



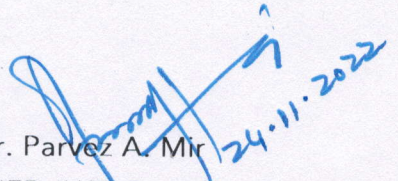
## CIED – IUST FOUNDATION

Registered Address: Islamic University of Science and Technology,  
Awantipora, Pulwama, Jammu & Kashmir, India, 192122

CIN: U80902JK2022NPL013701

### NOTICE

It is hereby informed to all concerned that the IUST Start-up policy and the IUST IPR policy, drafted by CIED - IUST Foundation, have been approved in the 2<sup>nd</sup> Board of Directors meeting of CIED - IUST Foundation chaired by Hon'ble Vice Chancellor IUST, Prof. Shakil A. Romshoo and held on 23<sup>rd</sup> November 2022 at the CIED building, IUST.

  
Dr. Parvez A. Mir  
CEO, CIED-IUST Foundation

No. IUST/CIED/22/502A

Dated: 24-11-2022

Copy to:

- All Deans / Directors / HoDs / Officers of the University
- Registrar
- Finance Officer
- Secretary to HVC for kind information of the Hon'ble Vice Chancellor
- File



# Centre for Innovation and Entrepreneurship Development (CIED)

**Startup Policy (2022)**



**ISLAMIC UNIVERSITY OF SCIENCE AND TECHNOLOGY  
(IUST)**

Boosting innovation and fostering entrepreneurship is imperative for development and improving the economy of the country. The successful entrepreneurship development leads to business development , social change and community development. The whole purpose of entrepreneurship development is to increase the number of start-ups and thereby making country export oriented. Entrepreneurship is always supported by innovations which nurtures novel ideas and transforms them into products, processes and services for the commercial exploitation and thereby making society self-reliant. The core philosophy of Centre is to change the mindset of youth towards innovation and entrepreneurship , as this region is facing huge challenge of unemployment scenario. Thus, establishing a Centre for Innovation and Entrepreneurship Development (CIED), specifically in the rural area is of eminent importance for bringing the grass root change in the society. The Centre has developed an enabling ecosystem for innovation and entrepreneurship by encompassing many units of the university. The Centre specifically encourage budding entrepreneurs by infusing critical, lateral and design thinking, thereby nurtures their ambitions and enable new ventures through highly practical learning experience.

1. **Vision :-** To nurture innovation and entrepreneurial culture among the you , and thereby enable them to serve an instruments for enriching the society as a whole.
  
2. **Mission:-** To act as a catalyst in promoting a culture of entrepreneurship through education, training ,research and institution building which , in turn , will help achieve inclusive and sustainable .

### 3. Definition's

- 3.1 “**Centre**” shall mean Centre for Innovation and Entrepreneurship Development, Islamic University of Science and Technology.
- 3.2 “**University**” shall mean Islamic University of Science and Technology, J&K
- 3.3 “**Governing Council**” shall mean Governing Council, Centre for Innovation and Entrepreneurship Development, Islamic University of Science and Technology.
- 3.4 “**Faculty Member**” shall mean a faculty member of Islamic University of Science and Technology or its Constituent colleges
- 3.5 “**Student Applicant**” shall mean any applicant currently enrolled in any college/university of UT of Jammu and Kashmir as a full time student.
- 3.6 “**Non Student Applicant**” shall mean any applicant who is not currently enrolled in any college/university as a full time student.
- 3.7 “**Startup**” is an entity that develops a business model based on either product innovation or service innovation and makes it scalable, replicable, and self-reliant as defined in **Gazette Notification No. G.S.R. 127(E) dated February 19, 2019**. The current definition of a Startup, as per the aforesaid GoI notification, is reproduced below:

“An entity shall be considered as a Startup:

- i. Up to a period of ten years from the date of incorporation/ registration, if it is incorporated as a private limited company (as defined in the Companies Act, 2013) or registered as a partnership firm (registered under section 59 of the Partnership Act, 1932) or a limited liability partnership (under the Limited Liability Partnership Act, 2008) in India.
- ii. Turnover of the entity for any of the financial years since incorporation/ registration has not exceeded one hundred crore rupees.
- iii. Entity is working towards innovation, development or improvement of products or processes or services, or if it is a scalable business model with a high potential of employment generation or wealth creation.

Provided that an entity formed by splitting up or reconstruction of an existing business shall not be considered a 'Startup'.

**Explanation-** An entity shall cease to be a Startup on completion of ten years from the date of its incorporation/registration or if its turnover for any previous year exceeds one hundred crore rupees.”

- 3.8 “Director”.** Shall mean Director, Centre for Innovation and Entrepreneurship Development, Islamic University of Science and Technology.
- 3.9 “Member”** shall mean any member of governing council Centre for Innovation and Entrepreneurship Development, Islamic University of Science and Technology.
- 3.10 “TBIC”.** Shall mean Technology Business Incubation Committee, Centre for Innovation and Entrepreneurship Development, Islamic University of Science and Technology.

#### **4. Student/Non-Student Category Startups:-**

- 4.1** Centre for Innovation and Entrepreneurship Development will call for applications under the student applicant category as well as non-student applicant category for the startup grant up to 5 lac INR in multiple transactions depending upon the requirement of the startup as assessed by the committee.
- 4.2** The startups supported by CIED must mention, “Incubated at IUST” in their publicity materials and on their website.
- 4.3** All startups will be reviewed periodically for their progress. In case of unsatisfactory performance, the startup grants and the incubation support provided to the startup may be discontinued.
- 4.4** The student applicants shall have to mandatorily identify the permanent faculty member from the institute where they are enrolled. The faculty member will act as the mentor for the student applicant.
- 4.5** The non-student applicants shall have to mandatorily identify the permanent faculty member from IUST. The faculty member will act as the mentor for the student applicant.
- 4.6** The applications will be screened based on the criteria as approved by the Governing Council from time to time.

- 4.7 Shortlisted applicants will be called for interaction/s for assessment and evaluation.
- 4.8 The Governing Council will decide on the amount of grant , period, no of installments and other terms for the selected startup ideas.
- 4.9 Student who are awarded with the grant will have to work on the startup on a part-time basis as per rules.
- 4.10 Prior to commencement of the Startup activity the student will seek prior approval of the institution where he/she is enrolled for engagement with a Startup as per rules.
- 4.11 CIED must ensure that an agreement is executed between CIED and student applicant. Such an agreement should establish the mode of engagement of the students with the Startup besides including the usage of facilities, technology , expertise of Islamic University of Science and Technology.
- 4.12 The student as well as the mentor will take all the necessary precautions/measures to ensure that their regular academic or research work is not affected by the activities pursued in the Startup.
- 4.13 CIED shall reserve the right to terminate the agreement at any moment with three months' notice period.
- 4.14 In return of services and facilities, CIED may take 2% to 7% equity stake in the Startup/company, based on space, infrastructure, mentorship support, seed funds, support for accounts, legal advice, patents, etc. CIED/IUST shall have no legal/financial liability arising out of Startup.
- 4.15 Startup may be given a cooling period of one year extendable by another one year (i.e., maximum two years) or until the time of the first investment by an external investor, whichever is earlier, to use incubation services on rental basis and to take a final decision for sharing of equity based on services offered by CIED.
- 4.16 Any investment/loan or any such monetary involvement should be done only with the prior approval of the CIED.
- 4.17 Ownership of any IPR created through the Startup activity shall be decided as per the agreement signed by the parties already.

- 4.18** Start-ups will keep CIED informed about all direct/indirect losses, liabilities, penalties, interests, actions, proceedings, claims, demands, costs (including without prejudice to the generality of this provision, the legal costs) awards and damages ,non-performance ,fraud, gross negligence or wilful misconduct .
- 4.19** On the event of transfer/suspension/retirement/death of the mentor or his/her expression of inability to continue the activity, the head of the institution shall identify the successor mentor of the Startup which shall be subject to approval of CIED.
- 4.20** All financial transaction from CIED to Start-ups shall be routed through respective mentors.
- 4.21** The start-up so formed by the students shall ensure that no financial liabilities of any kind shall ever accrues to IUST and equity stake of IUST, if any, shall be protected and any activities of the Startup shall not bring any disrepute to HC and cause any damage, injury or loss to the HC and its reputation and goodwill.

## **5. Faculty Category Startups:-**

- 5.1** CIED encourages Permanent faculty members of IUST to undertake start-ups with CIED in various capacities like an owner, direct promoter, mentor, supervisor, consultant, assistant or as on-board member of the Startup while in professional employment with the University.
- 5.2** The applications will be screened based on the criteria as approved by the Governing Council from time to time.
- 5.3** Shortlisted applicants will be called for interaction/s for assessment and evaluation.
- 5.4** The Governing Council will decide on the amount of grant , period, no of installments and other terms for the selected startup ideas.
- 5.5** Faculty members who are awarded with the grant will have to work on the startup on a part-time basis as per rules.
- 5.6** The faculty member will seek prior approval of competent authority for engagement with a Startup as per rules. CIED must ensure that an agreement is executedbetween CIED and the faculty member. Such an agreement should

establish the mode of engagement of the faculty member with the Startup besides including the usage of facilities, technology / Intellectual Property being licensed to the Startup.

- 5.7** Faculty must clearly separate and distinguish his/her on-going academic/research work at IUST from the work conducted at the Startup. They should take all possible steps/ measures to ensure that his/ her duties and responsibilities as a faculty of IUST will take precedence over all other activities regardless of his/ her engagement with the start-up. His/ her engagement with the Startup during regular work or on leave shall be subject to prior approval from IUST.
- 5.8** The start-up so formed by the Faculty Member shall ensure that no financial liabilities of any kind shall ever accrues to IUST and equity stake of IUST, if any, shall be protected and any activities of the Startup shall not bring any disrepute to HC and cause any damage, injury or loss to the HC and its reputation and goodwill.
- 5.9** CIED shall reserve the right to terminate the agreement at any moment with three months' notice period.
- 5.10** Faculty members may use the IPs generated at/by IUST by any students and faculty members after a written agreement with the inventor as per the provisions of technology transfer mentioned in IPR policy.  
  
All IPs belonging to a faculty member / student before starting a company or startup can only be used in the startup after written approval from the competent authority as per the technology transfer provisions mentioned in IPR policy.
- 5.11** A startup lead by a faculty member or a group may use the departmental and institute research facilities, which are not a part of CIED, as per the norms made for the external users on the payment basis.
- 5.12** In return of services and facilities, CIED may take 2% to 7% equity stake in the Startup/company, based on space, infrastructure, mentorship support, seed funds, support for accounts, legal advice, patents, etc. CIED/IUST shall have no legal/financial liability arising out of Startup.
- 5.13** In case of a largely equity model, the Startup may be given a cooling period of one year extendable by another one year (i.e., maximum two years) or until the time of the first investment by an external investor, whichever is earlier, to use incubation services on rental basis and to take a final decision for sharing of equity based on services offered by CIED.
- 5.14** Any investment/loan or any such monetary involvement should be done only with the prior approval of the CIED.



- 5.15** Ownership of any IPR created through the Startup activity shall be decided as per the agreement signed by the parties already.
- 5.16** Faculty will keep CIED informed about all direct/indirect losses, liabilities, penalties, interests, actions, proceedings, claims, demands, costs (including without prejudice to the generality of this provision, the legal costs) awards and damages ,non-performance ,fraud, gross negligence or wilful misconduct .
- 5.17** On the event of transfer/suspension/retirement/death of the Faculty member or his/her expression of inability to continue the activity, same shall be pursued as per the agreement signed by the parties.

## **6. Arbitration & Dispute Resolution**

- 6.1** If any dispute arises between the Parties hereto during the subsistence of this Policy document or thereafter, in connection with the validity, interpretation, implementation or alleged breach of any provision of this Policy, the Parties hereto shall endeavour to settle such dispute amicably through mutual discussion among the Parties in dispute.
- 6.2** In the event the Parties are unable to resolve the dispute through mutual discussions shall be resolved by binding arbitration conducted by a sole arbitrator appointed by IUST under the provisions of the Indian Arbitration and Conciliation Act, 1996 and the rules made thereunder.
- 6.3** No arbitrator chosen shall be related to, employed by, or otherwise affiliated with any party to the dispute, or any of their relatives or affiliates.
- 6.4** The arbitration proceedings shall be conducted in English, and the venue of arbitration would be at IUST.
- 6.5** The decision and award of the arbitrator shall be in writing and in English, and final and binding on all the Parties to this Agreement.
- 6.6** The arbitrator in his or her final arbitral award shall determine the final allocation of the costs of arbitration.

- 6.7 The award shall be binding on the Parties subject to the Applicable Laws in force and the award shall be enforceable in court of law in UT of J&K.

## **7. Conflict of Interest and Resolution**

- 7.1 CIED is keen to encourage faculty members, research scholars and students to convert their innovations and new ideas into commercial ventures for personal, institutional, and social benefits. However, when doing this, complexities surrounding actual and potential conflict of interests are expected to arise, especially in the context of their commitment to employment /academic or research activity. For them to benefit from education and research, a fine line has to be drawn between using Institute resources for Institute activities and for personal economic interests. When an individual holds two positions in different roles and when he/she tries to use a position for personal satisfaction of his/her aspirations in another, a situation of conflict of interest arises.
- 7.2 Care must be taken to clearly separate the personal financial aspects of the entrepreneurial activities of faculty members, research scholars and students from their respective roles, duties and responsibilities and should be consistent with the value system .
- 7.3 Similarly, the use of facilities and equipment must be free from unauthorized and conflicting uses and must be suitably compensated for as per the policies/agreement. Appropriate judgement should be applied by all concerned parties, the faculty members, research scholars, students, employees and associates besides the incubated start-ups, their promoters, employees and staff.
- 7.4 In situations in which the objectivity of an Faculty member/student, due to his/her association with a Startup or company could reasonably be questioned, the Director CIED may establish an independent committee to investigate the operation of the Startup and possible conflict of interest between the functioning of the Startup and the responsibilities towards of the Faculty member/Student associated with the company. The Faculty member. student member may appeal to the director for a review of the committee's decisions. The decision of the Governing Council, in this regard, would be final.
- 7.5 In case of a conflict situation, CIED expects the concerned stakeholders to disclose all information regarding the conflict of interest in a transparent manner to the CIED and other relevant stakeholders at the earliest. The disclosed information will be evaluated for the genuineness of conflict of interest by the relevant committee/stakeholders using appropriate judgment. The committee will discuss and try to resolve disputes over conflict of interest in such cases, and the decision should be duly approved by the Board of Governors.

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