



MAJU STARTUPS POLICY

(enabling entrepreneurial minds)

Version V1.0 (2022-26)



Mohammad Ali Jinnah University

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1. INTRODUCTION

Business incubation and startup initiatives have been recognized as instrumental towards job creation and socio-economic progress. The Office of Research, Innovation and Commercialization (ORIC) at Mohammad Ali Jinnah University (MAJU) has established Business Incubation and Startups Centre (BISC) with an aim to support the development of businesses & startups in the technical, technological, scientific and management fields by utilizing the experience & expertise of the faculty members including the infrastructural facilities available at the university.

This policy thus serves as a formal instrument on management of incubation and startups operations at BISC. It provides key information on the functions & powers of BISC including its aims and objectives. The policy also serves as a guiding document for aspirant startups on how to apply for admission in the incubation center, as well as other relevant information such as selection criteria, incubation facilities, performance measurement of the incubatees and graduation from the incubation center.

On recommendation of HEC, ORIC has developed this Policy and made it part of ORIC suite of policies as a formally enforceable document. Hence, the policy should be applied in conjunction with MAJU ORIC Policy as one of its subsidiary documents.

2. VISION

To inculcate entrepreneurial mindset among MAJU students and alumni by building a sustainable business ecosystem and achieving the transformation of ideas into commercially viable startups that are able to solve societal problems and foster socio-economic development of Pakistan.

3. AIMS AND OBJECTIVES

In line with the government's vision of strengthening the entrepreneurial ecosystem of Pakistan, the key objectives of BISC are to:

- Foster the transformation of innovative ideas into sustainable businesses.
- Support economic development of Pakistan by creating new jobs through startups programs.
- Develop a culture of innovation & entrepreneurship at MAJU by providing students a conducive environment to assist in the transformation of their innovative ideas into lucrative startups and businesses.
- Create job opportunities for students as well as commercialization opportunities for MAJU through incubating startups.
- Offer MAJU students a platform for speedy commercialization of their ideas, prototypes or technologies developed by them as part of their business projects, research projects and final year projects.
- Nurture indigenous startups at each stage of development, testing, prototyping and market analysis of opportunities through a guided system of mentorship and support.
- Promote MAJU's partnerships and linkages with the industries, R&D and corporate sector by creating an ecosystem of sustainable startups.

4. SCOPE

The policy:

- Applies to all the current students of MAJU including the alumni who have graduated from MAJU during the last five years.
- Applies to faculty-led startups either initiated at MAJU or involving any current student of MAJU in their team.
- Applies to incubating individuals and teams external to MAJU.
- Does not apply to entrepreneurial and fundraising activities of the parties external to MAJU.

5. PROMOTION OF ENTREPRENEURSHIP AND STARTUP CULTURE

MAJU shall promote business incubation and startups initiatives through advocacy measures that include but are not limited to:

- Building awareness through entrepreneurial and business plan related trainings and other similar initiatives as deemed necessary towards the promotion of incubation.
- Developing mechanisms, methods and procedures relating to business incubation and startups and suggesting appropriate recommendations to the President and Head of ORIC at MAJU for continually improving existing policy framework.
- Liaising and coordinating with relevant stakeholders for raising awareness governing responsible use and implementation of MAJU Startups Policy.

6. INCUBATION SERVICES

The following services and support facilities are to be made available at BISC:

- **Incubation & Co-working Spaces:** Physical incubation and co-working spaces with access to various facilities for effective functioning. This includes but is not limited to meeting rooms, workstations, dedicated cubicles etc.
- **Infrastructural Support:** Access to laboratories, libraries, lecture halls, meeting rooms, media centers etc.
- **Technological Support:** Access to ICT equipment, technological tools, multimedia, video conferencing facilities and software subscriptions.
- **Mentoring Support:** One-on-one mentoring support for incubatees with faculty, industry leaders and startup founders serving as mentors in the range of areas such as technical & technological support, legal consultation, tax advice, accounting services, business development framework, marketing strategy, advertising support etc.
- **Professional Development:** Seminars, industry talks and promotional events for the incubatees.
- **Industry Partnership Support:** Access to supplier & partner databases and networks to assist in the procurement activities including building new clients and industry partnerships.
- **Branding Support:** Opportunity for incubating startups to brand their products and services.
- **Investment Support:** Provide support in raising capital and applying for seed funding from the potential investors, venture capitalists and government bodies.

7. STRUCTURE AND GOVERNANCE

7.1. BISC Governing Committee

A BISC Governing Committee would be constituted by the Director (ORIC). The committee will fulfil an advisory role to provide entrepreneurial guidance on the functioning of BISC. Hence, the committee will be primarily responsible for reviewing and suggesting improvements relating to this policy including the associated procedures and mechanisms. The committee will also serve as an evaluation committee for the screening of applicants for incubation and for other decisions pertaining to incubatees' performance. Furthermore, any disputes or conflicts relating to startup ideas or team members will be resolved by the committee. The committee will be comprised of at least four or more members collectively from MAJU faculty and the industry. The suggested committee structure is as follow:

i.	Director (ORIC)	Chairperson
ii.	Manager (BISC)	Secretary
iii. & iv.	Two Faculty Members (Nominated)	Member
v. & vi.	Two External Experts (Nominated)	Member

7.2. Manager (Business Incubation and Startups Center)

The Manager (BISC) will be responsible for supervising routine activities of the incubation center including advertising for hiring of new incubatees and providing ongoing admin support and basic guidance to the incubating startups in terms of marketing of their ideas, products & services.

7.2.1. Functions & Powers of Manager (BISC)

Being a central point of contact at MAJU for providing Business Incubation & Startups support to the MAJU students, the Manager BISC would perform functions and exercise the following powers:

- Plan and manage the activities, operations and resources of BISC.
- Coordinate, support and promote the development of student startups within MAJU.
- Identify startup funding opportunities from public and R&D institutions for the MAJU students.
- Develop and lead the launch of new startups by providing incubation facilities to the MAJU students and aspiring outside entrepreneurs for commercialization of their business idea.
- Provide start-up development advice and incubation support to the MAJU entrepreneurs by assisting them in developing business plans and providing entrepreneurial support tools, templates and resources.
- Arrange workshops and trainings on writing business plans and seed funding proposals for MAJU graduates and emerging entrepreneurs.
- Develop and administer start-up grants and seed funding contracts for MAJU students and other aspiring startups in line with the methods and guidelines of the MAJU Startups Policy.
- Develop progress reports of the activities of BISC.

7.3. Pool of Mentors

A pool of mentors would also be established with the primary responsibility of providing ongoing mentorship and guidance to the incubatees. The pool would be comprised of internal and external members with relevant knowledge, experience and expertise in the entrepreneurial and mentoring domain. The pool would be refreshed in the beginning of each year involving inclusion of new members and exclusion of non-performing members. Each incubating team will be assigned a dedicated mentor for guidance from the pool of BISC mentors. Relevant targets and KPIs would be established for the members to assess and evaluate their performance as mentors.

8. ADMISSION PROCEDURE

With the approval of Director (ORIC), 'Call for Incubation' will be announced on a bi-annual basis or upon availability of the vacancies. Additionally, applications will also be solicited via an 'Idea Pitching Competition' and the eligible applications would be offered incubation after following a formal selection process.

8.1. Eligibility Criteria

The following categories will be eligible for applying for incubation:

- a) MAJU Student
 - i. For undergraduate students: a minimum CGPA of 2.0 and completion of a minimum of 4 semesters of their enrolled program.
 - ii. For graduate students: a minimum CGPA of 2.5 and completion of a minimum of 1 semester of their enrolled program.
- b) MAJU Alumni
- c) MAJU Staff and Faculty members
 - i. Provided there is no conflict of interest of any kind in respect to their employment.
 - ii. Provided their official workplace commitments such as teaching, research, admin, student counseling etc. as applicable are not affected.
- d) Individuals Partnering with Full-time Faculty Members/Alumni of MAJU
- e) External Researchers and Industry professionals
- f) Independent SMEs/Startups

8.2. Selection Process

The BISC will follow a multi-stage selection process for admitting the incubatees. The detail of each stage is as follow:

Stage 1 (Registration): As a first step in the admission process, the prospective startups will have to submit their incubation application along with the following documents:

- i. Business plan (if available)
- ii. 1-2 page brief/summary of the idea or business (if formal business plan is not available)
- iii. Recommendation letter from an industry professional, employer or university faculty in the favor of the Founder/CEO of the incubating individual/startup team.

Stage 2 (Pre-screening): The received applications will be initially evaluated by BISC in terms of their eligibility and completeness of the required documents.

Stage 3 (Idea Pitching/Presentation): The aspiring individual/team will pitch their idea in a 10-min presentation before the Selection Committee, describing the critical aspects of the business/idea. This will be followed by 5 min Q&A session. A final decision to incubate the individual/team will be made by BISC by averaging the overall scores of the selection committee members.

Stage 4 (Selection): Applications will be evaluated by the Selection Committee on the basis of set criteria (Appendix-A). The shortlisted individual/team will be informed within 7 working days.

Stage 5 (Induction): The selected individual/team will be initially admitted for a period of 12 months during which physical space, infrastructure & resources would be provided along with training, mentoring and technical support. An orientation will be given by the Manager (BISC) along with the communication of yearly incubation timelines and schedules. The KPIs and targets will also be set by the Manager (BISC) for each of the incubating individual/team, and their performance will be regularly monitored against the benchmarks set for them.

Stage 6 (Graduation): After completion of one year, successful startups will graduate from BISC and become part of MAJU Startup Alumni Network. Incubating teams not able to meet their targets would be initially given a grace period of six month with a possibility of another six months extension on extenuating circumstances before they are asked to vacate the incubation space.

9. SIGNING OF CONTRACT

9.1. Contract Between BISC and Incubating Individual/Team

Upon induction, the incubating individual/team shall sign contract with the BISC within a time period of 10 working days. Failing to do so may result in cancellation of registration with BISC. The terms of contract shall include, but may not be limited to the following:

9.1.1(a). Equity Sharing in Business

The incubating individual/team will have to agree on certain percent of equity share in business for BISC on account of institutional affiliation/patronage and use of resources & facilities. In this regard, BISC will mainly consider the following factors while negotiating the percentage of equity:

- Duration of the incubating team
- Extent of resources, infrastructure and facilities required
- Level of mentorship support required
- Financial condition of the incubating individual/team
- Level of risks involved in idea or business

Needless to say, the percentage of equity sharing will be separately negotiated on a case to case basis keeping in view the above factors, following could be an indicative range of equity:

Incubating Individual / Team	BISC
80% - 95%	5% - 20%

OR

9.1.1(b). Rented Incubation Space (Office Space + Mentoring Support)

The incubatees will have an option to pay a monthly rent in exchange for the resources and services utilized and physical space occupied at BISC. The rent amount will be negotiated on the basis of the following factor:

- Number of people in an incubating team.
- Space to be occupied (in sq ft)
- Level of facility and resource usage

- o Whether a shared space, co-space or dedicated cubicle is required.

Additionally, the incubatees will need to pay nominal mentoring support fee on a monthly basis which will be negotiated on a case to case basis.

OR

9.1.1(c). Standard Rented Office Space (Office Space Only)

This policy also permits to make physical space available on rent in the same manner as mentioned above to the other individuals such as independent service providers, consultants, or freelancers.

9.1.2. Fair use of facilities: Terms and conditions will be spelled out in the contract on fair use of facilities provided by BISC. Where fair use means using facilities for business purposes only.

9.1.3. Compensation for loss/damages: Terms and conditions for any loss or damage to the BISC property will be mentioned and the consequences for such loss.

9.1.4. Other: Any other specific terms and conditions will be mentioned in the contract on a case to case basis.

9.2. Contract Between BISC and Mentor

9.2.1. The equity share once negotiated between the BISC and incubating team, it would be further distributed in such a way that BISC would claim 60% and rest of 40% would be given to the Mentor. Precisely speaking, this would work as follow:

S #	If BISC's equity share is	Mentor's equity share would be
i.	20%	8%
ii.	15%	6%
iii.	10%	4%
iv.	5%	2%

9.2.2. In case of any incubating team opting for rented incubation, the mentoring support fee will be directly paid to the concerned Mentor under intimation to BISC. In this regard, the frequency of fee payment (whether monthly or quarterly) will be mutually decided by the parties concerned.

10. EXIT FROM INCUBATION

Incubating team will be asked to exit the BISC under the following circumstances:

- Graduation from BISC after successful completion of tenure with set milestones.
- *Underperformance of the incubating individual/team.
- When the business idea is no more viable.
- Unfair, unethical or illegal business practices.
- When the startup team enters into an acquisition, merger or other alliances resulting in substantial changes in company structure, profile etc.
- Any other reasons that BISC may find it necessary for an incubating individual/team to leave BISC.

** In case of underperformance of incubatee individual/team, a grace period of 6 months will be granted after setting new milestones and performance benchmarks.*

11. VIRTUAL INCUBATION

In the instances when physical space is no more available, this policy encourages to entertain virtual incubation wherein the same facilities & support would be provided to the incubating teams within an exception of physical working space. This will also assist individuals/teams who don't wish to be physically incubated but only require institutional affiliation/patronage and mentoring support. In case of virtual incubation applications, equity sharing would be negotiated on a case-to-case basis however it must not exceed 10% of the business.

12. POLICY INFORMATION

12.1. Policy Approval

Policy Contact	Manager (BISC)
Responsible Officer	• Director (ORIC) • Manager (BISC)
Approving Authority	Executive Committee followed by the President
Next Review Date (if required)	March 2026
Relevant Regulation	HEC BICs Policy 2021 Digital Pakistan Policy 2018

12.2. Policy History

Version	V1.0 (2022-26)
Date of Approval	January 31, 2022
Effective Date	January 31, 2022

12.3. Policy Subsidiary Documents

The Business Incubation & Startups Centre (BISC) shall be responsible for developing forms, procedure, contracts and other supporting documents in relations to this policy.

12.4. Policy Updates and Improvements

The policy is subject to necessary improvements and revisions by MAJU with a view to incorporate new startups trends, government or HEC regulations or as part of structural changes within the university. Any such policy changes will only be incorporated after consultation with the BISC Governing Committee. The policy will be revised after 5 years.

SCORING CRITERIA FOR INCUBATION

Criteria	Max Points
Novelty of idea	15
significance to societal problems/value-addition to society	15
Stage of product/startup and time to market	10
Expertise and profile of team	5
Intellectual property generated / potential for IP creation	10
Commercialization prospects	15
Idea scalability	15
Funds requirement and viability of fund raising	10
Communication skills of the team	5
Total	100