



स्वामी राम हिमालयन विश्वविद्यालय
Swami Rama Himalayan University

Policy for Innovation and Entrepreneurship

Approved by the Board of Management in its 22nd Meeting held on
12th January 2019

Swami Rama Himalayan University

Swami Ram Nagar, Jolly Grant- 248 016, Dehradun, Uttarakhand

SWAMI RAMA HIMALAYAN UNIVERSITY

Policy for Innovation and Entrepreneurship

1. Short Title & Commencement

- 1.1 This Policy shall be called “Policy for Innovation and Entrepreneurship” of Swami Rama Himalayan University (SRHU).
- 1.2 This Policy shall be deemed to have come into force from the date of approval of the Board of Management of the University.
- 1.3 Unless otherwise specifically provided in this Policy, pronouns in masculine, feminine and neuter genders shall be construed to include any other gender, and words in the singular form shall be construed to include the plural and vice versa.

2. Definitions

Unless it is repugnant to the context:

- 2.1 “**SRHU**” or the University or “**Institute**” shall mean “Swami Rama Himalayan University, Jolly Grant, Dehradun”.
- 2.2 “**Policy**” means ‘Policy for Innovation and Entrepreneurship’ of the University.
- 2.3 “**Faculty Member**” shall mean a faculty member of the University.
- 2.4 “**Staff**” shall mean a staff member of the University.
- 2.5 “**Student**” shall mean a full-time enrolled student of any of the programme conducted by the University.
- 2.6 “**Promoter**” means a promoter as defined under Section 2(69) of Companies Act 2013.
- 2.7 “**Executive capacity**” shall mean a role as a Director or a Chief Executive Officer, Chief Operating Officer or any person, enjoying similar role, by whatever name called, in the Company, having executive power(s) in the Company.
- 2.8 “**Equity**” shall mean ‘liability free’ equity shares (fully paid up), having voting rights, of the Company.
- 2.9 “**Company**” shall mean a legal entity as per the government norms such as a start-up Company, or a recognized commercial venture as per the prevailing government norms.


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- 2.10 **“Incubation”** means a unique and highly flexible combination of business development processes, infrastructure and people, designed to nurture and grow new and small businesses by supporting them through the early stages of development.
- 2.11 **“IPR Licensing”** means a partnership between an intellectual property rights owner and another who is authorized to use such rights (licensee) in exchange for an agreed payment (fee or royalty).
- 2.12 **“Pre-incubation”** means representing the process which works with entrepreneurs who are in the very early stages of setting up their company. Usually, entrepreneurs come into such programs with just an idea of early prototype of their product or service. Such companies can later enter into full-fledged incubation programs.
- 2.13 **“Start-up”** means an entity that develops a business model based on either product innovation or service innovation and makes it scalable, replicable and self-reliant and as defined in Gazette Notification No. G.S.R. 127(E) dated February 19, 2019.

3. Preamble:

Faculty members, research staff and students at SRHU are continuously engaged with extensive Research & Development (R&D) activities in several cutting-edge research areas. However, most of these research outcomes do not get translated into commercial products, benefiting the society in general, due to several reasons. To promote entrepreneurship among faculty members, SRHU in line with the best practices of other institutes of higher learning across the world, encourages faculty members, staff and students to undertake entrepreneurship related activities with the incubation support from Himalayan Centre for Innovation and Entrepreneurship (HCIE). Objective of supporting entrepreneurship is to encourage participation of faculty and researchers in commercial ventures, companies or similar entities with equity participation as an additional dimension to their existing roles as faculty, researcher or student. SRHU encourages its faculty, staff and students to engage in the businesses, that are direct result of the R & D activities at SRHU, be on the board of such companies in the capacity of a Director, Chairman, Promoter or any such role, subject to the terms and conditions of University Entrepreneurship Policy across various centers, departments, within the university. Overall goal of implementing this policy is to encourage entrepreneurship and to link innovation to enterprises towards financial success.

4. Vision:

- 4.1 This policy framework takes into consideration the National Student and Faculty Startup policy 2019 as a guiding framework to envision an educational system oriented towards start ups and entrepreneurship opportunities for student, staff and faculties. The university also aims to act as a driving force in developing entrepreneurship culture in its vicinity (regional, social and community level), which shall include giving opportunity for regional startups, provision to extend facilities for external entrepreneurs and active involvement of the university in defining strategic direction for local development.


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- 4.2 In order to achieve the cultural and attitudinal shift and to ensure that ‘Innovation and Startup’ culture is the primary fulcrum of our education system, this document provides key information in line with guidelines from National Student and Faculty Startup policy, which aims to enable HEIs to actively support the faculty, staff and students to participate in Innovation and Entrepreneurship (I&E) related activities. This policy document will also evolve with time and will adopt the best practices to facilitate the innovation and entrepreneurship.
- 4.2.1 SRHU entrepreneurship policy emphasizes that the entrepreneurship is all about creating a business/company, which is financially successful.
- 4.2.2 The faculty engaging in Entrepreneurship must refer to the Conflict of Interest Guidelines (Reference: MHRD National Innovation and Startup Policy 2019 guidelines for Students and Faculty) so that a balance is maintained between the university’s needs and the needs of the concerned faculty, staff or student. The concerned person would need to sign the Conflict of Interest form (Annexure 3) and also the Disclosure Form on formal approval of the enterprise / start-up proposal by the university.
- 4.2.3 It is expected that faculty members or staff will make all efforts to balance their academic responsibilities while assuming any role in the start-ups / founding companies and will make sure to adhere to the policy.

5. Eligibility: Kind of Companies:

5.1 **Companies eligible under this “Policy”:** Such a Company must pursue businesses that are a direct result of the research and development activities of the faculty / staff of SRHU. In such cases, the faculty / staff member(s) and student(s), if applicable, will be known as a founding member(s)/Promoter(s) in a Non-Executive position of the Company. For external entrepreneurs, the policy allows them to incubate subjected to screening and selection process through a committee.

5.2 **Companies not eligible under this Policy:** A faculty member cannot associate, either as a Promoter or in an “Executive Capacity”, with: a). Companies involved directly / indirectly in a business which is in conflict with the SRHU employee’s manual, policies and procedures. b). any such class of Companies as notified by SRHU/government authorities/regulatory bodies from time to time.

6. Role of the Faculty/Staff/Student as founder:

- 6.1 The Faculty/staff/student has to take prior permission from the University before associating with any business venture or starting a new venture, through the application (Annexure - I).
- 6.2 The enterprise formed by the faculty/staff/student would be the enterprise floated by the Individuals and not floated by SRHU. It has also to be ensured that no financial or any other liabilities accrue to SRHU. Additional information which is required to be followed by faculty/staff members engaged in such activities, include:


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- 6.2.1 Innovation and entrepreneurship related activities or technologies and fresh ideas originate / developed at SRHU should be taken for the startups by faculty/staff/students.
- 6.2.2 Himalayan Centre for Innovation and Entrepreneurship (HCIE), an incubation centre at SRHU, will also exercise minimal control to ensure the above.
- 6.2.3 This policy is prepared for the faculty, staff or student being an owner / direct promoter or as on-board member of the startup. Details on the equity sharing between founder and the university are given in point 9 describing “Overview of Entrepreneurship Methodology at SRHU”. The faculty / staff can choose one of these options (as defined next) but other modes of engagements may evolve with time.
- 6.2.4 Founder/Promoter: Faculty / staff or student will start a company and take up the role of a non-executive director. Explicit permission and approval from the university is mandatory. The start-up company can be jointly owned by the faculty members and /or graduating students / alumni / staff or owned by faculty member/scientific staff along with possible others.
- 6.2.5 Whenever a founder (faculty/staff) may want to take on a full time role in a start-up, they should submit an application describing the opportunity and intent. This will be reviewed by SRHU and a model suitable for the specific case will be defined to work full-time in the Company in an Executive Capacity (COO, CEO etc). Eligibility and approvals of such leave are governed by the extant rules of the University. In case the faculty/ staff hold the executive or managerial position for more than three months in a startup, they will go on sabbatical/ leave without pay/ utilize existing leave.
- 6.2.6 Faculty must clearly separate and distinguish on-going research at the university from the work conducted at the startup/ company.
- 6.2.7 The university may allow faculty and staff to take off for a semester / year (or even more depending upon the decision of review committee constituted by the university) as sabbatical/ unpaid leave/ casual leave/ earned leave for working on startups and come back. Institution may consider allowing use of its resource to faculty/students/staff wishing to establish start up a fulltime effort. The seniority and other academic benefits during such period may be preserved for such staff or faculty.
- 6.2.8 Faculty must not accept gifts from the startup.
- 6.2.9 Faculty must not involve research staff or other staff of university in activities at the startup and vice-versa.
- 6.2.10 Human subject related research in startup should get clearance from ethics committee of the institution.


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- 6.2.11 Participation in start-up related activities will be considered as a legitimate activity of faculty in addition to teaching, R&D projects, industrial consultancy and management duties and will be considered while evaluating the annual performance of the faculty. Each faculty member is encouraged to mentor at least one startup.
- 6.2.12 The reward system for the staff engaging in proven or potential result oriented entrepreneurship may include sabbaticals, office and lab space for entrepreneurial activities, reduced teaching loads, awards, trainings, etc.
- 6.2.13 It should be noted however that the faculty member of SRHU should take all possible steps to ensure that his/her duties and responsibilities as a member of SRHU faculty, take precedence over all other activities regardless of the nature of his/her engagement with the Company. His engagement with the enterprises with the regular work hours / on leave / sabbatical etc would be subject to the prior approval from the competent authorities.

7. Intellectual Property Rights and Usage of Resources:

As stated in the preamble, faculty /staff/students of SRHU are allowed to incorporate companies whose business objectives can only be fulfilled by using the know-how and/or technologies developed at SRHU. Thus it is critical that there is clarity vis-à-vis policy of usage of university resources, know-how developed using university resources and IP Rights.

- 7.1 In the event the Company uses any “know-how” for business purpose, which has not been secured through any IP prospects, the Faculty member has to disclose the source and origin of such “Know-how”.
- 7.2 When university’s facilities / funds are used substantially or when IPR is developed as a part of curriculum/ academic activity, IPR ownership lies with the University.
- 7.3 If any IP is generated by the startup during their course of incubation, the information about its filing and status of IP application should be provided to HCIE, for the records and information.
- 7.4 The University will allow licensing of IPR from the University to start up in sync with the university IPR policy subjected to the terms and fee/royalties as defined in the IPR policy document.
- 7.5 The above points on IP explain the policy framework in general. For more details please refer to the SRHU IP policy document.

8. Disclosure and Compliance:

Financial and non-financial disclosure agreement will be signed as per the existing university norms. Also, a separate Conflict of Interest Disclosure Statement (Annexure II) will have to be furnished every year by the Company.


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At all times, the faculty member(s) must ensure that the Company/Companies he/she is associated with is/are compliant with all the norms of the Government of India. Non-compliance by the faculty member(s) shall have no bearing on the SRHU.

9. Support from other Faculty Members:

Support from other faculty members of the university during and after the incubation (if applicable, see below) period of the Company would be treated under the university's extant consultancy norms (other than assigned faculty mentor(s)).

10. Support from Students:

Any support received from students for the Company would be as per the existing guidelines of the university. Founder faculty will have to make sure that compliances are followed and there is no conflict of interest. Sometimes these situations of conflict arises, in such cases a full disclosure to be made by the faculty founders, and approval from the competent authority is required.

11. Outsourcing of Sponsored Research/ Consultancy Assignment to the Company:

Outsourcing of full/in part of university's projects to the Company would be governed by the existing policies of the university. If in case such a policy is not available then a decision on outsourcing would be taken on a case by case basis by the university and in accordance with the guidelines provided by the sponsor, if applicable.

12. Funding for the Company:

The Company will have its own funding and accounting procedures in line with the prevailing statutory norms. There should not be any exchange of funds, human resources or any other resources between the university laboratory and the company, unless specified and approval has been made with clear terms.

13. Overview of Entrepreneurship Methodology at HCIE, SRHU:

- 13.1 Initial intent form along with the Academic Information form (Annexure-1) to be submitted by the interested faculty / staff / student / group to Director, HCIE.
- 13.2 Approval in principle by Vice Chancellor, SRHU communicated to the concerned founders and HCIE. Once permitted, the proposed founders (faculty/staff/students/group) member may form a Company. Faculty/staff/students of SRHU may approach the university even at ideation stage before incorporation of a Company for an in principle approval for incubation of the idea at HCIE.


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- 13.3 For the incubation of the Company, a detailed Application form including the relevant business plan (Annexure 2) to be filled by the group and sent to HCIE. Evaluation will be as per the incubation policy of the HCIE and SRHU.
- 13.4 Business plan will be first evaluated by the expert team at HCIE followed by the feedback to improve the proposal if needed. Then, HCIE technical committee will evaluate the proposal and provide their comments and approval if it is found suitable for incubation. In addition, HCIE may also consider getting the proposal reviewed by two domain experts, investors or established entrepreneurs outside SRHU as needed.
- 13.5 Once approved, the equity level determination is done followed by approval of formation of the company and incubation by Director HCIE and final approval by the Vice Chancellor, SRHU.
- 13.6 Upon approval, the HCIE, SRHU and the Company should enter into an agreement for financial consideration by the Company towards SRHU which will consist of consideration via equity shares (through the incubation centre, a special purpose vehicle) in the Company and/or a share in the revenue of the company or a pure rental consideration, or both as mentioned below:
- 13.6.1 Liability-Free fixed equity of up to 10 % in the Company. SRHU will reserve the right to liquidate any or all of the equity shares after five years or later, of incorporation of the Company while Company will reserve the first right of refusal for purchase of the equity shares from SRHU. OR
- 13.6.2 A pre-determined, and agreed upon, share in the revenue of the Company, measured in terms of cost of units of product or services rendered by the Company, at fair market value on a given date. OR
- 13.6.3 A combination of liability free equity in the Company and share in the revenue of the Company, measured in terms of cost of units of product or services rendered by the Company, at fair market value on a given date.
- 13.6.4 Equity and Revenue share collected from the company can be between the HCIE and SRHU as the case may be.
- 13.6.5 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 on equity sharing etc based on satisfaction of services offered by the incubator. In that case, during the cooling period, university will not force the start-up to issue equity on the first day of granting incubation support.


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- 13.7 A Company will necessarily be required to be incubated at the HCIE, SRHU. However, in exceptional cases, the university may allow a faculty member to open/operate/incubate the Company outside the university if sufficient justification is provided.
- 13.8 In case the incubation is done without incorporation of company by the faculty (in cases where faculty is the promoter), the company incorporation (formation) should be achieved within 4 months of incubation at HCIE.
- 13.9 Once incubated, the company will follow the policies of HCIE, which is described in a separate “Policy and Procedure Manuals of HCIE”.
- 13.10 Founder/Promoter need to sign forms of Conflict of Interest (Annexure 3), IP Disclosure form etc. (copy to be sent to HCIE office with all relevant documents).
- 13.11 Initialization of Legal documentation by SRHU/HCIE which includes Term Sheet, IP transfer agreement, Shareholder Agreement, etc.

14. Exit:

The Company shall work towards a plan that would give HCIE/ACIC/SRHU an “Exit” and should take an exit from HCIE/ACIC under the following circumstances:

- 14.1 Completion of stay for eighteen months, unless the stay is extended and approved.
- 14.2 When the annual gross revenues of the incubatee (excluding all the taxes) exceed ₹ 2 crore or the Net Profit after Tax exceeds ₹ 50 Lakhs.
- 14.3 The number of employees of the company exceeds 15
- 14.4 Underperformance or non-viability of the business proposition: criteria for the same will be decided and applied by HCIE on the case to case basis.
- 14.5 Irresolvable disputes between promoters/founders. HCIE will decide the position or point when disputes are deemed to be irresolvable.
- 14.6 Change in promoters'/ founders' team or business profile of the company without concurrence of HCIE.
- 14.7 When the company enters in an acquisition, merger or amalgamation deal or reorganization deal resulting in substantial change in the profile of the company, its promoters, directors, shareholders, products or business plans, or when a company plans for a public issue.
- 14.8 Non-compliance of HCIE’s terms and conditions or any other reasons which HCIE / SRHU may find it necessary for an incubatee company to leave the incubator.
- 14.9 Notwithstanding anything written elsewhere, the decision of HCIE in connection with the exit of an incubatee company shall be final and shall not be disputed by any incubatee company.

15 Resolution of Conflicts:


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- 15.1 In situations in which the objectivity of a faculty/staff/student - due to his/her association with the Company - could reasonably be questioned, the office of Vice Chancellor SRHU may establish an independent committee to investigate the operation of the Company and possible conflict of interest between the functioning of the Company and the academic duties of the faculty member(s) associated with the Company. The decision of the committee, in this regard, would be final.
- 15.2 In case of conflict situation, SRHU expects the concerned people to disclose all information regarding the conflict of interest in a transparent manner to the university and other relevant stakeholders. The disclosed information will be evaluated for the genuineness of conflicting interests by the relevant committee / stakeholders using appropriate judgment. The committee will discuss and try to resolve a dispute over conflict of interest in such cases, and the decision should be duly approved by the competent authority.
16. The University reserves the right to interpret, alter, amend, modify, cancel or withdraw any provision mentioned herein above in this Policy without any notice.
17. Notwithstanding anything stated in this Policy, for any unforeseen issues arising, and not covered by this Policy, or in the event of differences of interpretation, the Vice-Chancellor may take a decision, the decision of the Vice-Chancellor shall be final and binding.


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ACADEMIC INFORMATION FORM

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

1. Faculty/Researcher's Name : _____
2. Affiliations (Department etc) & Designation : _____
3. Date of Joining the SRHU : _____
4. Contact Details: : _____
5. Academic Load at present: : _____
 - Research Students : _____
 - Course work : _____
 - Research Projects : _____
 - Consultancy/Other commercial Projects : _____
6. Professional Activities: Executive Position in Professional Society/Consultancy involvements : _____
7. Committee Memberships : _____
8. Outside Committee Memberships : _____
9. Any other relevant association with other companies/start-up/academic. : _____

Signature:

Date:

Neelam Bhatnagar
Registrar
Swami Rama Himalayan University

BUSINESS SUPPORT INFORMATION FORM
(One form to be filled for every Enterprise)

1. Name of the Enterprise : _____
2. Name and address of all Faculty/Staff of the SRHU involved in this enterprise:
3. Name of Directors / Promoters / Other partners / co-founders
4. Is the enterprise: a startup Already Existing (Year of establishment)

If a startup, what governing structure is proposed?

- Company**
 Trust
 Society
 Partnership
 Other, State Type

5. What is the business area of the enterprise?
State concisely the main business of the Enterprise, as you would want it written in the Memoranda of Association of the Enterprise or equivalent document(s).
6. Indicate the expected milestones of the Enterprise activities (E.g. Registration, First Marketing, External Funding etc.)
7. Briefly indicate the proposed role of each of the Faculty/Staff individual in the Enterprise mentioned
8. Are you, in this enterprise, planning to use knowledge/technology/intellectual property developed at the SRHU? **YES** / **NO**

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

9. What is the Intellectual Property (IP) Status?
 - Not registered at all -----
 - Registered (patent / copyright / trademark) -----
 - Registration awaited (Tick the appropriate IP type) -----
 - IP RIGHT Awarded and owned by SRHU -----
(Inventor name/s -----)
10. What is the planned equity structure of the Enterprise?
11. Please state below, if there is any other information relevant to your Enterprise.

Signature/s:

Date:

Please enclose relevant documents for Company registration

Neha Anand
Registrar
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CONFLICT OF INTEREST AVOIDANCE STATEMENT

Name of the faculty/staff/researcher:

Designation & Department Affiliations:

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

Name and Address of Enterprise: _____

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

YES / NO

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

Declaration:

Subsequent to the permission granted to me by the SRHU to engage in entrepreneurship activities related to the above mentioned Enterprise, and considering my equity position at the Enterprise and continued relationship with the Enterprise as well as the university, I acknowledge the potential for a conflict of interest between my performance of the various roles at the university and my contractual, entrepreneurial, or other obligations in relation to the above mentioned Enterprise. I hereby assure the following to the university:

1. I shall ensure that this entrepreneurship activity does not interfere with my normal duties at the university such as teaching, research guidance, etc.
2. I've agreed to share ----- % of the equity of the start-up or ____% revenue with the SRHU through ACIC/HCIE (as per the options suggested in point 9 describing ownership).
3. I shall not use the effort of my students for any activities related to the above enterprise, and shall not indulge in any financially gainful activity with the enterprise, including consultancy, sponsored projects, and acceptance of gifts and/or salaries or other remuneration. I understand that exception to this discipline will require explicit, written permission from the university. I understand, however, that I can hold equity in the Enterprise in my individual capacity without in any way encumbering the university with any liability arising from my equity holding or any other reason related to the Enterprise.

Neelima Shrivastava
Registrar
Swami Rama Himalayan University

4. I shall not use the university resources including facilities, personnel, equipment or confidential information except in an incidental way, as part of my entrepreneurship activities. If the Enterprise wishes to make use of university resources, it will be subjected to normal processes of the university. The explicit permission of the appropriate university authorities will be taken in such cases.
5. I shall inform the university, on a timely basis, of any IP or discovery of potentially patentable inventions, resulting from my work, alone or along with others, during my involvement with the above Enterprise, irrespective of the source of funding of such work.
6. I understand that this permission to involve myself with the above enterprise does not automatically entitle me to associate myself with other entities, whether or not related to the above enterprise, and that I shall separately seek the university's permission for each such association. I also understand that my involvement with the above enterprise and any other shall be concerned with my technological/scientific area of activity, and not with extraneous or irrelevant activities.
7. I will not spend more than 1 day of effort per week towards activities related to the enterprise. In the event I need to devote full time to the above start-up enterprise for a few months or a year, I shall abide by the university's provision of trade-off against earned leave, sabbatical leave, etc.
8. I certify that I shall not indulge in any activity prejudicial to the interests of the university or my work therein while performing my role with the above enterprise.
9. I agree that if ever a conflict arises between my legal obligations to the Enterprise and to the university, my legal obligations to the university shall override.
10. I certify that I shall not use the name of the SRHU, its associated entities, or their logos for the purpose of promoting the Enterprise or for advertising the products or services provided by the Enterprise.

SIGNATURE:

FOUNDER FACULTY/STAFF:

DATE:

APPROVED BY DIRECTOR:

DATE:


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