



Marri Laxman Reddy Institute of Technology and Management
(UGC Autonomous)
Dundigal, Hyderabad – 500043

Start Up Policy

(With effect from 08 August 2024)

Start Up Policy

Marri Laxman Reddy Institute of Technology & Management, is the one of the top educational institutes in the Telangana State. MLRITM had a vibrant and dynamic Institution's Innovation Council (IIC) with Design thinking, Ideation, Intellectual property and pre incubation cells as four pillars. MLRITM dedicated to promote innovation and entrepreneurship to convert the students and faculty innovative ideas/problems to tech-solution with a feasible business model stage. The IIC has been organizing various events to encourage students and faculty of the institute in various domains in connecting with design thinking, innovation, ideation, hackathon and incubation. The students and faculty will come up with tech solutions for the problems from Industry, Society, and Market to generate Ideas/Proof of Concepts (PoCs) and helping them to get converted to prototypes and mentor them to develop business models ready. Therefore, creating a strong pipeline of quality and quantity tech based potential start-ups for incubators industry to take further from students, faculty and alumni of the institute.

The MLRITM will have a foresighted thinking in all prospects among all other engineering colleges and thus it is initiated the start-up ecosystem in the campus. The institute has to support for faculty and student's startups by providing all the necessities as per the National Innovation and startup policy 2019 for students and faculty guidelines as minimum of 1% of the total budget should be used for startup cell activities in the institute. The 1% fund is meant to:

- Support pre-incubation and incubation facilities
- Fund student and faculty startups
- Provide seed funding and prototype development
- Organize hackathons, ideathons, bootcamps, and awareness programs
- Facilitate IPR filing and mentoring support

The Atal Ranking of Institutions on Innovation Achievements (ARIIA) ranking (2021) has 70% of marks to promote Innovation, Entrepreneurship and Start-up and it is clearly states the importance of start-up cell in the institute. The start-up cell also helps the institute in obtaining good rank in NIRF, NAAC and NBA as there is a good weightage in the domains of patents filed, patents granted, consultancy and industry collaboration.

Vision:

To be a leading hub of innovation and entrepreneurship that empowers engineering and management students to transform ideas into impactful solutions, driving technological

advancement and societal progress globally.

Mission

Mission 1:

Foster a culture of creativity and innovation by providing state-of-the-art resources, mentorship, experiential learning, and collaborative spaces for both students and faculty.

Mission 2:

Encourage entrepreneurial thinking through outreach and inclusivity programs, workshops, incubation, hackathons, and industry partnerships that bridge academic learning with real-world applications.

Mission 3:

Nurture leadership, teamwork, develop ethical, skilled adaptable individual's visionary entrepreneurs

and change makers contributing to societal growth through Sustainable, Knowledge-Driven initiatives.

Objectives:

- To promote and foster the spirit of entrepreneurship.
- To create awareness about entrepreneurship by periodically organizing Workshops, Lectures and other activities that can facilitate knowledge creation and innovation.
- To create a Startup Ecosystem through strategic investment, scaling up and providing a resourceful consultancy leveraging the innovation climate.
- To incubate early-stage entrepreneurial ventures based on technology and innovation.
- To identify and facilitate generation of innovative technology solutions which have potential for commercial ventures and social impact in the sectors like Clean Environment, Green Energy/Alternative Energy, Health Care, Food & Beverages, Agri, drone and Education etc.

Scope and Importance of Establishing the Start-Up Policy:

The start-up cell may have the impact on the various evaluation systems such as NIRF, AICTE, MHRD – MIC norms, ARIIA and NBA and the brief details are presented below for your kind information.

1. NIRF:

- Research and Professional Practice (RP)
- IPR and Patents: Published and Granted (IPR)
- Footprint of Projects and Professional Practice (FPPP)

2. AICTE and MHRD Norms:

Investment in the entrepreneurial activities should be a part of the institutional financial strategy. Minimum 1% fund of the total annual budget of the institution should be allocated for funding and supporting innovation and startups related activities through creation of separate 'Innovation fund'.

The Institute Innovation Cell (IIC) has been organizing various events in connection with MHRD- IIC and in addition to that the institute may initiate the startup cell to promote the incubation and enhance innovation culture in the institute.

3. ARIIA - Atal Ranking of Institutions on Innovation Achievements – 2021

More than 60% of marks are distributed to the innovation and startup support, funding, revenue generation, IP and etc.

Sl. No	Parameters	Non-Technical HEI	Technical HEI
1	Developing an Innovative and Entrepreneurial Mind-set through Series of Activities	8	4
2	Teaching and Learning: Academic Programmes related to Innovation & Entrepreneurship (I & E) & IPR offered by the HEI	10	6
3	Dedicated Infrastructure & Facilities to Promote Innovation & Entrepreneurship at HEI	13	13
4	Generation of Innovations/ ideas with the support of HEI and recognition received	13	13
5	Ventures Established with the support of the HEI & Recognitions Received	8	12
6A	Angel & VC Fund/Investment Mobilized to Support Innovation & Startups Incubated at HEI	3	5
6B	Promotion of Collaboration for & Co-Creation of I & E initiatives	8	5
7	Intellectual Property (IP), Generation and Commercialization	14	19
8A	Annual Budget on Promoting and Supporting I&E Activities: Total expenses towards I & E and IPR support activities	8	8
8B	Total Revenue Generated by HEI from Incubation Services to Startups and Commercialization of IP and Innovations	4	6
9	Participation of HEI in I & E Initiative of MOE	11	9
Total		100	100

4. IT & Entrepreneurship @ College level (Telangana State - THUB)

Students, Innovators and Entrepreneurs

- a. Student Entrepreneur in Residence - Universities shall be encouraged to introduce the concept of Student Entrepreneur in Residence. Outstanding students who wish to pursue entrepreneurship can take a break of one year, after the first year, to pursue entrepreneurship full time. This may be extended to two years at the most and these two years would not be counted towards the maximum time for graduation. The Gap Year facility may be given to ensure syllabus continuity at the time of joining back and after an appraisal process by an incubator where the student is attached.
- b. IT & Entrepreneurship @ College level I. All Universities in Telangana shall be encouraged to grant 5% grace marks and 20% attendance every semester for student Startup teams. Guidelines for the same shall be framed in consultation with the institutions.

5. Faculty / Student Start-Up may have the following Contents in the Policy:

- i. Kind of company
- ii. Capital support
- iii. Other support from the institute
- iv. Financial sharing with start-up
- v. IPR
- vi. Loan amount recovery
- vii. Role of Faculty

i. Kind of Company:

- Companies jointly owned by the faculty members and graduating students/alumni (along with possibly others)
- Companies owned by the faculty members (one or many) along with possibly others.
- Companies owned by the graduating students, alumni along with possibly others.

ii. Capital support:

The faculty / student start-up may have its own funding and accounting procedures in line with the prevailing statutory norms. The faculty/student may apply for various funding sources with institute support. The institute may support for funding based on the IIC committee decision and as per the funding support provided the institute

contribution in the company may be decided.

iii. Other Support from the Institute:

The faculty / student start-up may utilize the necessary facilities such as office, operational space, permission to use laboratories, workshop facilities and equipment, business management advice, networking support, mentoring, seed-fund when possible, monitoring.

iv. Financial Sharing with Start-up:

The Institute may provide space, infrastructure, mentorship support, seed funds, support for accounts, legal, IPRs etc. for the Startup company owned by Faculty and staff. In return for the services, the Institute may take 2.0 – 9.5 % equity / stake in the company (NISP 2019 policy).

Case 1: If the Institute provides only necessary support without any financial assistance in seed and capital at the outside of the institute premises, the institute share is 1% of net earnings of the start-up.

Case 2: If the Institute provides the necessary support at the institute premise without financial assistance, the institute share is 2% of the net earnings of the start-up.

Case 3: If the Institute supports to fund any Incubation and Start-up at outside of the organization the distribution of net earnings as given below.

Sl. No.	Initial Investment	Up to ₹2.5 L	₹2.5 L – ₹5 L	₹5 L – ₹10 L	Above ₹10 L
1	Not exceeding ₹10 L	3.5%	4%	4.5%	5%
2	Above ₹10 L and < ₹25 L	4%	4.5%	5%	5.5%
3	Above ₹25 L and < ₹50 L	4.5%	5%	5.5%	6%
4	Above ₹50 L and < ₹1 Cr**	5%	6%	7%	8%
5	Above ₹1 Cr	6%	7%	8%	9%

Case 4: If the Institute supports to fund any Incubation and Start-up at inside of the organization the distribution of net earnings as given below

Sl. No	Initial Investment	Percentage (up to 2.5 lakhs)	Percentage (2.5-5 lakhs)	Percentage (5-10 lakhs)	Percentage (10 lakhs)
1.	Not exceeding 10 Lakhs	7%	8%	9%	10%
2.	Above 10 Lakhs Less than 25 Lakhs	8%	9%	10%	11%
3.	Above 25 Lakhs Less than 50 Lakhs	9%	10%	11%	12%
4.	Above 50 Lakhs Less than 1 Crore	10%	11%	12%	13%
5.	Above 1 crore	12%	13%	14%	15%

Note: The institute may adjust these rates for special cases (social enterprises, externally funded projects, etc).

v. Intellectual Property Rights (IPR):

The institute faculty/students may use an IPR filed / granted with institute affiliation in start-up. If the start-up may file new patent in the relevance of institute existing IPR, the prior permission and license agreement may be required.

vi. Loan Amount Recovery:

The institute may support initial seed money for a start-up. The seed money may be recovered based on the progress of the start-up. The IIC will review the financial status quarterly of a start-up. The IIC committee will decide the recovery of loan amount based on the start-up performance. The interest on seed money may be waived for the first year and the repayment of seed money may be initiated after 18 months (from loan amount receiving date) and the simple interest rate may be used for calculation.

MLRS Institutional Norms:

Component	Functionality
1.Kind of company	Faculty / student
2.Capital support	Seed funding (0 to 10 lakhs)
3.Other support from the institute	All institute facilities, labs, testing and etc
4.Financial sharing with start-up	The faculty/student start-up may utilize the financial support from the institute and the institute may have 1 to 9.5% share in the start-up.
5.IPR	The institute affiliated patent may be used for start-up. For similar kind of patent application, the institute permission is required. For new patent the start-up will have full rights.
6.Loan amount recovery	First year no interest. After 18 months from the date of first disbursement of loan with simple interest.
7.Role of Faculty	Director on the Board, Technical Advisor, CEO, Marketing Manager etc. Weekly two days, off time, sabbatical leave
8.Methodology	A Company 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.

For staff / faculty, institute would take no-more than 20% of shares that staff / faculty takes while drawing full salary from the institution; however, this share will be within the 9.5% cap of company shares, listed above.

MLRS – Startup Evaluation Committee Institute**Level Evaluation Committee:**

1. Director
2. Principal
3. Dean R&D
4. Dean IIC
5. Department HOD
6. IIC Design thinking, Ideation, Intellectual property and pre incubation coordinators

Upon review of the institute evaluation committee the idea will be evaluated at society level and decision will be taken for further processing.

Society Level Evaluation Committee:

1. Chairman
2. Vice Chairman
3. Director
4. Principal
5. Dean IIC
6. Department HOD

NISP Implementation Committee:

A committee has been formed by identifying the experts having expertise and experience in the domain of innovation, IPR and startup to start the work of policy formation and implementation of guidelines at the institute.

S No	Name of the member	Designation and Address	Portfolio
1	Dr. P. Sridhar	Director, MLRITM	President
2	Dr. R. Murali Prasad	Principal, MLRITM	Vice President
3	Dr. S.P. Jani	Dean IIC, MLRITM	Executive Member
4	Dr. G. Narsinga Rao	Dean R&D, MLRITM	Convener
5	Mr. B. Prasad	Assistant Professor of CSE, MLRITM	Member
6	Dr. R. Raj Kishore	Assistant Professor of ECE, MLRITM	Member
7	Mr. Raju Peddi Reddy	Chartered Accountant.	Member
8	Mr. S. Sri Sai Ganesh	Entrepreneur	Member
9	Mr. A. Sai Kiran	Entrepreneur	Member



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