faculty needs to ensure that there are no disruptions in his/her regular academic and administrative responsibilities.
- Faculty can avail of sabbatical leave to work on their start-up activities.
- Participation in innovation and startup-related activities may be given due weightage during the faculty's annual appraisal and promotion.

Intellectual Property Rights

- The Institute will allow licensing of Intellectual Property Rights (IPR) from the institute to start up as per the Institute's IPR policy. Ideally such a startup should be initiated by students/staff/faculty based on the technology developed or co-developed by them or the technology owned by the institute and based on the Institute's IPR policy.

Charges for Institute Services and Facilities

- For startups and projects that are incubated in any I&E council approved BIs, charges for using Institute services and facilities will be governed by the MoU signed between the Institute and BI.

- In all other cases, charges for services and facilities provided by the Institute will be as per the Institute norms.

Equity

For using the Institute brand and providing support, Institute can stake a share in the startup equity held by its students/staff/faculty. Total equity held by the Institute in any company will be at-most 9.5%. This equity will be held and managed by Technology Innovation Foundation of IIT Palakkad (TECHIN)

A. Students

- The Institute can take upto 10% equity/stake that a student owns in a startup/company. The actual percentage will be fixed on a case-by-case basis by the I&E council.
- Equity held by the Institute in any company through a student/staff will be at-most 5%.

B. Staff/Faculty

- The Institute will take 20% equity/stake that a staff/faculty owns in a startup/company.
- Equity held by the Institute in any company through a staff / faculty will be at-most 9.5%¹.

Approval of MoU

- I&E council is responsible for vetting and approving MoUs between the Institute and any BI.

Special Purpose Vehicles (SPV)

- SPVs are Section 8 companies that are affiliated (such as MoU and majority of Institute faculty on the board) with the Institute.
- SPVs floated by the Institute are to be considered different from “a company,” and the norms and policies for the Institute students, staff and faculty involved with these SPVs can be relaxed by the Director of the

¹ 4.5% for the time faculty spends with the startup; additional upto 5% can be charged for the services.

Institute. Time spent for the SPVs should be given due weightage during the faculty's/staff's annual appraisal and promotion.

Incentives for Staff and Stakeholders

In order to attract and retain good talent, the Institute will develop academic and non-academic incentives and reward mechanisms for all staff and stakeholders that actively contribute and support entrepreneurship agenda and activities.