



# Vellore Institute of Technology

Tamil Nadu, India

## INNOVATION, STARTUP AND INCUBATION POLICY

June 2021

## **Preamble**

The Innovation and Startup Incubation policy is expected to promote a suitable environment for all the potential innovators / startups for pursuing a hassle-free development and commercial exploitation of the innovative ideas.

Vellore Institute of Technology hereinafter referred to as VIT and VIT-TBI and V-NEST (hereinafter referred to as Incubation Centre) is officially launched at VIT to promote innovation and technology-based startup ventures and thereby contribute to the nation's developmental needs of creating knowledge, wealth, skills and employment. Such innovation-led ventures promoted by the incubates will address societal challenges using science and technological interventions to improve the quality of life and ease of living etc...

Incubation Centre strives to enhance its capabilities to nurture and guide young startup ventures in their early / formative years. Over the years Incubation Centre has built working relations with Govt. of Tamil Nadu, Govt. of India, Universities, Alumni startups, Corporates, NGO, Industries, International bodies etc. for a common goal of developing the innovation and startup ecosystem and engages other institutes like 'The Indus Entrepreneurs (TiE)', 'Startups-Club', 'Confederation of Indian Industries (CII)', 'Federation of Indian Chamber of Commerce and Industry (FICCI)' and several firms within and outside India as well.

INCUBATION CENTRE recognizes that its catalytic role by virtue of its presence inside 'Vellore Institute of Technology (VIT)' motivate a large group of students and professionals to pursue entrepreneurship. While providing its services to the pursuits of VIT's faculty members and its students, INCUBATION CENTRE is also mandated to act as a hub of innovation and startup resource center to cater to the requirements of innovators and startups from across the country.

## 1.Strategies and Governance

- A. VIT's strategies for development emphasize innovation and entrepreneurship promotion periodically with specific objectives to support innovation, pre-incubation, incubation infrastructure facilities to students, faculty members and others. VIT provides the needed support to its students, faculty members and other existing incubatee.
- B. VIT will allocate minimum 1% fund of Institution's annual budget to I & E activities. The incubation center has been (will be registered) as a society / Section 8 Company and manage itself as independent entity. Incubation center and its team is empowered to expedite the decision making through individual autonomy and ownership of initiatives (as per Trust / Section 8 company).The incubation center will also take measures to raise funds from diverse external funding sources through government (state and central) agencies such as DST, DBT, MHRD, AICTE, TDB, TIFAC, DSIR, CSIR, BIRAC, NSTEDB, NRDC, Startup India, Invest India, MeitY, MSDE, MSME, etc. and nongovernment industry sources to support the incubates.
- C. VIT will also garner funds through sponsorships and donations and alumni network for promoting Innovation & Entrepreneurship.
- D. VIT will promote and highlight the importance of innovation and entrepreneurial plan at University Academic Calendar.
- E. VIT management will define long term goals for the entire University.  
VIT-TBI / V-NEST will develop operational plans based on the overall long-term strategies. Schools will have their respective operational goals.  
VIT will act as the driving force in developing entrepreneurship culture in its vicinity at regional, social and community level and will furnish opportunities for regional startups and extend its facilities to needy startup.
- F. VIT promotes strategic international partnerships employing bilateral and multilateral channels with international innovation clusters and other relevant organizations and international exchange programs, internships by engaging the international faculty members and other experts in innovation and entrepreneurship through MoU's with National / International Universities and Industries.

- G. Successful entrepreneurs from VIT alumni will be invited to share their success stories and startup experiences with students, faculty members and incubates.

## **2. Startups Enabling the Institutional Infrastructure:**

- A. VIT will create/ continue to strengthen pre-incubation facilities at school level and incubation facilities at institute level for nurturing students and faculty innovations. It also provides 24/7 accessibility to Pre-Incubation/Incubation facility for students and faculty and others.
- B. VIT encourages its Business Incubators to organise programs related to innovation, IPR and Startups thus ensuring the utmost satisfaction of various stakeholders supporting the incubation facility.
- C. Pre-incubation/Incubation support will be provided to the students and faculty members who are interested in launching a startup. The modalities of its operation royalty and rental will be decided on a case-by-case basis depending upon the nature of services and support offered through incubation centre.

## **3. Nurturing Innovations and Start ups**

- A. The Incubation Centre devises mechanisms for nurturing innovations and startup schemes with UG/PG/Ph.D students and faculty members. To observe these mechanisms efficiently, VIT Incubation Centre sets the necessary stage within the institution.
- B. Students and faculty members will enter into an agreement with Incubation centers for accessibility to Incubation Centre for availing incubation support.
- C. VIT permits student/faculty's company to register using the institution address.
- D. VIT permits the establishment of startups while pursuing their course (for students).
- E. Due consideration will be given to incubate students. In case, any student has attendance shortage, the incubation center will provide the recommendation to the authority concerned by vetting the claims on the effort put in by the student during the period of absence in the incubation center.
- F. VIT will consider the request from Students for a break in academic studies to work on their startup company launched in the incubation center. A process will be in place.

- G. Deferred placement opportunity to students who have skipped placements to build startups, in case their startup does not take off for valid reasons launched in the incubator.
- H. Accommodation facility will be provided to incubatee students based on the request and will be considered as per the VIT norms.
- I. Institution grants permission for faculty members/staff to avail themselves of sabbatical/ leave on loss of pay/ casual leave/ earned leave based on the decision of Institute's Review Committee for launching a startup.
- J. Students and faculty members should undergo a 30 hour- Entrepreneurship Development Program (EDP) before applying for incubation support in the institution.
- K. The facilities extended for utilizing VIT's infrastructure and facilities to the incubated companies are
  - I. They can attend the entrepreneurship training with a minimum or no registration fee
  - II. Incubatee can access technology development, ideation, creativity, design thinking lab and other infrastructure facility of the institute with a minimum or no charge depending upon the consumables and other material usage.
- L. Regular in-house and external expert mentorship will be provided to incubates based on the availability. For individual mentorship by external experts the consultation charges have to be borne by incubates.
- M. The incubation center will provide the link to other banks, seed-fund providers/ angel funds/ venture funds / Govt. organisations. it is the responsibility of incubates to avail the required support as per the funding bodies' norms and regulations. Incubates will undertake an agreement to become an incubatee and accept to provide a royalty fee of 2% to 5 % and a monthly rental for the incubation center to utilize its services. Incubation Centre can avail a minimum of 10 % to maximum of 15 % of royalty from staff / faculty member who are planning to launch a startup company through the incubator on a part time basis.

- N. Faculty startup incubate / the advisory or mentor of the startup company activities should not affect or compromise their regular academic and administrative work / duties. The alumni of the institute as well as other members can avail themselves of this startup facility.
- O. Startup-related activities will be given due weightage in the annual performance of a faculty in their promotion and annual performance evaluation.
- P. All faculty members at VIT are expected to encourage and motivate student to carryout I&E activities.
- Q. The incubate at any stage should not cause any damage to the reputation to VIT and incubation center because of any activity of startup after executing the contract. Startup activity should never bring the institution to any liability at any stage.

#### **4. Product Ownership Rights for Technologies Developed at VIT**

(Applicable as per IPR policy of VIT)

#### **5. Organizational Capacity, Human Resources, and Incentives**

- A. VIT will utilize faculty members with vital innovation and entrepreneurial/ industrial experience and aptitude and will depute them for training to promote I & E.
- B. Faculty and staff will be encouraged to take courses and EDPs, innovation, management courses related to I & E.
- C. Interdisciplinary teaching and research will be encouraged to enhance the maximum utilization of internal resources and knowledge.
- D. Industry experts, subject matter experts, entrepreneurs will be engaged for strategic advice to bring in skills that are not available internally.
- E. VIT will develop academic and non-academic incentives and reward mechanisms for all staff members and stakeholders who actively contribute and support innovation and startup activities.
- F. Reward system for the faculty and staff may include awards, sabbaticals, office and lab space for entrepreneurial activities, reduced teaching loads, training, etc.

## **6. Creating Innovation Pipeline and Pathways for Entrepreneurs at Institute Level**

- A. VIT will devise a mechanism to ensure maximum exposure to students in innovation and pre-incubation activities at an early stage and to support the pathway from ideation to creation to market.
- B. Students may be allowed to convert their start-up idea to their final year capstone project for degree completion and periodic evaluations will be made for academic grading.
- C. VIT will organize idea and innovation competitions, hackathons, workshops, boot camps, seminars, conferences, exhibitions and mentoring mechanisms by academic and industry personnel, giving real-life challenges, awards and recognition.
- D. VIT will incorporate design thinking, critical thinking, problem-solving, and decision-making skills in the curriculum.
- E. VIT will link its incubated start-ups companies to other entrepreneurial ecosystem to participate in competitions within India as well as other countries.
- F. VIT has established Institution's Innovation Councils (IICs) as per the guidelines of MHRD's Innovation Cell and allocated appropriate budget for its activities.
- G. VIT IIC will guide institutions in conducting various activities related to innovation, startup, and entrepreneurship development.
- H. Institute will undertake collective efforts to identify, scout, acknowledge, support and reward proven student ideas and innovations and further facilitate their entrepreneurial journey.
- I. VIT will develop and publish ready- reference Innovation Tool Kit on the homepage of institute's website to answer the doubts and queries of the innovators and enlist the facilities available at VIT with respect to I & E.

## **7. Norms for Startups by Faculty of VIT**

- A. Only the innovation and technologies that originate from the faculty research should be taken for faculty startups.
- B. Role of faculty members may vary from being a proprietor/ founder/ direct promoter/ mentor/consultant /an advisor of the startup.
- C. Faculty startup will consist of faculty members alone or with students or with faculty of other institutes or with alumni or with other entrepreneurs.
- D. Faculty must not accept gifts from the startup.
- E. Faculty must not involve research staff or other staff of VIT in activities at the startup and vice-versa.
- F. R&D activities carried out by faculty in the institute, that have potential to scale will be identified and support will be extended for technology transfer or commercialization.
- G. Faculty must abide by the rules and regulations the institute's HR policy and any human subject related research in startup should get clearance from ethics committee of the VIT.

## **8. Pedagogy and Learning Interventions for Entrepreneurship Development**

- A. Broad and varied approaches including cross disciplinary learning using mentors, labs, case studies, games, etc., instead of standard lecture-based delivery are to be adopted to yield the required learning outcomes.
- B. Various student clubs/bodies/departments need to be created for organizing competitions, boot camps, workshops, awards and the like which will be responsible for improving the students' thinking and responding ability by involving them in institutional strategy planning.
- C. To promote the culture of innovation and enterprise ecosystem, an annual "Innovation and Entrepreneurship award" is to be instituted to recognize the individuals/teams / school contributing outstanding ideas, successful enterprises etc.
- D. Case studies based on business failures and real-life experiences by startups are to be part of teaching methodology to sensitize students.

- E. Students/ faculty / staff from each department will be nominated as Champions of Innovations every month.
- F. Students are to be imparted with education in entrepreneurship as curricular/co-curricular/ extra-curricular activity through various courses on innovation, entrepreneurship and venture development in elective/short term/long term formats. Proper course outcomes will be made available to students.
- G. Collaborative culture and engagement with external environment are to be achieved by utilizing the external stakeholders' expertise in providing entrepreneurship education.
- H. Institute will conduct an induction program about the importance of I & E explaining its entrepreneurial agenda and the available support systems to the freshly inducted students at the beginning of every academic session.
- I. Linkages with industry to be utilized for conducting research and survey on trends in technology, research, innovations and market intelligence.
- J. Students are to be made aware of understanding their expected learning outcomes in I & E.
- K. Engagement in the process of dialogue between student innovators, startups and experts is to be initiated to make the strategy need based.
- L. Startups will be provided with customized teaching and training materials.

### **9. Strategies devised for sustained exchange of ideas / knowledge**

VIT encourages incubates to collaborate with potential partners, resource organizations, micro, small and medium sized enterprises, social enterprises, schools, alumni, professional bodies.

A.VIT will engage stakeholders through bidirectional exchange of knowledge between institutes /organisations like incubators, software technology parks within India and other countries.

B. VIT ensures in the policies to form and foster relationships with external stakeholders.

C.VIT supports stakeholders through proper mechanisms to create, manage and coordinate the relationships.

- D. VIT will create a suitable supportive environment for the stakeholders through internships, teaching and research exchange Programme and events like clubs, social gatherings.
- E. VIT will integrate external information and experience into the already exchanged knowledge among the stakeholders within the institution.
- F. The institution's incubation insists on Single Point of Contact (SPOC) for the students, faculty, collaborators, partners and other stakeholders for exchange of information related to I & E through its incubation center.
- G. VIT will collaborate with industries, universities, Government, NGO's and other bodies for innovation and entrepreneurial related activities.
- H. Institution Innovation Council (IIC) and incubation centers will extend their mutual support and expertise to all activities related to I & E.
- I. Institution will extend its support for Active Participation in MHRD's Innovation Cell, EDC, IEDC, New-Gen IEDC, Innovation Cell, external Startup Cell, Student Clubs etc.

#### **10. Entrepreneurial Impact Assessment**

VIT entrepreneurial initiatives such as innovation, pre-incubation, incubation, patents registration will be measured regularly using the following evaluation parameters.

- A. Developing an Innovative and Entrepreneurial Mind-Set through Series of Activities
- B. Teaching and Learning and other Academic Programme related to I & E, IPR
- C. Availability of Dedicated Infrastructure & Facilities to Promote I & E, IPR
- D. Developing Innovative ideas with the support and recognition received
- E. Establishing Ventures with the support of the HEI & Recognitions Received
- F. Collaborating with Industries / Alumni Startup, NGO etc. related to I & E, IPR
- G. Number of Intellectual Property (IP), Generation and Commercialization