

Innovation and Startup Policy for Students

PREAMBLE

In order to integrate Innovation & Start up with formal higher education, bringing attitudinal shift in students, faculty & staff is essential. The policy frame work of COEP assures all its stake holders that COEP encourages every stake holder to research, innovate and enter in to entrepreneurship with as much support that COEP can extend. The policy framework is liberal enough to inspire anybody to license his/her innovation to anybody outside as well as to promote a company to commercialize the same. COEP believes in comprehensive development of its stake holders along with the growth of COEP in a liberal atmosphere which it has been ensuing till date.

Vision:

Cultivating Critical Thinking, Inventing Innovations and Encouraging Entrepreneurship for creation of Wealth

Mission:

- To strengthen the IIC in terms of students' and teachers' memberships, by motivating them through curricular component, promotional seminars and enthusing events.
- To organize the MIC mandated annual series of events and activities such as Idea-Competition, B-Plan Competitions, Start-up fest, Hackathons, etc.
- To establish and leverage the network of mentors, tech-preneurs, investors, facilitators for the benefit of stakeholders of IIC.
- To empower and facilitate the pre-incubates, start-ups, first-generation entrepreneurs.
- To analyze, demonstrate and reward the success and failure stories of class of IIC-evolved entrepreneurs.
- To promote integration of innovation & entrepreneurship into the curriculum to bring in attitudinal shift in faculty, students & staff.

1. **Strategies and Governance**

- a. **Entrepreneurship promotion:** COEP supports and promotes the formation of students clubs which are engaged in conducting entrepreneurial activities for students, faculty and staff. Institute Innovation Council is a guiding agency for Bhau's E cell which is driven by students, guided by faculty and supported by the college. Apart from supporting student activities, COEP promotes Innovation & entrepreneurship through many other conduits such as academic reforms in terms of syllabus, course contents, major & minor projects, incessant interaction with industry, pursuing support from alumni in terms of guidance and finance and effective interaction with startup ecosystem by conducting various programs through institute innovation council. (IIC)
- b. **Governance:** The head of the Institute is the president of IIC and a senior faculty having entrepreneurial mindset is selected as convener to facilitate the activities. Two different committees, namely "Governance Committee" and "Review Committee" have been formulated to amend, accept and implement the entrepreneurship policies, approve proposals of students, enable funds disbursement to them and monitor their progress. The prime responsibility of these committees is to facilitate the use of resources provided by the College to the startups and ensure the proper utilization of resources by periodic meetings/interviews with the students.
- c. **Resource mobilization plan:**
 - i. Pre Incubation: at College of Engineering Pune, is mainly enabled by four major rudiments. (a) Bhau's entrepreneurship cell (BEC) which is driven by students, guided by a senior faculty and financially supported by COEP. (b) Institute Innovation Council -The activities conducted through IIC and a pool of mentors in IIC, benefit pre incubation. (c) Faculty and staff members- The technological support provided by faculty and laboratory facilities available for students make the pre incubation viable. (d) COEP's incubator, Bhau institute of innovation, entrepreneurship and leadership facilitates interaction with startup ecosystem.
 - ii. Incubation: Bhau's institute of Innovation Entrepreneurship and leadership is a section 8 company of COEP and it provides incubation to COEP students and external members.
 - iii. Finance: College of Engineering provides 1 % of its total budget (Rs. 50,000,00/-) for the activities in pre incubation and seed funding of startup which includes funding for ideation stage, market research, prototyping and marketing of products. Furthermore, the pre incubation activities at BEC are supported through various resources as follows:
 - a. The CSR fund of private, public limited companies, corporate and nationalized banks

- b. Alumni network
 - c. Central & State government schemes.
 - d. A dedicated corpus fund in the name of BEC has been generated by accumulation of funds generated from above mentioned sources, which is used for the promotion of Innovation & entrepreneurial activities and financial support to start ups.
 - e. College has instituted following prizes to encourage students
 - i. Mr. Bhagat Rajaram Patil endowment fund : (a) Two awards of Rs. 20,000 & Rs. 10,000 for “Idea Competition”. (b) Two awards of Rs. 20,000 & Rs. 10,000 for “B Plan Competition”. (c) Rs. 1 lac as seed funding to the startups initiated/promoted by COEP students.
 - ii.
 - iii. Dr.(Mrs.) Gauri Shah endowment fund : (a) Rs. 2.5 lac as seed funding to the startups initiated/promoted by COEP students. (b)“Innovator award” of Rs. 50000/- for an Out going final year student from computer engineering. (c) “Ideation/Innovation Champion Award” of Rs. 50000/- to an outgoing student of any branch who has business idea with proven commercial value and has worked for promoting start up. (initiated and promoted start up while in college.)
 - iv. “Entrepreneur Guru” to one of the faculty who contributes the most to the startup activities
- iv. **Decision Making:** Two governing and regulating committees are formulated to facilitate and empower students to convert their ideas in to start up and also to monitor the progress. The constitution of these committees has been elaborated here. The detailed role of “Governance Committee” and “review Committee” is described in point no 6 (entrepreneur impact assessment).
- i. **“Governance Committee”** shall mean the committee comprising of Director/Deputy Director and few other senior faculty members who are conversant with the startup eco system. This committee will in general determine and update the incubation and pre incubation policies of COEP.
- Preferably, the "Governance committee" will be constituted as below:
1. Director **(Chairman)**
 2. Deputy Director **(Co- Chairman)**
 3. Convener of IIC **(Convener)**
 4. CEO of BHAU Institute/Alumni from start up ecosystem/industry professional **(Member)**

5. A faculty member who is also a member of IIC (**Member**)
 - ii. **“Review Committee”** shall mean the **committee** comprising of Director/Deputy Director and few other senior faculty members who are conversant with the startup eco system. The review committee will evaluate the start-up proposals, business plans or ideas of students in general.
- Preferably, the "Review committee" will be constituted as below:
1. Deputy Director (**Chairman**)
 2. Convener IIC (**Convener**)
 3. Dean Students’ Affairs (**Member**)
 4. Domain expert - A faculty member at Professor/Associate Professor Level of the concerned department (**Member**)
 5. Industry professional/Alumni from start up ecosystem (**Member**)
 6. A faculty member who is also a member of IIC, COEP, (**Member**)

2. Institutional Infrastructure

- a. Pre Incubator: BEC is an activity centered club of students where innovation & entrepreneurship related activities are conducted through out the year. The activities are guided and supervised by faculty, senior students and alumni having interest, experience & knowledge in this domain . The students get familiarized with start up eco system through these activities. The constitution of IIC and activities promoted by IIC provide them not only with experience in various competitions but also with guidance from experts; both being at national and international level.
- b. Office space, Lab facilities and Fablab:
 - i. The IIC can be provided with an office space and a conference room with all the needed infrastructure and amenities such as Video Conferencing facility, Projection Equipment, (with online booking facility) The mentoring and practicing sessions, meetings with experts and council members, even the competitions can be conducted with the infrastructure provided. The cafeteria or Pantry Facility and co-working space with lockers and electrical connections and wifi for students at pre incubation level may be provided. The Co-working space may be provided for free of cost to students after taking an undertaking from them that the space will be utilized only for the functioning of startup.
 - ii. Infrastructure of the institute such as auditorium, seminar halls, open spaces for hosting exhibitions are made available to students on prior permission.
 - iii. The library facility and internet facility is available to any regular student in the campus.
 - iv. Laboratories of all the departments are available to regular students 24 X 7 with the prior permission of HoD/Lab incharge.

- v. Fablab: In order to promote education in hardware manufacturing and creating prototypes a Fablab in consultation with MIT (Boston, USA) and Design Studio has been established.
- vi. Technical Mentorship, Business Mentorship, financial advisory and mentorship services be provided through the electronic platform mentioned below in point no(vii) or the mentor pool at “BIEL”
- vii. Other facilities:
 - a. Incubator: BIEL is a section 8 Company of COEP having co working spaces, mentors and guides on board.
 - b. The Pre-Incubation/Incubation facility is accessible 24x7 to students, staff and faculty.
 - c. Intellectual Property Right Cell: COEP has an active IPR cell which has its policy for promotion and protection of intellectual property generated/developed by faculty and students of COEP.
 - d. Services: Technological support to students in terms of existing laboratories is available as stated previously, but the support in terms of knowledge is given by faculty.

3. Nurturing Innovations and Start ups

Human Capital Development: Inculcating the habit and embedding the idea of innovation and entrepreneurship in the minds of students in every aspect of economic activity is essential for promoting the culture of innovation. This needs to be achieved through strong educational and administrative support from the HEI to bring out innovators and technopreneurs from among the youth.

- a. Registering as pre incubate: A student who wishes to work on any innovative idea/business plan/ prototype expected to lead to a start up has to apply to the director COEP in given format (to be formulated) initially. The form will be assessed and recommended by “Review Committee” after an interaction with the student. It is expected that a business idea will be clearly distinguished from a pure research. Such “Review Committee” meetings may be scheduled in the beginning of every semester. After the approval from the Director, COEP the student has to register with BEC.
- b. Academic Reforms
 - i. Modification in syllabus: The students are allowed to take electives from other departments/moocs/nptel courses related to their topic of start up, having equivalent credits in place of given set of Department level /Institute level Elective.
 - ii. Faculty may be allowed to design an elective subject (having equivalent credits) as per the specific requirement of an entrepreneurial project under consideration to replace an (department/Institute level) elective from syllabus structure, with

the approval of Dean Academics and HoD. (Eg: 2 units from Smart Materials, 2 From Sensors and 2 from Logic Gates) The student should have a recommendation for his start up from “Review committee” in this case. OR Students may be allowed to select a subject (having equivalent credits) or an audit course from coursera/Edx/upgrad as per the specific requirement of an entrepreneurial project under consideration to replace an (department/Institute level) elective from syllabus structure, with the approval of Dean Academics and HoD. The student should have a recommendation for his start up from “Review committee” in this case.

- iii. COEP has included elective courses on innovation & entrepreneurship in the syllabus at present and has recruited dedicated faculty who have education & expertise in the same domain.
- iv. UG/PG/Ph D Projects: UG students be allowed to have interdisciplinary project groups. Students from maximum three different departments will be allowed to form a group which will be guided and evaluated by a faculty from respective departments. All the faculty and students should be made aware of importance of commercial aspect in the utility of problem solution and encouraged to take up Project topics having a strong commercial potential. It should be recommended especially for Ph D students to select application oriented problems having potential to commercialize. Faculty should encourage all the students to work on Projects with high commercial potential. Such faculty be recognized by giving an incentive after guiding two entrepreneurial projects. Incentive to be thought of
- v. Changes in Project Report structure: (a)It is suggested that patent search and analysis report (PSAR) and Commercial Feasibility Analysis Report (CFAR) for given project title can be included in the project report as a separate chapter after literature review for all the projects including MINI-Project. Similarly, a Patent Draft may be prepared and attached as last chapter of the Project Report. PSAR, CFAR & patent draft can be given additional weightage while evaluating projects at UG/PG level. Writing PSAR, CFAR and patent draft can be made compulsory for Ph D project reports. (b) To audit entrepreneurial project potential and to reward the deserving projects a One/two day exhibition/ competition of Projects from all the departments to be arranged and expert committee comprising of industry/startup/entrepreneur as members be formed to asses

these projects for commercialization potential. “Best commercial project” award may be instituted for such a project. (c) A student entrepreneur/ Pre-incubate may be allowed to convert/select his/her entrepreneurial work as a Mini Project / Minor Project / Major Project / seminar / summer training with proper justification, to review committee and respective HoD and the faculty guide. When such conversion is permitted it will be for equivalent number of credits for that particular course. To avail such a conversion student(s) must separate and clearly distinguish their ongoing research activities as a student from the work being conducted as part of entrepreneurial activity.

c. Relaxation in Attendance:

- i. Students engaged in entrepreneurial activities will be allowed to take exams even if their attendance is below 75% attendance. Relaxation in attendance be allowed at all the stages of start up formation. The student need to approach “Review Committee” prior to the start of his/her entrepreneurial activities to get reviewed and recommended by it.
- ii. The “review Committee” may be empowered to (a) Recommend relaxation in attendance to student entrepreneurs. The maximum of 10% of relaxation is permitted under this criterion at any stage of start up. (b) Allow student to appear for examination even if his/her attendance is less than the stipulated value at any stage of entrepreneurship. (c) Recommend a semester break or an year break to an entrepreneurial student who wishes to work for a start up. The work in progress by student(s) will be reviewed quarterly to continue the leave from the institute. The review committee can discontinue or curtail the leave if the progress is unsatisfactory. However the students need to complete their degree within 6 years including duration of any such break. Semester Break or year break will be allowed only after successful completion of 3 semesters for UG and 1 semester for PG students and after completion of required course work for PhD students. The student entrepreneur can also earn credits during the period of leave relevant/proportional to the

stage at which he is working. The formal recommendations are tabulated below: UG/ PG Students

			Semester/year Break
1	Credits that can be earned, for progress made on innovative prototypes/Business Models, IPR. (As per the recommendation of Review Committee)	Prototypes	Up to maximum of 6 credits
		Business Models	Up to maximum of 6 credits
		IPR	Up to maximum of 12 credits

The student who has availed the facility of a semester/year break for his entrepreneurial activities is not allowed to convert his entrepreneurial work as Mini Project / Minor Project / Major Project / seminar / summer training.

Ph D Students: PhD students, (since they are expected to work on entrepreneurial/innovative/projects having commercial value, their course work is selected accordingly) who have applied and permitted to work as pre-incubate, will not be allowed to avail any relaxation in % attendance in regular class lectures or in laboratory courses. However these students will be allowed to take a semester or year break to encourage their work at COEP's Pre-incubation Cell.

- d. Registering as Incubate at BIEL : A student pre incubated at BEC will be seamlessly admitted at BIEL.
- e. Licensing of IPR from institute: The technology developed or co-developed by students and faculty members or the technology owned by the institute are allowed to license the said technology/product to any commercial organization. The inventors will have primary say but they have to share equity/royalty or a combination of equity & royalty with COEP as stipulated in the IPR policy of the Institute, unless it is a software company. In case of a pure software product 10% of license fees will be paid as one time technology transfer fee to COEP.
- f. Other facilities:
 - i. Existing Students (not alumni) who have registered themselves with BEC, are allowed to participate in entrepreneurial events, seminars, workshops having duration of 2 days and conducted by other

institutes once in a semester with the prior permission from respective HoD and Review committee.

- ii. Financial assistance will be provided to BEC registered students for attending such national events.
- iii. Students who are under pre-incubation/incubation, but are pursuing some entrepreneurial ventures while in the institute studying at UG/PG/Ph D level are allowed to use the address of their co working space in COEP to register their company with prior permission from the review committee of COEP.
- iv. BEC & BIEL jointly will maintain a pool of mentors in different areas. Faculty, students and staff who are working on startup will get support in terms of mentoring in following areas: 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, legal.
- v. COEP anticipates that the startups annexes it name by “a COEP incubated start up” or uses the phrase in its tag line.

4. Product Ownership Rights for Technologies Develop at Institute

IPR & Technology transfer: This should be a policy of IPR cell

- a. IPR is to be jointly owned by inventors and COEP, when COEP facilities / funds are used substantially or when IPR is developed as a part of curriculum/ academic activity,
- b. If one or more of the inventors wish to incubate a company and license the product to this company, the methodology to be followed as specified in the “COEP faculty Policy”. This is given at the end of this document as annexure 1. Referring to section 3 (f) v, the company has to annex its name “a COEP incubated start up”.
- c. If product/ IPR is developed by students, not as a part of curriculum, without using any COEP facilities, mentoring & guidance, then product/ IPR will be entirely owned by them.

5. Organizational Capacity, Human Resources

- a. COEP encourages faculty/students/staff to visit incubators & accelerators placed nationally and internationally. Students are provided with logistic and managerial support for Visits to incubators/ accelerators in & around Pune city.
- b. COEP conducts an induction program for students to make them aware of Innovation & Entrepreneurship.
- c. COEP offers honorary positions of mentors in BEC/BIEL to the interested external stakeholders such as private industries, government research laboratories, defense organizations etc.

6. Entrepreneurial Impact Assessment

- a. Governance committee: The governance committee is the apex body in the innovation & entrepreneurship ecosystem of COEP. It plays an important role to make the policies for the development and promotion of innovation & entrepreneurship in COEP. It is empowered with the authority to amend the policies as and when required, give permissions to promote a company, license an IPR/product to a company/external organization, sanction a seed funding to pre incubates on the recommendation of “Review Committee”
- b. Review committee: Review Committee is the body which interacts with the aspiring student entrepreneurs (1) To assess and recommend the idea/business proposals of students for permission to Governance Committee.(2) To evaluate quarterly the progress of ongoing projects/ideas/start up/business plans and depending on the progress allow/curtail the continuation of grants/facilities and recommend the release of funding (3)To recommend semester breaks, relaxation in attendance (4) To recommend amount of seed funding (to be granted by Governance committee) for the development of prototype or conducting surveys (market, customer), or any other relevant activities which are necessary to convert an idea in to a start up. . (5)To allow students to attend conferences, seminars or entrepreneurial events. (6)To scrutinize the applications for various awards instituted for student entrepreneurs. (7)To permit student pre incubates/incubates to use address in the COEP to register their company (8) To permit student pre incubates/incubates to sit for the examination, even if their attendance is below the prescribed level. (9) To permit the use of lab facilities of COEP. (10)It will also identify conflicts of interests between the activities of student & the institute.
- c. An office facility is developed for maintenance of records of wealth generated, various permissions given to the students, coordinate meetings, upload information on AICTE or other sites and to maintain the accounts.

Annexure I

Methodology

Preincubation: It has been assumed that the student is working on team building, product development, market survey and preparing business plan and has not yet registered a company in this phase.

For a student/students who wish to be pre incubates in the college:
A student/students has to be a member of E Cell COEP. He/They will submit the duly filled application form to the Convener IIC. This form needs to be forwarded through the respective HoDs (HoD s of the departments to which all the student members belong.)

For a Student/students to start a company, it will necessarily be required to be preincubated and incubated in the Institute. However, in exceptional cases, the institute may allow students to open/operate/incubate the Company outside the institute if sufficient justification is provided. Such a permission is exclusively at the discretion of “ Governance Committee”

The process of entering into entrepreneurship will be as below:

- A. A student/students will submit the duly filled application form for establishing a new company to the Director, COEP. This form needs to be forwarded through the HoD, Dean S & A, Dean R & D, “ Review Committee” and COEP’s Incubator, BIEL.
- B. Once permitted, the student may form a Company.
- C. For the incubation of the Company, evaluation will be as per the policy of the COEP’s Incubator, BIEL.
- D. Upon approval, COEP and the Company may negotiate and enter into an agreement for financial consideration by the Company towards COEP which will consist of consideration via equity shares in the Company and/or a share in the revenue/turn over of the Company, as mentioned below:
 - a) Liability-Free fixed equity (*Pari pasu*) of up to 9% in the Company.
 - b) COEP will reserve the right to liquidate any or all of the equity shares after seven years of formation of the Company while the Company will reserve the first right of refusal for purchase of the equity shares from COEP. OR
 - c) A pre-determined, and agreed upon, share in the revenue, measured in terms of cost of units of product or services rendered by the Company, at fair market value on a given date. OR
 - d) A pre-determined, and agreed upon, pay back in the form of percentage of turnover of the company OR
 - e) A combination of liability free equity in the Company and share in the revenue, measured in terms of cost of units of

product or services rendered by the Company, at fair market value on a given date. OR

- f) A combination of liability free equity in the Company and pay back in the form of percentage of turnover of the company
- E. Exit: The Company shall work towards a plan that would give COEP an “Exit”. It should be noted that this policy will cease to be in effect, once the “Exit”, as defined below, takes place.
- a) Company raises investment at a valuation of INR 30 crores or more. This threshold value may be changed from time to time.
 - b) Seven years from the date of Incorporation of the Company and the Company has graduated from incubation, satisfying both conditions.
 - c) Whichever between (a) or (b) happens earlier. OR
 - d) A student/students exit/relinquish his/their position in the Company and/or cease to be a part of the Company. (If a group of students have formed a company, then the policy will be in force till any one of the students is a part of the company.)

Innovation & Start up policy for Faculty

The Doctrine:

COEP aims to promote culture of innovation and entrepreneurship by synchronizing among the institute; the members of faculty; the members of staff; the students; the alumni and the domestic as well as overseas industry. This document frames a policy to facilitate working of all the above-mentioned stake holders to work hand in hand for the sake of best results.

The faculty members and students work in various cutting-edge technology areas while in the institute. Many of these research outcomes may benefit the society in general, if commercialized. This policy framework promotes the translation of research into commercial products by

- Fostering spirit of entrepreneurship among faculty and students
- Removing restriction on the Institute's employees to promote a company or license the innovation/research to a company to commercialize.
- Facilitate and empower them to commercialize their innovations.

Faculty members can involve themselves with students and staff, alumni, or others in the business, that is a direct result of the research and development activities in the campus; of the faculty member of College of Engineering Pune, to be on the board of such companies in the capacity of a Director, a Chairman, a Promoter or any such role, subject to the terms and conditions of this Faculty Entrepreneurship Policy. The policy also mandates the company preferably be incubated in the incubator of College of Engineering Pune. (BIEL)

At the same time the policy also prompts its stake holders that nothing precedes the academics which is the core value of the institute.

DEFINITIONS:

- i. "COEP" or the "**Institute**" shall mean "College of Engineering Pune".
- ii. "**Policy**" means Faculty Entrepreneurship Policy of College of Engineering Pune.
- iii. "**Faculty Member**" shall mean a Full time faculty member of College of Engineering Pune,
- iv. "**Staff member**" shall mean a permanent staff member of College of Engineering Pune,
- v. "**Promoter**" means a promoter as defined under Section 2(69) of Companies Act 2013.
- vi. **Institute Innovation Council (IIC):** AICTE mandated committee which consists of a few faculty members and a few external members representing industry, alumni, external incubator and IPR attorney. The function of IIC is to nurture and look after

innovation activities in the campus to promote entrepreneurship among students & faculty.

- vii. **“Executive capacity”** shall mean a role as a Director or a Chief Executive Officer, Chief Operating Officer or Manager or any person, enjoying similar role, by whatever name called, in the Company, having executive power(s) in the Company, effectively an employee of the company.
- viii. **“Equity”** shall mean ‘liability free’ equity shares (fully paid up), having voting rights, of the Company
- ix. **“Company”** shall mean a start-up Company, having at least one Faculty member from COEP, in Executive or in Non-Executive Capacity in the company.
- x. **“Governance Committee”** shall mean the committee comprising of Director/Deputy Director and few other senior faculty members who are conversant with the startup eco system. This committee will in general determine and update the incubation and pre incubation policies of COEP.

The "Governance committee" will be comprise of :

- 6. Director (**Chairman**)
- 7. Deputy Director (**Co- Chairman**)
- 8. IIC in-charge (**Convener**)
- 9. Dean R & D (**Member**)
- 10. Dean Faculty affairs (**Member**)
- 11. CEO from BHAU Institute/Professional/Alumni from startup ecosystem (**Member**)
- 12. A faculty member who is also a member of IIC (**Member**)

- xi. **“Review Committee”** shall mean the **committee** comprising of Director/Deputy Director and few other senior faculty members who are conversant with the startup eco system. The review committee will evaluate the start-up proposals of faculty member and will recommend the following:
 - (i) Faculty proposals for commencing start-ups
 - (ii) Incentivize faculty member and staff member in appropriate form as per the recommendations in start up policy.
 - (iii) To recommend Leaves such as sabbatical/ earned leave/ unpaid leave/ casual leave etc. for the purpose of commencing startups.
 - (iv) To take appropriate decisions on conflicts of interests between the faculty member & the institute.
 - (v) Furthermore it will monitor the progress of start up twice in an financial year.

Preferably, the "Review committee" will be constituted as below:

7. Deputy Director (**Chairman**)
8. IIC in-charge (**Convener**)
9. Domain expert - A faculty member at Professor/Associate Professor Level (**Member**)
10. CEO of Bhau Institute/ Industry professional/Aumni from startup ecosystem (**Member**)
11. A faculty member who is also a member of IIC, COEP but not a member of governance committee. (**Member**)

1. Types of companies encouraged by COEP

- a. Companies jointly owned by the faculty members and/or graduating students/alumni and /or staff members along with possible others from COEP or outside COEP.
- b. Companies owned by the faculty members (one or many) along with possible others from COEP or outside COEP.

2. Companies eligible under this “Policy”:

- a. Company that pursues businesses that are a direct result of the research and development activities of the faculty member of COEP. In such cases, the faculty 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 who do not draw any salary/honorarium/perks/benefit from the company.
- b. Company promoted by student (s) in which a faculty member is in a role of guide/mentor.

3. Companies not eligible under this Policy:

- a. A faculty member cannot associate, either as a Promoter or in an “Executive Capacity” with: (1) Companies involved in Teaching and/or development of educational content. On the other hand, companies developing innovative technology platforms that facilitate delivery of content are permissible. (2) Companies whose business will be to provide consultancy services. (3) Such class of Companies that may be prescribed and notified by COEP, on time to time
- b. Provide consultancy to the Company in a non-executive capacity. COEP has existing rules for consultancy services, faculty will abide by them.
- c. Undertake projects from outside companies that could be executed at COEP. This falls under extant consultancy policy of COEP.

4. Role of Faculty

The Faculty member has to take prior permission from the “Governance committee” of COEP by applying in the format prescribed by COEP before associating with

- I. Any business venture in any capacity
- II. Starting a new venture

It is expected that the faculty member would be a Promoter of such Companies and/or a Director on its Board or a guide/mentor/ adviser, in a non executive position. Faculty as a promoter, can sign an agreement with the start up to get remuneration in following format.

1. 1% on the turn over up to Rs. 25 lac to COEP
2. 2% on the turn over up to Rs. 1 Cr to COEP
3. 5% on the turn over more than Rs. 1 Cr to COEP

COEP will pay 50% of the remuneration received to the concerned faculty. Such an arrangement should be in effect, at least for 5 years.

However no faculty or staff is allowed to be employed in the executive or managerial position in a startup while working in COEP nor draw any honorarium or perks or benefit.

5. Usage of COEP Resources & Empowerment

- a) The faculty member can take a sabbatical and/or Leave without pay/earned leave and work full-time for the Company in an non-Executive Capacity (COO, CEO, Vertical Head etc). Eligibility, duration and approvals of such leave are granted by “Governance committee” of COEP, limited to not more than 3 months per year.
- b) Faculty member is allowed to use lab facilities of the COEP with prior permission from respective Head of the Department and the lab in-charge in pre incubation period.
- c) The faculty member is allowed to use any other facilities of COEP on chargeable basis as per the existing rules of COEP
- d) The Company founded by faculty member is allowed to set up its office in the premises of Bhau Institute and will have to pay rent, electricity & internet for office space, if provided, as per prevailing norms
- e) Faculty member is allowed to give internship to the COEP students in his/her startup in consultation with Training and Placement cell of COEP. It will fall under regular internship program of COEP. Faculty member is not allowed to employ any student in any other capacity in his company.
- f) Faculty member is allowed to take support in terms of consultancy from other faculty members (other than assigned faculty mentor(s)) of COEP during and after the

incubation period of the Company and it will be treated under COEP's extant consultancy norms.

- g) Faculty member will get maximum of 10 additional marks in the annual confidential report on attaching the review of his startup by "Review Committee" of COEP.
- h) Faculty member or staff working on any of the stage of startup and in any role is allowed to spend 1 day per week with the company while on duty.
- i) However, Faculty member or staff working on any of the stage of startup and in any role is not expected to compromise with their existing academic and administrative work/duties. Faculty member of COEP should take all possible steps to ensure that his/her duties and responsibilities as a member of COEP faculty, take precedence over all other activities regardless of the nature of his/her engagement with the Company.
- j) It is the responsibility of faculty member as well as the "Governance Committee" to clearly separate and distinguish on-going research at the institute from the work conducted at the startup/company and the research staff or other staff of COEP is not involved in activities at the startup and vice-versa.
- k) COEP will not be responsible for or stand guarantee for any of the following issues arising out of functioning of any start up,
 - 1. Any legal suits
 - 2. Financial liability
 - 3. Unauthorised use of soft wares

6. Intellectual Property Rights

It has been explicitly mentioned in the preamble that faculty members can involve themselves in the business, whose business objectives can be fulfilled by the know- how and / or research and development activities of the faculty member of COEP.

- a) 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" in the specified format for approval of the governance committee.
- b) In the event the faculty member(s) would want to use an existing Intellectual Property developed at COEP and protected by filing/grant of patent where COEP is an applicant & the Faculty member is an inventor, the Faculty member(s) may request for an

exclusive license of the IP from the Institute to the Company, the grant of which may be guided by the policy stated below:

- i. The faculty member would submit an application for the same to the office of Dean, Research & Development.
- ii. Upon obtaining permission, the Company may initiate the process of getting the IPR licensed to it as per the existing IPR policy of COEP.
- iii. The exclusive license may be given to the company on a perpetual basis till the time the company is in the business and/or the IPR is within its protected period.
- iv. In case the Company/faculty member agrees to sublicense the “licensed IPR(s)” to any other entity, then the licensing revenue generated by the Company will be distributed among the inventors and COEP, as per the IPR policy of the COEP. The share to be given to COEP can be 1% of the royalty upto 25 Lac; 2% of the royalty upto 1 Cr and 5% of the royalty more than 1 Cr.
- v. In any case, COEP reserves the “First Right of Refusal” for any IPR generated in the Institute.

7. Disclosure and Compliance

- a) Financial and non-financial disclosure agreement will be signed as per the COEP norms.
- b) A separate Conflict of Interest Disclosure Statement will have to be furnished every six months (April 30th and October 31st) by the Company.
- c) 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 COEP.
- d) Decision on Outsourcing of full/in part of Institute’s projects to the Company would be taken on a case to case basis by the “Governance Committee” and in accordance with the guidelines provided by the project sponsor, if applicable.

8. Funding for the Company

- a) The company will have its own funding and accounting procedures in line with the prevailing statutory norms.
- b) In order to promote entrepreneurship COEP can propose some funding policy

9. Methodology

For a faculty member to start a company, it will necessarily be required to be incubated in the Institute. However, in exceptional cases, the institute may allow a faculty member to open/operate/incubate the Company outside the institute if sufficient justification is provided. Such a permission is exclusively at the discretion of “ Governance Committee”

The process of entering in to entrepreneurship will be as below:

- F. A faculty member will submit the duly filled application form for establishing a new company to the Director, COEP. This form needs to be forwarded through the HoD, Dean R & D, dean Faculty Affairs, “ Review Committee” and COEP’s Incubator, BIEL.
- G. Once permitted, the faculty member may form a Company.
- H. For the incubation of the Company, evaluation will be as per the policy of the COEP’s Incubator, BIEL.
- I. Upon approval, COEP and the Company may negotiate and enter into an agreement for financial consideration by the Company towards COEP which will consist of consideration via equity shares in the Company and/or a share in the revenue/turn over of the Company, as mentioned below:
 - g) Liability-Free fixed equity (*Pari pasu*) of upto 9% in the Company.
 - h) COEP will reserve the right to liquidate any or all of the equity shares after seven years of formation of the Company while the Company will reserve the first right of refusal for purchase of the equity shares from COEP. OR
 - i) A pre-determined, and agreed upon, share in the revenue, measured in terms of cost of units of product or services rendered by the Company, at fair market value on a given date. OR
 - j) A pre-determined, and agreed upon, pay back in the form of percentage of turnover of the company OR
 - k) A combination of liability free equity in the Company and share in the revenue, measured in terms of cost of units of product or services rendered by the Company, at fair market value on a given date. OR
 - l) A combination of liability free equity in the Company and pay back in the form of percentage of turnover of the company
- J. Exit: The Company shall work towards a plan that would give COEP an “Exit”. It should be noted that this policy will cease to be in effect, once the “Exit”, as defined below, takes place.

- e) Company raises investment at a valuation of INR 30 crores or more. This threshold value may be changed from time to time.
- f) Seven years from the date of Incorporation of the Company and the Company has graduated from incubation, satisfying both conditions.
- g) Whichever between (a) or (b) happens earlier. OR
- h) The faculty member relinquishes executive position in the Company and/or ceases to be a Promoter of the Company

10. Resolution of Conflicts

In situations in which the objectivity of a faculty member – due to his/her association with the Company - could reasonably be questioned by the Head of the department to which faculty member/members report to,

- a) The Director of COEP 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.
- b) The faculty member may appeal to the Board of Governors of the institute for a review of the committee's decisions. The decision of the Board, in this regard, would be final.