



## **Innovation and Startup Policy BML Munjal University, Gurugram**

**Institute of Innovation  
& Entrepreneurship (I<sup>2</sup>E)**

**propel**  
Incubator@BMU



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## 1. Introduction

One of the strategic goals of the BML Munjal University (BMU) is 'Entrepreneurial Learning'. The university has the belief that innovation and entrepreneurship are critical to address the challenges and problems being faced by all sections - industry, academia, policy makers and civil society. The university encourages innovation and entrepreneurship amongst all constituents - students, staff, and faculty.

## 2. Vision

- a) Create eco-system to encourage innovation & entrepreneurship among students and faculty.
- b) Nurture 'ENTREPRENEURS' who are innovative, tenacious, ethical and have a great zeal to create economic value and societal impact through their ventures.
- c) Advance and disseminate best in class, contemporary knowledge, and practices in the field of Innovation and Entrepreneurship.

## 3. Mission

- a) Conduct programs, courses, events, challenges, and other engagements to ignite spirit of innovation and entrepreneurship among students, faculty, and community.
- b) Build a network with entrepreneurs, mentors, experts, and service providers to be leveraged for the benefit of the budding start-ups.
- c) Drive active engagement of industry in the innovation activities being conducted by Institute of Innovation Entrepreneurship (I2E).
- d) Collaborate with academia, policy makers and industry for creation of research-based knowledge in innovation and entrepreneurship.

## 4. Scope

This Innovation and Startup Policy provides the framework, rules and procedures for innovation, pre-incubation, incubation, and accelerator programs of the university and all the constituent schools, institutes, centres, and other entities, including the incubation centre. Apart from the students, alumni, staff and faculty of the university, the innovators, startups and industry teams associated with the university and the constituents will be covered under this policy.

## 5. Nurturing Innovation & Startups

BMU will encourage and provide support to innovation activities and development of startups through the following.

### 5.1 Institute of Innovation & Entrepreneurship (I2E)

The Institute of Innovation and Entrepreneurship (I2E) at the university would lead the innovation, entrepreneurship and startup agenda. It would focus on the academic (teaching and research) initiatives. I2E, along with the other schools and centres would work on the inclusion of courses related to innovation, entrepreneurship, venture development in the program curriculum. I2E would lead the designing and delivery of these courses.



I2E would conduct academic and industry research in the areas of innovation and entrepreneurship with the intent to provide knowledge for use by industry, academics, and policy makers.

### **5.2 Institution Innovation Council (IIC)**

Institution Innovation Council (IIC) is a faculty, student centric body formed by the university under the Ministry of Education Innovation Council (MIC) initiative under All India Council for Technical Education (AICTE). The IIC would provide leadership in execution of activities at the university which would encourage, inspire, and nurture young students by exposing them to new ideas and process of resulting in innovative activities & entrepreneurial in their formative years. IIC members would include entrepreneurial faculty, students, industry, and experts from startup ecosystem.

### **5.3 Propel, the Incubator**

Propel, the incubator at the university would promote startup development and provide the support to startup ventures from ideation till scaleup. Propel would provide access to pre-incubation, incubation facility to start ups by students, staff, and faculty as per the incubation policy in place.

### **6. Setting up of a Startup by students, staff, and faculty**

BMU will encourage and allow its students, staff, and faculty to work on their innovative projects and setting startups (including Social Startups) or work as intern / part-time in startups while studying / working. Students would include both the currently enrolled and the alumni. The salient features are given below.

- a) Student Entrepreneurs can earn credits for working on innovative prototypes/ business models. The area in which student wants to initiate a startup may be interdisciplinary or multidisciplinary. The credits and the grading would be determined by a committee constituted by university.
- b) Student inventors would be allowed to opt for startup in place of their mini project / major projects and/or practice school projects.
- c) Students who are pursuing some entrepreneurial ventures while registered with university incubator would be allowed to use their address in the university to register their company with prior permission from the university.
- d) A 10% relaxation in the minimum attendance requirements may be given to the Students entrepreneurs to allow them to sit for the examination, with due permission from the university.
- e) Student entrepreneurs may be allowed to take a semester/year break, as per university rules and based on the recommendations of the review committee, to work on their startups and re-join academics to complete the course.
- f) Student entrepreneurs may avail the benefits of the Deferred Placement Policy in order to work on their startups and seek deferred placements as per the terms and provisions the policy.
- g) In case of selection of a faculty or staff startup by an outside national or international accelerator, faculty and staff entrepreneurs may be eligible for a semester / year leave for working on startups, as per university rules and based on the recommendations of the review committee. They would be allowed to resume their duties upon completion of the break period.
- h) The students, staff and faculty must describe how they will separate and clearly distinguish their ongoing research activities from the work being conducted at the startup.



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- i) Faculty or staff must not accept gifts from the startup.
- j) Faculty or staff must not involve research staff or other staff of university in activities at the startup and vice-versa.
- k) Human subject related research in startup should get clearance from ethics committee.
- a. of the university.
- l) University would facilitate the startup activities/ technology development by allowing students, staff, and faculty to use university infrastructure and facilities with the permission of the Dean of the respective School, as per the terms and conditions laid down.
- m) The university would provide the following to the students, staff and faculty registered with the university incubator.
  - Short-term entrepreneurship training.
  - Mentorship support on regular basis.
  - Facilitation in a variety of areas including 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 as well as law and regulations impacting a business.
  - The university may also facilitate the startups to connect with other seed-fund providers/ angel funds/ venture funds or itself may set up seed-fund once the incubation activities mature.
  - License university IPR as per prevailing policy.
- n) In return of the services and facilities, university may take 2% to 9.5% equity/ stake in the startup/company, based on brand used, faculty contribution, support provided and use of university's IPR (a limit of 9.5% is suggested so that university has no legal liability arising out of startup. The university could take lower equity share unless its full-time faculty/ staff have substantial shares). Other factors for consideration should be space, infrastructure, mentorship support, seed funds, support for accounts, legal, patents etc.
- o) For startups where staff and faculty have substantial equity, university can take no-more than 20% of shares that staff / faculty takes while drawing full salary from the university; however, this share will be within the 9.5% cap of company shares, listed above.
- p) 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 in advisory or consultative role and do not compromise with their existing academic and administrative work / duties. In case the faculty/ staff holds the executive or managerial position for more than three months in a startup, then they will go on sabbatical/ leave without pay/ earned leave.
- q) Startup may be given a cooling period of 3 months to use university incubation services on rental basis to take a final decision on equity to be given to university or incubator in lieu of the services offered by the university/incubator.
- r) The university would also provide services based on mixture of equity, fee-based and/ or zero payment model. So, a startup may choose to avail only the support, not seed funding, by the BMU on rental basis.

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- s) Participation in startup related activities needs to be considered as a legitimate activity of faculty in addition to teaching, R&D projects, industrial consultancy, and management duties and must be considered while evaluating the annual performance of the faculty.
- t) Product development, commercialization, technology transfers as well as participating and nurturing of startups would be included in the list of faculty-duties with specific points. Faculty would have the ability to include these in their annual KRAs in addition to minimum required in other areas viz. teaching, research and administration.
- u) University will extend the above, provided that at no stage any liability accrues to it because of any activity of any startup.

## 7. Access to IPR

Ideally students and faculty members intending to initiate a startup based on the technology developed or co-developed by them or the technology owned by the university, should be allowed to take a license on the said technology on easy term, either in terms of equity in the venture and/ or license fees and/ or royalty to obviate the early-stage financial burden. The decision and terms for such usage would be subject to the IPR policy of the university.

- a) When university 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 university.
- b) Inventors and university could together license the product / IPR to any commercial organisation, with inventors having the primary say. License fees could be either / or a mix of
  - Upfront fees or one-time technology transfer fees.
  - Royalty as a percentage of sale-price.
  - Shares in the company licensing the product.
- c) If one or more of the inventors wish to incubate a company and license the product to the company, the royalties would be no more than 4% of sale price, preferably 1 to 2%, unless it is pure software product. If it is equity in the company, equity stake will again be 1% to 4%. For a pure software product licensing, there may be a revenue sharing to be mutually decided between the university and the incubated company.
- d) On the other hand, if product/ IPR is developed by innovators not using any of university facilities, and 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.
- e) If there is a dispute in ownership, a minimum five-member committee consisting of two faculty members (having developed sufficient IPR and translated to commercialisation), two of the BMU's alumni/ industry experts (having experience in technology commercialisation) and one legal advisor with experience in IPR, will examine the issue after meeting the inventors and help them settle this, hopefully to everybody's satisfaction. University can use alumni/ faculty of other institutes as members if they cannot find sufficiently experienced alumni / faculty of their own.
- f) The equity stake due to university may be held by either the university or the Special Purpose Vehicle (SPV) formed for the operations of the university incubator.

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- g) University incubation center will only be a coordinator and facilitator for providing services to faculty, staff, and students. The patenting of the IPR developed by students, staff or faculty would be governed by the IPR policy of the university.
- h) Interdisciplinary research and publication on startup and entrepreneurship should be promoted by the institutions.

### **8. Creating Innovation Pipeline and Pathways for Entrepreneurs**

- a) The university would create academic, incubation and co-curricular mechanisms to ensure exposure of maximum students to innovation and pre-incubation activities at their early stage and to support the pathway from ideation to innovation to market.
- b) The university would undertake initiatives to create awareness among students, faculty, and staff about the value of entrepreneurship and its role in career development or socio-economic impact.
- c) Students/ staff would be taught that innovation (technology, process, or business innovation) is a mechanism to solve the problems of the society and consumers. Entrepreneurs should innovate with focus on the market need.
- d) Students would be encouraged to develop entrepreneurial mindset through experiential learning by exposing them to training in cognitive skills (e.g., design thinking, critical thinking, etc.), by inviting first generation local entrepreneurs or experts to address young minds. Initiatives like foundation programmes, idea, innovation and pitch competitions, hackathons, workshops, bootcamps, seminars, conferences, exhibitions, mentoring by academic and industry personnel, throwing real life challenges, awards and recognition should be routinely organized.
- e) The university and the incubator would facilitate to connect the startups and companies with wider entrepreneurial ecosystem and by providing support to students, staff and faculty who show potential, in pre-startup phase. Connecting upcoming entrepreneurs with real life entrepreneurs would help the students in understanding real challenges which may be faced by them while going through the innovation funnel and would increase the probability of success.
- f) Collective and concentrated efforts would be undertaken to identify, scout, acknowledge, support and reward proven student ideas and innovations and to further facilitate their entrepreneurial journey.
- g) For strengthening the innovation funnel, the university and the incubator would develop ability and means for the startups to access funds from various sources, including grants from government agencies and private investors.
- h) Networking events would be organized by university and university incubator to create a platform for the budding entrepreneurs to meet investors and pitch their ideas.
- i) Business incubation facilities, for example, premises at subsidised cost, laboratories, research facilities, IT services, training, mentoring, etc. would be provided to the new startups.
- j) University is committed to make the startups realise that money is not FREE and is risk capital. The startups must utilize these funds wisely with the intent to provide the rightful return to the investors. While funding is taking risk on the entrepreneur, it is an obligation of the entrepreneur to make every effort possible to prove that the funding agency/investor did right in funding him/her.

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- k) University would provide a ready reckoner of Innovation Tool Kit, which would be available at the university website to answer the doubts and queries of the innovators and enlisting the facilities available at the university and university incubator.

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

- a) Entrepreneurship education would be imparted to students at curricular/ co-curricular/ extra-curricular level through elective/ short term or long-term courses on innovation, entrepreneurship, and venture development. Validated learning outcomes would be made available to the students.
- b) Diversified approach would be adopted to produce desirable learning outcomes, which should include cross disciplinary learning using mentors, labs, case studies, games, etc. in place of traditional lecture-based delivery.
- c) Student clubs/ bodies created for organizing competitions, bootcamps, workshops, awards, etc. would be involved in institutional strategy planning and execution to ensure enhancement of the student's thinking and responding ability in the areas of innovation and entrepreneurship.
- d) University and the incubator would organise multiple events, contests and recognize outstanding ideas, successful enterprises, and contributors for promoting innovation and enterprises ecosystem within and outside the university.
- e) University recognises the importance of tolerating failures and learning from them to create successful startups. For this the failures would be elaborately discussed and debated to imbibe the culture that failure is a part of entrepreneurial journey, thus helping in reducing the social stigma associated with it. Very importantly, is part of university's philosophy and culture.
- f) Innovation champions would be nominated from within the students/ faculty/ staff for each school/ programme of study.
- g) Integration of expertise of the external stakeholders would be done in the entrepreneurship education to evolve a culture of collaboration and engagement with external environment.
- h) In the beginning of every new batch of students, university would conduct an induction program about the importance of Innovation & Entrepreneurship so that freshly inducted students are made aware about the entrepreneurial agenda of the university and available support systems.
- i) Curriculum for the entrepreneurship education should be continuously updated based on entrepreneurship research outcomes. This should also include case studies on failures.
- j) Industry linkages should be leveraged for conducting research and survey on trends in technology, research, innovation, and market intelligence.
- k) Customized teaching and training materials should be developed for startups. It must be noted that not everyone can become an entrepreneur. The entrepreneur is a leader, who would convert an innovation successfully into a product, others may join the leader and work for the startup. It is important to understand that entrepreneurship is about risk taking. One must carefully evaluate whether a student is capable and willing to take risk.
- l) Pedagogical changes need to be done to ensure that maximum number of student projects and innovations are based around real life challenges. Learning interventions developed by the BMUs for inculcating entrepreneurial culture should be constantly reviewed and updated.





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## **10. Collaboration, Co-creation, Business relation**

- a) Stakeholder engagement would be given prime importance in the entrepreneurial agenda of the University through finding potential partners, resource organizations, micro, small and medium sized enterprises (MSMEs), social enterprises, schools, alumni, professional bodies, and entrepreneurs to support entrepreneurship and co-design the programs.
- b) The university would have policy and guidelines for forming and managing the relationships with external stakeholders including private industries.
- c) Knowledge exchange through collaboration and partnership would be conducted under the relevant institutional policy. This would provide support mechanisms and guidance for creating, managing, and coordinating these relationships. This can include both formal and informal mechanisms such as internships, teaching and research exchange programmes, clubs, social gatherings, etc., faculty, staff, and students of the university would be given the opportunities to connect with their external environment.
- d) The university would approach different agencies/industry houses/associations for funding support for the incubator and/or startups, establishment of centres and other entities around innovation and entrepreneurship.

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

- a) University would recruit staff that have a strong innovation and entrepreneurial/ industrial experience, behaviour, and attitude. This will help in fostering the I&E culture.
- b) Some faculty members with prior exposure and interest may be deputed for training to promote Innovation & Entrepreneurship.
- c) Institutional policy on career development of staff would be strengthened to include upskilling in entrepreneurship.
- d) University supports and encourages faculty of various schools to work in coherence and through cross-departmental linkages on innovation and entrepreneurial initiatives.
- e) External subject matter experts such as guest lecturers or alumni would be invited periodically for interaction with staff and faculty to share knowledge about ongoing contemporary practices in the field of startups.
- f) Faculty and staff should be encouraged to do courses on innovation, entrepreneurship management and venture development.
- g) The BMU appraisal policy would include academic and non-academic incentives and reward mechanisms for all staff and stakeholders that actively contribute and support entrepreneurship agenda and activities. These would be reviewed and revised on periodic basis.

## **12. Entrepreneurial Impact Assessment**

- a) Impact assessment of BMU's entrepreneurial initiatives such as pre-incubation, incubation, entrepreneurship education would be performed on half yearly and annual basis using well defined evaluation parameters.
  - Monitoring and evaluation of courses conducted, knowledge exchange initiatives, engagement of faculty in the entrepreneurial teaching and learning would be assessed.
  - Support system provided by the university to the student entrepreneurs, faculty and staff for pre-incubation, incubation.

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- Number of startups working with university incubator, graduate startups in the revenue stage.
  - IPR creation and commercialisation.
  - Industry linkages, exposure to entrepreneurial ecosystem.
  - Grants, funding secured for university, university incubator and startups.
- b) University would participate in ARIIA and aim to improve the rankings on continuous basis.
- c) Formulation of strategy and impact assessment would go hand in hand. The information on impact of the activities would be actively used while developing and reviewing the entrepreneurial strategy.
- d) Impact assessment for measuring the success should be in terms of sustainable social, financial, and technological impact in the market. For innovations at pre-commercial stage, development of sustainable enterprise model is critical. **COMMERCIAL** success is the **ONLY** measure in long run.

Registrar  
BML Munjal University

