# PREAMBLE

Faculty members at the Government College of Engineering, Chhatrapati Sambhajinagar Maharashtra (GECCS) are continuously engaged in knowledge generation and dissemination. A large number of R&D activities are being carried out by faculty members and students in several cutting-edge science and technology areas. However, most of these research outcomes do not get translated into commercial products, benefiting Society in general, due to several reasons including a lack of interest in commercializing new and futuristic technologies and restrictions on the Institute’s employees to start entrepreneurship.

Towards this end, GECCS, in line with the best practices of other institutes of higher learning, encourages interested faculty members to incorporate companies to engage in the business, that are a direct result of the research and development activities of the faculty member of GECCS, be on the board of such companies in the capacity of a Founder, Co-founder, Director, Chairman, Promoter or any such role, subject to the terms and conditions of this Faculty Entrepreneurship Policy which in turn aligned with MHRD National Innovation and Startup Policy 2019 for Students and Faculty.

**It is expected that faculty members will make all efforts to balance their academic responsibilities while assuming the above role and will respect the adherence to Policy.**

# ABBREVIATIONS

GECCS – Government College of Engineering, Chhatrapati Sambhajinagar Maharashtra

IIC- Institution’s Innovation Council

FSGC – Faculty Startup Governing Council

NISP – National Innovation & Startup Policy by Ministry of Education, Govt of India

# AICF – AnkurGECA Incubation Center Foundation, A section 8 Company supported by GEC Chhatrapati Sambhajinagar

## 1. KIND OF COMPANIES

GECCS & AICF encourages and prioritizes the Companies in the following order.

* Companies jointly owned by the faculty member and/or graduate students/alumni/supporting staff
* Faculty startup may consist of faculty members alone or with students or with faculty of other institutes or with alumni or with other entrepreneurs or with expert consultants.

## COMPANIES ELIGIBLE UNDER THIS “POLICY”

1. Such a Company must pursue businesses that are a direct result of the research and development activities of the faculty member and or new innovative ideas originated at GECCS. In such cases, the faculty member(s) and student(s), if applicable, will be known as a Founder /Promoter(s) in a non-Executive position of the Company.
2. Companies providing consultancy services to the community

## COMPANIES NOT ELIGIBLE UNDER THIS POLICY

A faculty member **cannot associate with startup** in any capacity :

1. Companies involved in teaching and/or development of educational content. Keeping integrity of the profession, faculty member should avoid conflicts of interest with their teaching and research responsibilities. On the other hand, companies developing innovative technology platforms that facilitate the delivery of content are permissible.

1. Such category of Companies may be prescribed and notified by GECCS and Faculty Startup Governing Council from time to time.
2. There is a potential for faculty members to exploit their students or position of power for personal gain in their startups. This could include using students as unpaid labor, pressuring them to invest in their ventures, or giving preferential treatment to students who are involved in their business.

### 2. FACULTY STARTUP GOVERNING COUNCIL (FSGC)

GECCS, IIC & AICF will have a Faculty Startup Governing Council (FSGC). The FSGC constitutes of:

1. Chairman/ member of BoM GECCS
2. Principal /Director, GECCS/AICF
3. Dean Industry Institute Interaction GECCS
4. Dean R& D / President, IIC GECCS
5. Directors, AICF ( Any two)
6. Head, Respective department GECCS
7. Incubation Manager AICF
8. Faculty Coordinator AICF
9. Domain Expert Invited by Principal GECCS
10. NISP Coordinator as Member Secretary

## 3. ROLE OF AICF TO FACULTY STARTUP

Faculty startups will be eligible for all services and facilities mentioned under the AICF Incubation Policy.

## 4. ROLE AND RESPONSIBILITY OF THE FACULTY MEMBER

4.1 For better coordination of entrepreneurial activities, norms for faculty startups will be created by the FSGC IF REQUIRED.

4.2 Faculty will be permitted to involve with any startup, either on a full or part-time basis as promoter/adviser/consultant/any other approved role. He/she will be permitted to use specified physical and/or intellectual resources (e.g., workshop equipment, laboratory instruments, computing resources, and assistance of staff/student) of GECCS & AICF as per its prevailing norms. Any such use of resources will be governed by an agreement, which will include the contents and implications of AICF Incubation Policy.

4.3 Participation in start-up-related activities as well as product development and commercialization needs to be considered a legitimate activity of faculty in addition to teaching, R&D projects, industrial consultancy, administrative work, outreach activity and management duties and must be considered while evaluating the annual performance of the faculty.

4.4 The seniority and other academic benefits during such period must be preserved for such staff or faculty.

4.5 Faculty must not launch a startup for ongoing research funded by other agencies at the institute

4.6 Faculty must not accept gifts from the startup.

4.7 Human subject-related research in a startup should get clearance from the ethics committee of the GECCS.

4.8 No restriction on shares that faculty/staff can take, as long as they do not spend more than 20% of office time on the startup as a Mentor, advisory or consultative role and do not compromise with their existing academic and administrative work/duties.

4.9 If a faculty makes financial investments in a startup without:

* Making any other contribution in the form of technical/managerial consulting advice, or
* Any involvement of GECCS/ AICF in the form of any commercial transactions of IP, or
* Any use of GECCS / AICF facilities such investments will be treated as a private matter of the Faculty. FSGC will have no role to play in such instances. The Faculty should however declare this to FSGC in order to avoid any conflict of interest situation

* 1. If, however, the faculty, are provided shares in the company as compensation in part or full for technical/managerial consulting or for any support extended by Faculty, then FSGC must be informed.
  2. All faculty startups will be designated as an “AICF Incubated Startup”.

### 5. PRODUCT OWNERSHIP RIGHTS FOR TECHNOLOGIES DEVELOPED AT GECCS

5.1 When institute facilities / funds are used substantially or when IPR is developed as a part of curriculum/ academic activity, IPR is to be jointly owned by inventors and the institute.

5.2 On the other hand, if product/ IPR is developed by innovators not using any institute facilities, outside office hours (for staff and faculty) or not as a part of curriculum by student, then product/ IPR will be entirely owned by inventors in proportion to the contributions made by them. In this case, inventors can decide to license the technology to third parties or use the technology the way they deem fit.

5.3 Institute IPR cell or incubation center will only be a coordinator and facilitator for providing services to faculty, staff and students. They will have no say on how the invention is carried out, how it is patented or how it is to be licensed. If institute and AICF is to pay for patent filing, they can have a committee which can examine whether the IPR is worth patenting. The committee should consist of faculty members who have experience and excelled in technology translation. If inventors are using their own funds or non institute funds, then they alone should have a say in patenting.

5.4 Interdisciplinary research and publication on startup and entrepreneurship should be promoted.

### 6. MODES OF FACULTY’S ENGAGEMENT WITH START-UPS (AICF STARTUP)

FSGC will negotiate with the Startup or STARTUPS the number of shares that the incubated company will allot to AICF at par value in lieu of Institutes Incubation and other services provided. This share will be first negotiated with the startup before AICF acquires shares through faculty/staff/student involvement (as discussed below). AICF total holding in a company at any time will not exceed 9.5% of the total allotted shares of the Start-up from all kinds of services provided, IP provided and the faculty-share (as discussed below).

## (A) FACULTY / STAFF INVOLVEMENT

**Capital Investment:** Faculty / Staff may be involved in the Start-up by providing capital investment alone in return for shares, with no other managerial, technical or mentorship involvement whatsoever. All shares thus allotted can be retained by the concerned Faculty / Staff, and the transaction is treated as a purely private commercial transaction of no concern to the institute. The Faculty / Staff must declare this to FSGC, so as to avoid conflict of interest situations.

**Sabbatical / Extra Ordinary Leave (EOL):** Faculty / Staff may avail of sabbatical / EOL as per the prevailing GECCS leave rules and may work full-time for the AICF Startup. If the compensation to the faculty / staff for this is through shares of the AICF Startup or STARTUPS in part or in full, in lieu of cash payment, the Faculty must declare the same to FSGC.

**Part time:** A Faculty / Staff member is allowed to participate in a Start-up on a part time basis as per GECCS consultancy norms with regard to the extent of time spent on such participation. If the compensation to the Faculty / Staff member is in cash, than GECCS norms for consultancy projects will be applicable for revenue share. If Faculty / Staff member are allocated shares of the Start-up as compensation of services provided to the startup Faculty / Staff member need to apply for approval from FSGC for engagement with the Start-up. In such cases, up to 20% (faculty / staff will offer 20% of what they are offered and AICF may choose to acquire less) of these shares as decided by the FSGC obtained shall be transferred to the AICF

### 7. SUPPORT FROM OTHER FACULTY MEMBERS

Support from other faculty members of the institute during and after the incubation period of the startup(s) would be treated under the Institute‘s present Consultancy Policy norms (other than assigned faculty mentor(s)).

### 8. SUPPORT FROM STUDENTS

Any support received from students for the startup(s) would be as per the existing guidelines of the Institute. (internship, stipend)

### 9. DISCLOSURE AND COMPLIANCE

Financial and non-financial disclosure agreements will be signed as per the existing AICF incubation policy. Also, a separate Conflict of Interest Disclosure Statement will have to be furnished every six months by the startup(s). At all times, the faculty member(s) must ensure that the startup(s) 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 Incubator.

### 10. FUNDING FOR THE STARTUP(s)

The startup(s) will have its own funding and accounting procedures in line with the prevailing statutory norms of Institute.

### 11. INCUBATION PROCESS WITH AICF As per the previous document shared

**12. Exit:**

The startup(s) would facilitate the sale of AICF equity shares in the startup(s), either by purchase by existing or new shareholders, buyback by promoters or through IPO. The share sale would be within a period of 7 years from the time AICF is allocated shares in the startup(s).

### 13. Resolution of Conflicts

In situations in which the objectivity of a faculty member – due to his/her association with the startup(s) - could reasonably be questioned, the FSGC will investigate the operation and the possible conflict of interest between the functioning of the startup(s) and the academic duties of the faculty member(s) associated with the startup(s). The decision of FSGC, in this regard, would be final.

*References:*

* *MHRD National Innovation and Startup Policy 2019 for Students and Faculty*
* Institute‘s Consultancy Policy norms