
[Faculty Entrepreneurship Policy]

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Revision History

ISSUE	DATE	CHANGE RECORDS	AUTHOR
V0.1	2015-08-22	First issue of the document	BM, MKG
V0.2	2015-09-29	Refinement of the document	BK, BM, MKG
V1.0	2015-09-30	First release of the document	BM, MKG
V2.0	2016-01-08	Final release of the document	BM, MKG

1 Preamble

The objective of this document is to formulate guidelines for members of faculty at DA-IICT which will promote, by maintaining highest standards of academic integrity, interdisciplinary research, faculty entrepreneurship and related policies.

2 Vision

“To encourage interdisciplinary research and innovation leading to successful start-ups”

3 Mission

- Manage Intellectual Property
- Evaluate new inventions
- Collaborate and negotiate research with industrial partners
- License the technology generated from the institute
- Create and Support start-ups

4 The Guiding Tenets

DA-IICT entrepreneurial activities aim to function by means of an effective coordination between its four key pillars: 1) the institute; 2) the members of faculty; 3) the students and 4) the collaborators. The purpose of this document is to frame a policy such that the four pillars work hand in hand for the sake of best results. This is prepared with two guiding lights: 1) innovation; 2) faculty competence. Our motive is to coordinate the four pillars of

- We strongly encourage the setting up of start-ups. And each start-up must identify a faculty member of DA-IICT who can mentor its operations. It is mandatory that the faculty member should always be in the role of mentor, or director, or its equivalent.
- The primary focus would be on design and innovation rather than on business. This we believe will adequately safeguard academic integrity and research interests. At this stage, our interest is in nurturing an atmosphere that will generate new ideas and lead to innovative propositions.
- Our way of measuring the strength of a proposal is not rigid and conventional. Each proposal will be initially reviewed by a committee that is comprised of all the stakeholders, from academy, industry and society, to measure its strength of innovation and business-worthiness.
- We believe that the license based model offers the best way to quantify academic research. A successful application of this model will amount to making innovation address societal needs.

4.1 Pathway to Start-ups

The faculty who want to have an innovation based start-up has to apply formally to the director of DA-IICT through Expression of Interest (EOI): A one page concept note.

Unless there is a valid reason why a faculty member desires to start a company elsewhere, i.e. outside DA-IICT, he/she is strongly encouraged to incubate the company through DCEI.

4.2 The Administrative Composition of the Start-ups

The role of the faculty in start-ups could be of four kinds:

- a) Faculty as promoter (ownership)
- b) Faculty as mentor (volunteer service)
- c) Faculty as a consultant (paid service)
- d) Faculty on the board of a start-up (holding shares without promoter)

The administrative body of a start-up in case of faculty being a promoter, can typically be composed in any of the following five modes:

1. Faculty members alone
2. Faculty members and students of the home institute
3. Faculty members of the home institute and members of faculty of other institutes
4. Faculty members, students and alumni
5. Faculty members and other entrepreneurs

4.3 Usage of Labs

As companies get incubated at DA-IICT, the use of lab facilities is governed by the prevailing terms and policies of the institute.

4.4 Support to Start-ups

1. The members of faculty may guide, coach and mentor the start-ups, if incubated by students alone, with the relevant expertise like helping in business plan preparation, making capital risk forecast and analysis, special advise (financial, technical, social).
2. DA-IICT will provide hosting offices and lab access (the concerned faculty entrepreneur writes to the director for the approval).
3. The seed funding in the form of a soft loan will be as per the DCEI start-up policy.

5 Start-Ups Internships

We assume that there would be good number of students interested in working in a start-up even if they may not want to begin a start-up themselves. They may be put under a mentorship process with IP experts, entrepreneurs, and design experts. Any student would be eligible to apply. The duration would range between 3-6 months

The internship program aims to motivate students to innovate (B.Tech, M.Tech and PhD students) by nurturing an innovation based ecosystem. The program provides students unique opportunities to develop a hands-on experience in innovation, development at early stage inventions and entrepreneurship.

By working with the labs or start-ups, the students would have an opportunity to develop or refine an existing invention, design and make prototypes, explore new applications, and evaluate markets. At the same time, the students may have opportunities to work with companies, groups and researchers associated with DA-IICT and may be mentored by experts from the concerned areas. If the candidate performs well in the internship sessions, he/she may gain opportunities to get into an interface with the relevant accelerator programs pertaining to technology transfer, entrepreneurship, intellectual property, marketing and industrial design. The program is also open to post graduate students with different backgrounds, such as science, engineering, social sciences and design.

Requirements: An internship agreement must be signed with DA-IICT. These internships will not be accepted under the master thesis requirements. The award of the internship will be decided by the joint committee appointed by the director of DA-IICT.

6 Conflict of Interests

Whenever a faculty member of DA-IICT starts a company his/her time spent on company related work will overlap with his/her other responsibilities of the Institute. A comprehensive conflict of interests policy is needed for DA-IICT faculty. The policy covers the following:

1. Whenever a DA-IICT faculty member is involved in the above mentioned activities he or she has to sign an agreement with the institute stating that his/her regular duties will not suffer on account of the conflict of his interests. If there is sufficient evidence against the faculty member that there is a negligence of his primary duties owing to his involvement in company or consultancy related work, the Dean-AP, under a clause of confidentiality, reserves right to request information regarding the activities of the start-up.
2. If the faculty member is involved in consultancy work he or she is allowed at most one day per week for such activities.
3. If the **faculty member** is involved in start-ups as a direct promoter then he or she cannot hold the position of an executive position such as CEO, CTO or COO etc. until the company graduates (see the proper meaning of graduation of start-ups) from DA-IICT. He/she can hold a position of independent director.
4. When the company graduates (grown sufficiently larger) then the faculty member can act as CEO etc. for the company however he/she has to take a sabbatical as per the rules of DA-IICT or go for leave without pay as per the norms of DA-IICT with a discussion of specific situation.
5. When a faculty is involved in start-ups as a non-promoter and he/she gets stock options (certain shares) of the company for holding a position of independent director a sharing model for stock options with DA-IICT has to be discussed and agreed upon. Also how these

shares will be diluted when the company grows will depend on the mutual agreement between faculty and DA-IICT (case by case). DA-IICT will have the first right to buy the shares if faculty wants to sell them.

6. Whenever a faculty driven start-up is selected by an outside accelerator/incubator program in India or abroad and if (as per requirement) the faculty member can spend a maximum of semester at the incubation center as part of the process. However, such cases will be decided on the basis of the recommendations made by a committee appointed by the director.
7. In cases where a faculty member offers his/her consultancy services to the company owned by another faculty member, the consultancy terms and conditions will apply. Refer to the DA-IICT Consultancy Policy Document.

Exemption:

Prize money for any award because of recognition of research is excluded from the regulatory framework of this document. It simply cannot be treated as consulting, industrial funding or start up program.