

PANDIT DEENDAYAL ENERGY UNIVERSITY (PDEU)

Innovation and Entrepreneurship Policy for Faculty, Staff and Students

Preamble

Pandit Deendayal Energy University (formerly, Pandit Deendayal Petroleum University) is a private university established through the State Act enacted on 4th April, 2007 with a vision *to emerge as a world class Institution of Excellence in Energy Education, Research and Innovation which will prepare and sensitize the youth and ultimately the society for radical yet sustainable societal transformation.* The University offers programs to address the need for trained human resources in the domains of Science, Technology, Management and Humanities.

The University has established its Incubation Centre, named as PDEU Innovation & Incubation Centre (PDEU IIC), formerly – PDEU Innovation & Incubation Centre in year 2014 and registered it as a section 8 in the year 2017, with a vision to provide state of the art support and service to innovators, technocrats and entrepreneurs who aim to create a social and economic impact in the society through innovative solutions. PDEU IIC acts complementary to the academic activities of the University. PDEU IIC has also been approved as “NIDHI Technology Business Incubator”, a recognition by Dept. of Science & Technology, Government of India. PDEU has been listed in top 6-25 in ‘Private/ Self-Financed Universities Category (Band-A)’ in ARIIA Ranking 2020 by Ministry of Human Resource Department, Government of India.

National Innovation and Startup Policy (NISP) 2019 was launched on September 11, 2019 by the Ministry of Human Resource Development (now, Ministry of Education), Government of India, intending to guide Higher Education Institutions (HEIs) to promote students, staff and faculty driven innovations and start-ups. It provides ways to Indian HEIs for developing entrepreneurial agenda, managing Intellectual Property Rights (IPR) ownership, technology licensing and equity sharing in Startups or enterprises established by faculty and students.

The University, in line with the NISP 2019 thrives to promote research, innovation and entrepreneurship amongst its faculty, staff and students. With an aim to put in place best incubation practices and to facilitate such activities, the University has

adopted the Innovation and Entrepreneurship Policy for its Faculty, Staff, and Students. The faculty, staff and students of the PDEU involved or willing to pursue innovation and startup related activities shall adhere to this policy.

This policy shall be effective from **July 18, 2022** and shall be subject to review every three years from the date of implementation.

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I. Definitions

1. **“PDEU” or “University”** shall mean Pandit Deendayal Energy University, (formerly known as Pandit Deendayal Petroleum University), established by the State Act, 2007; Acts of the Gujarat Legislature and Ordinances promulgated and Regulations made by the Governor, in the State of Gujarat, India.
2. **“PDEU Innovation and Incubation Centre”, “PDEU IIC” or “Incubator”** shall mean an incubator established by the PDEU and registered under the section 8 of the Companies Act, 2013. (formerly known as PDEU Innovation and Incubation Centre)
3. **“Policy”** shall mean this Innovation and Entrepreneurship Policy for Faculty, Staff and Students of Pandit Deendayal Energy University.
4. **“Council”** shall mean the Innovation & Entrepreneurship Council established for the Faculty/Staff or the Students of Pandit Deendayal Energy University.
5. **“Faculty” or “Faculty Member”** shall mean a faculty member (on Contract or on Regular Scale) of Pandit Deendayal Energy University.
6. **“Staff” or “Staff Member”** shall mean any of the staff members (on Contract or on Regular Scale) of Pandit Deendayal Energy University.
7. **“Student”** shall mean a student studying at Pandit Deendayal Energy University.
8. **“Alumni”** shall mean a student who has been already conferred a degree from Pandit Deendayal Energy University.
9. **“Equity”** shall mean ‘liability free’ equity shares (fully paid up), having voting rights, of the Company.
10. **“Company”** shall mean a start-up Company, having at least one Faculty member/ staff member/ student from Pandit Deendayal Energy University as its founder or co-founder.

II. Governance¹

For Faculty & Staff

The University shall constitute an ‘Innovation & Entrepreneurship Council for Faculty & Staff’ for policy implementation amongst the faculty & staff and shall also review and monitor the application from the faculty and staff to undertake a start-up(s) or to be on board as Director of a startup. The composition of the Council shall be as follows:

Sr. No.	Designation	Role in Committee
1	Director General – PDEU	Chairman
2	Registrar – PDEU	Vice-Chairman
3	Chief Human Resource Officer (CHRO) – PDEU	Member
4	Director – PDEU IIC	Member
5	Dean (R & D) – PDEU	Convener and Member-Secretary
6	Director of the respective School – PDEU	Member
7	Dean of the respective School – PDEU	Member
8	Faculty Member of Institution’s Innovation Council (IIC) at PDEU of the respective School – PDEU	Member

For Students:

The student start up shall be continued, as per the existing practice, through PDEU IIC. They shall be reviewed as per the Student Startup and Innovation Policy by Education Dept., Govt. of Gujarat, by the committee formed for the said purpose.

III. Objectives

1. Developing an Innovative and Entrepreneurial Mind-set through Series of Activities
2. Offering of Academic Programmes related to Innovation & Entrepreneurship (I & E) & IPR

¹ Clause 1 – Strategies and Governance, of the National Innovation and Startup Policy 2019 for Students and Faculty

3. Setting up of dedicated Infrastructure & Facilities to promote Innovation & Entrepreneurship
4. Promoting generation of Innovations/ Ideas among faculty, staff and students.
5. Mobilization of Angel & VC Fund/Investment to support Innovation & Incubated Startups
6. Intellectual Property (IP) Generation and Commercialization

IV. Policies for PDEU's Faculty(ies), Staff and Students(s) involved in I & E related activities as Founders and Co-Founders

PDEU encourages its faculty, student and staff to convert their research and innovative ideas into a startup. Implementation of this policy should enable and encourage the conversion of their effort into a business venture/ startup under the supervision of PDEU IIC.

A. Norms for Students²

1. The students including the alumni can apply at PDEU IIC for starting a new venture/ start-up. PDEU IIC shall select and monitor the same as per the extant norms.
2. The existing students, registered as a startup or associated with a startup may be extended the following benefits at PDEU, post-approval of Dean and Director of the respective school:
 - The Students can earn co-curricular academic credits for pursuing startup-related activities at an Incubator.
 - Option of working on a startup in place of project/ summer training/ seminars can be given to students.
 - The Student Entrepreneurs with minimum 70% of the attendance can be allowed to sit for the examination.
 - In line with National Education Policy 2020, Students can be allowed a semester/ a year break for pursuing their startup activities.

² Clause 8 – Pedagogy and Learning Interventions for Entrepreneurship Development, of the National Innovation and Startup Policy 2019 for Students and Faculty

3. The student who is incubating at PDEU IIC can be allowed to use University's address to register their company after obtaining the prior approval of PDEU IIC and Registrar-PDEU.

B. Norms for Faculty³ & Staff⁴

1. The Faculty/Staff member has to apply to the Council through their School Director and take prior permission from the Council before associating with any business venture or starting a new venture.
2. After obtaining of the necessary approvals and upon the request made by the Faculty, the Council shall consider following in consultation with the Human Resource Department of University and reporting authority of the concerned Faculty/ Staff Member:
 - Relaxation in office working hours: Allowing Faculty/Staff member to spend up to 20% of their working hours on their start-up activities without affecting their regular teaching work/core administrative duties.
 - Sanctioning of Leave: Where Faculty/Staff member wants to spend more than 20% of their working hours, they can be granted leave with or without pay or sabbatical leave, as the Council at PDEU may approve in consultation with the School Director, to work on their start-up.
3. Participation in innovation and startup-related activities may be given due weightage during the annual appraisal and promotion of the faculty/staff.
4. Product development and commercialization as well as participating and nurturing of startups shall be added to a bucket of faculty/staff-driven activities and each faculty would choose a mix and match of these activities (in addition to minimum required teaching and guidance)

The faculty/staff member of PDEU should, in any case, take all the possible steps to ensure that their duties and responsibilities at PDEU, take priority over all other activities regardless of the nature of their engagement with the startup company.

³ Clause 7 – Norms for Faculty Startups, of the National Innovation and Startup Policy 2019 for Students and Faculty

⁴ Clause 5 – Organizational Capacity, Human Resources and Incentives, of the National Innovation and Startup Policy 2019 for Students and Faculty

V. Type of Companies

PDEU shall encourage and prioritize the Companies in the following order:

1. Companies jointly owned by the faculty members / Staff and/or graduating students/alumni (along with possible other technical expert or skilled person)
2. Companies owned by the faculty members / Staff (one or many) along with possible other technical expert or skilled person.
3. Companies owned by the graduating students, alumni along with possibly other technical expert or skilled person.

In such cases, the faculty members/ staff and students will be known as founding members of the board of those company(ies).

Companies not eligible under this Policy:

A faculty member/staff member/a students of PDEU cannot associate with:

1. Companies involved in Teaching and/or development of educational content. However, 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 of any sort.
3. Such class of Companies that may be prescribed and notified by PDEU from time to time.

VI. Intellectual Property Rights: Licensing & Ownership⁵

1. IP rights shall be jointly owned by the PDEU and the Inventor (Inventor being the student/ faculty/ staff of PDEU) where funds and/or facilities and services of the University are used to a great extent.
2. IPR shall be owned by the Inventor, as per the Policy of the University, where the IPR is developed by not using any university's facilities or resources, outside

⁵ Clause 4 – Product Ownership Rights for Technologies Developed at Institute, of the National Innovation and Startup Policy 2019 for Students and Faculty

office hours (for staff and faculty) and not as a part of the curriculum of the student.

3. The University will allow licensing of Intellectual Property Rights (IPR) from the university to start up as per the University's IPR Policy governed by the University IPR Committee. Ideally such a startup should be initiated by students/alumni/staff/faculty based on the technology developed or co-developed by them or the technology owned by the university and based on the University's IPR policy.
4. The founding faculty/staff members and/or students/ alumni of the startup company which has developed IP under the incubation, be allowed to use the lab, library or any such other facilities subject to the recommendation of the department / center concerned and charges, if any applicable.

VII. Incubation Facilities and Consideration

A Startup Company where a faculty/staff member is a founder/ co-founder will necessarily be required to be incubated at the PDEU IIC. However, in exceptional cases, the PDEU may allow a faculty/staff member to open/operate/incubate the company outside the university if sufficient justification is provided which will be evaluated by the Council and be placed before the DG of the University for his consideration and approval and the recommendation of the Council will be final and binding.

Upon approval, the University and the Company may negotiate and enter into an agreement for financial consideration by the Company towards University which will consist of consideration via equity shares in the Company and/or a share in the revenue of the Company, as mentioned below:

- (a) Equity Upto 9.5 % in the company. PDEU 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 PDEU.

OR

- (b) 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

- (c) A combination of 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.

The equity in the start-up company shall, in any case, be held by PDEU IIC on behalf of the University.

VIII. Approval of MoU/ Agreement

The Council is responsible for vetting and approving MoU/ Agreements relating to this policy matter entered by the University with the Incubator or any faculty/ staff/ student/ alumni of the PDEU.

IX. HR initiatives for Incentives for Staff and Stakeholders⁶

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

X. Funding of the Company

The Company will have its own source of funding and accounting procedures in line with the prevailing statutory norms.

The University may also provide loan/ funding to such companies under the various government schemes available for supporting startup or from such other fund created by the university for the said purpose.

XI. Usage of University's Services and Facilities⁷

1. For startups and projects that are incubated at PDEU IIC, charges for using the University's services and facilities will be governed by the MoU/ Agreement signed with the Incubator and Startup.
2. In all other cases, charges for services and facilities provided by the University will be as per the norms of University.

⁶ Clause 5 – Organizational Capacity, Human Resources and Incentives, of the National Innovation and Startup Policy 2019 for Students and Faculty

⁷ Clause 3 – Nurturing Innovations and Startups, of the National Innovation and Startup Policy 2019 for Students and Faculty

XII. Innovation Fund⁸

PDEU, in line with the National Innovation and Startup Policy (NISP) 2019, will create an Innovation Fund for supporting pre-incubation, incubation infrastructure, recurring expenses of incubator and such other facilities which will be resourced as follows:

1. The University will provide 1% of its total annual budget to fund and support I&E related activities through a separate 'Innovation fund'; a fund wholly managed by the University. This fund will also be augmented by bringing in external funding through government (state and central) or other Public, Private and Government Entities.
2. The Private and corporate sectors can support technology incubation/incubators by contributing to the Innovation Fund. Such contributions can be treated as Corporate Social Responsibility (CSR) contributions as per Section 135 of the Companies Act, 2013.
3. This Fund can also be supported through Sponsorships and Donations.

The utilization of this fund shall be to foster research, innovation, entrepreneurship and startup related programs that shall be done under the direction of Council.

XIII. Amendments/ Deviation to the Policy

The University shall reserve right to make necessary modification/ amendments in this policy as and when required, in general and also on case to case basis.

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Ref.:

1. **National Innovation & Startup Policy 2019 (NISP 2019)**
2. **IIT Palakkad's Innovation & Startup Policy**
3. **IIT Roorkee's Faculty Entrepreneurship Policy**
4. **IIT Kanpur's Faculty Entrepreneurship Policy**
5. **Centre of Innovation, Incubation & Entrepreneurship (CIIE), IIT (Indian School of Mines - ISM) Dhanbad's – Policy & Framework**

⁸ Clause 3 – Nurturing Innovations and Startups, of the National Innovation and Startup Policy 2019 for Students and Faculty