

Concept paper on model for training through Business Incubation Centre for creating Self-employment opportunities for the development of Small Businesses

1. Background

Enterprise development is one of the thrust areas of the country, which can be achieved by way of providing hand holding support to the small enterprises, in selection and operation of selected projects/enterprises.

Business Incubation centre is one of the appropriate tested and proven initiatives to achieve this goal as it provides necessary facilities for the prospective first-generation entrepreneurs and start-up companies to learn product manufacturing processes coupled with business skill development and other support services those required to start a business.

The purpose of these Incubators is to provide hands on practical training to unemployed persons in order to equip them with knowledge and expertise for setting up new small enterprises.

The training through Business Incubation centre provides an opportunity for first generation entrepreneurs to acquire skill on basic technical trades and gain exposure in all areas of business operations such as business skills development, identification of appropriate technology, hands on experience on working projects, projects/product selection, opportunity guidance including commercial aspects of business etc.



2. Model of Training through Business Incubation Centre

Business incubation centre provide an opportunity to first generation entrepreneurs to gain exposure in all the areas of business operations such as business skill development, identification of appropriate technology, project/product development, hands on experience on working projects, opportunity guidance including commercial aspects of businesses under the one roof.



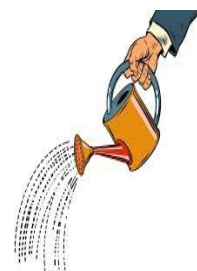
Business Incubation Centre is an attempt to compile at one place, like Information required for setting up small entrepreneurs, Training on value addition of raw materials through processing, Information on technologies etc, which have been frequently enquired about by first generation start-up entrepreneurs.

3. Objectives of Training through Business Incubation Centres

- i. Self-employment generation among aspiring start up entrepreneurs.
- ii. Accelerate the development of new entrepreneurs.
- iii. Integrated support by way of providing hands on training on working projects.
- iv. To boost the development of small enterprises in the manufacturing sector.
- v. To provide skilled manpower to existing enterprises.

4. Deliverables of Training

- ✓ Entrepreneur business skill development
- ✓ Identification of appropriate technology
- ✓ Hands on experience on the working Projects.
- ✓ Projects/Products selection and opportunity guidance
- ✓ Complete guidance to set up an enterprise
- ✓ Facilitation on fund management through Banks
- ✓ Facilitation on project report preparation and credit availability



5. Target beneficiaries for training in Business Incubation centers

- ✓ Unemployed Youth in Rural or Urban Areas (not highly educated) aspiring to start own business.
- ✓ School or College Dropouts required to be gainfully engaged.
- ✓ Housewives looking for alternative sources of Income.
- ✓ Retired Défense Personnel / Soldiers.



6. Outline of training curriculum for Training in Incubation Center:

The curriculum outlined for 3 months training (12 weeks) is placed under. However, the duration of program can be decided based on the local parameters like Capacity of trainees to understand the topic(s), practical training on projects etc.

- ✓ Counselling
- ✓ Entrepreneurship Orientation
- ✓ Hands on Training on machines
- ✓ Market Survey
- ✓ Project Report Preparation
- ✓ Monitoring and Follow up

7. Hands on Training on technologies

The hands-on training shall be given on the working Projects like:

- Bakery Plant
- Packing Machine-Granules, Liquids & powder
- Paper Napkin Machine
- Toilet Roll Making Machine
- Exercise Notebook Printing & Binding
- Potato Chips Making Machine
- Peanut Paste making plant
- Soya Milk Plant
- Flour Making & Packing
- Fashion Designing/Apparel Technology





Business Incubation Centre for Small Business development

- Edible Oil Extraction Plant
- Wheat Flour Grinding
- Ice Cream Cone Making Plant
- Noodles Mfg. Plant
- Spice Grinding
- Wire Nail Mfg. etc.

The list of technologies as listed above are indicative from the bank of more than 300 technologies.

The selection of technologies to place in Business Incubation Centre shall be made after assessing the local demand in the area and availability of raw materials, skill sets.

8. Experience in setting up Incubation Centers in overseas countries.

The similar Business Incubation Centres were successfully set up at locations like **Durban (South Africa), Dakar (Senegal), Addis Ababa (Ethiopia), Bujumbura (Burundi), Kigali (Rwanda), Cairo (Egypt), Harare (Zimbabwe), Chimoio (Mozambique) & Banjul (Gambia).**

After their successful Installation, Commissioning and Training to the local trainers on the projects, the centre(s) were successfully handed over to the recipient organization of the respective country.

9. Location for setting up Business Incubation centre

The proposed Business Incubation Centre meant for self-entrepreneurship development among youths and the location may be selected where youths would be visiting. A few places, as placed under, can be considered.

- ✓ Technical Vocational Education & Training Centers
- ✓ Further Education Centres
- ✓ University premises
- ✓ Technical Training Centres
- ✓ Workshops etc..





10. Steps for setting up of Business Incubation Center in overseas country

I. Identification of Partner Institution in Host Country:

Host Government would identify an organization in its country which would act as partner with NITCON Limited in providing all logistic/implementation support for the establishment of Incubation center in their country. This organization will be known as Partner Institution.

II. Selection of Projects

The selection of Projects/technologies can be made by either of the methods:

- a. Based on the local demand assessment, the host government shall inform the list of technologies to be set up in the proposed Business Incubation center.
- b. Alternatively, NITCON Limited can be engaged for carrying out the feasibility study for assessing the relevant technologies to be housed in the center. The final list of technologies shall be decided in consultation with the visiting NITCON's experts and designated officials of host government. The said study would be carried out by deputing the experts of NITCON Limited to the host country for two weeks on cost recovery basis.

The cost to carry out the study shall be borne by Host government or the agency that is funding the project. The visit of experts can also be used for identifying and deciding an appropriate location for setting up the proposed Business Incubation Centre.

III. Submission of Detailed Project Report (DPR):

On the basis of findings of the study, NITCON Limited shall prepare a Detailed Project Report (DPR) covering aspects like Technology selected to house in the proposed Incubation Center for training, Rationale behind the selection of technologies, Details of individual technology including the detailed cost estimates for



setting up Incubation Center, Training curriculum for entrepreneurship training based on the local skills available vis-a-vis to the enterprise development, Linkages for the credit facilitation etc.

IV. Offer to supply technologies

After the receipt of acceptance Detailed Project Report by Partner Institution of Host government, the detailed offer containing cost w.r.t. the supply of technologies, installation, commissioning of identified technologies, training to local trainers and pilot production at site in host country, would be submitted. This offer will also spell out all terms for the execution of the project.

V. Acceptance of offer:

The Partner Institutions of host government, on receipt of offer and after examining the same, shall convey their acceptance of the terms. Both sides shall thereafter initiate action as per the agreed terms.

VI. Readiness of selected site:

On the acceptance of the offer, NITCON Limited shall provide the layout plan containing the positioning of decided technologies and the various utilities required for their functioning at the site for training in the centre. This could facilitate the host government authorities to prepare the site for enabling the projects for their installation and commissioning.

VII. Facilities to be provided by host Government/Partner Institution (NITCON Limited `s exclusions):

Build up Sheds with utility connection (Water & Electricity) to house the selected projects. The site plan for placing and all the machines/equipment's including training classroom position shall be communicated by NITCON Limited to recipient organisation of host government for readiness of site.



VIII. Supply of technologies from India:

After obtaining confirmation w.r.t. readiness of site, NITCON Limited shall initiate shipment of technologies from India. On reaching of the technologies of the sea port of the destination, the host government authorities shall take necessary action for release of consignment from the port for onward transportation to the selected site.

IX. Installation & Commissioning of Plant & Equipment:

After the reaching of consignment at site, NITCON Limited shall depute its experts from India to complete the installation and commissioning of technologies at site.

X. Training to local trainers:

After installation & commissioning of equipment at site, a team of experts commence training of trainers including pilot production at site on the supplied technologies before handing over to the Partner Institution of Host government to manage onward operations of the center.

XI. Handing over the center:

After completing all the activities as per the terms agreed, NSIC shall hand over the center to the designated authorities of the host government.

11. About NITCON Limited

NITCON Limited. is a Public Limited Technical Consultancy Organization with shareholders like Public Sector Banks, Financial institutions and State industrial development organizations, is in operation with an aim to extend consultancy services for the development and growth of industrial units.

The central banks like State Bank of India, Punjab National Bank and Small Industries Development Bank of India (SIDBI) are amongst the shareholders of organisation.



Business Incubation Centre for Small Business development

The services available to industry and other beneficiaries are broadly classified into categories like:

- ❖ Techno-Economic Feasibility Studies/ Appraisals,
- ❖ Industrial Valuations,
- ❖ Techno-Economic Viability Studies (TEVS),
- ❖ Energy Audits, Market Surveys and Assessments,
- ❖ Skill Development, Training & Capacity Building in Industrial, Education, Healthcare & Public Welfare Sector
- ❖ Digitization of government records
- ❖ Feasibility study to set up TVET/Incubation centers in overseas countries
- ❖ Industrial cluster development.

The organisation is on strong footing to carryout feasibility/ diagnostic study for preparation of proposal to get credit support from banks/ financial institutions.

12. Contact Details

For any clarification to set up Business Incubation Centre, please feel free to contact:

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