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Government of India
Ministry of Rural Development
Department of Rural Development
<https://rural.nic.in>
(Rural Livelihoods Division)

7th Floor, NDCC – II Building,
Jai Singh Road,
New Delhi – 110001

Dated: 17th November, 2022

To,
The SMD/CEO SRLMs
All States/UT

Subject: Incubator guidelines under NRLM

Madam/Sir,

I am directed to share the guidelines of Incubators, a component under the Start-up Village Entrepreneurship Programme (SVEP) sub-scheme of Deendayal Antyodaya Yojana - National Rural Livelihoods Mission (DAY-NRLM) of Ministry of Rural Development (MoRD).

The earlier Incubator guidelines approved under NRETP will be applicable to all the States in which Incubators are already approved.

This guideline of Incubators issues with the approval of Secretary (RD).

Yours faithfully,


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Director (RL)
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Encls:A/a

To,

1. All NROs
2. All State anchors

Guidelines for Supporting Growth Oriented Micro Enterprises through Incubators

**DAY - National Rural Livelihoods Mission
Ministry of Rural Development
(Government of India)**

Contents

1. Context	1
2. Objective	2
3. Implementing Agency	2
3.1 Which state can implement the incubator intervention?	2
4. Characteristics of Enterprises to be Supported by the Incubator	4
4.1. Enterprise Type	4
4.2. Turnover Range	4
4.3. Entrepreneurs	4
4.4. Geography	6
4.5. Enterprises Ineligible for Incubator Support	6
5. Services Provided by the Incubator to the Enterprise	6
6. Challenge Fund	7
6.1. Types of Challenge Fund Awards	8
6.2. Eligibility for Applying for the Fund	8
6.3. Administration of the Challenge Fund	9
6.4. Fund Amount	10
Table 1: Suggested Mode of Funds Provision.....	10
Table 2: Enterprise Types and Rewards to the Winners.....	11
6.4.1. Terms of Reward (Grant)	11
6.4.2. Terms of Soft Loan (Loan at 0% Interest)	12
7. Incubation Process	13
Table 3: Diagrammatic representation of the incubation process.....	16
7.1. Selection of Incubator	18
7.2. Roles and Responsibilities	18
7.2.1. Incubators	18
7.2.2. State Rural Livelihoods Mission	21
8. Entrepreneur Training and Reimbursement of Training Cost	23
9. Partnerships for Piloting Innovations	23
10. Human Resources to be Deployed by the Incubator	24
10.1. Profiles of Human Resources to be Deployed	24
Table 4: Qualifications for the personnel to be employed by the incubator.....	24
10.2. Reimbursement of Human Resource Cost to the Incubator	26

Table 5: Maximum Reimbursable HR Cost.....	26
10.3. Variable Reimbursement to the Incubator (Overheads)	28
Table 6: Achievement of Target Vs Percentage of the Allocated Overheads amount	28
11. Duration of Assistance	28
12. Fund and Release.....	28
12.1. Target	28
12.2. Availability of Funds	29
Table 7: Total Cost per state/UT	29
12.3. Fund Release.....	30
Table 8: Timeline for fund release to the Incubator Agency	30
12.4. Pre-condition for Release of Fund.....	31
13. Monitoring and Reporting	31
13.1. Review at the State Level	31
13.2. Review at the National Level	32
14. Grievance Redressal.....	32
Table 9: Dispute Redressal Mechanism	32
Annexure 1: Tentative List of Government Approved / Government Funded Incubators.....	33
Annexure 2 FAQs – Incubator Guidelines.....	49

Acronyms

AIC	Atal Incubation Centre
AIM	Atal Incubation Mission
BMMU	Block Mission Management Unit
BPM	Block Project Manager
CEF	Community Enterprise Fund
CIF	Community Investment Fund
CLF	Cluster Level Federation
CRP	Community Resource Person
DAY-NRLM	Deendayal Antodaya Yojna – National Rural Livelihoods Mission
DDU-GKY	Deen Dayal Upadhyay - Grameen Kaushalaya Yojana
DMMU	District Mission Management Unit
DPM	District Project Manager
DST	Department of Science and Technology
FI	Financial Inclusion
IBCB	Institution Building & Capacity Building
KPI	Key Performance Indicators
MeitY	Ministry of Electronics and Information Technology
NRLP	National Rural Livelihood Project
NRP	National Resource Person
RSETI	Rural Self Employment Training Institute
SHG	Self Help Group
SRLM	State Rural Livelihood Mission
SRP	State Resource Person
SVEP	Start-up Village Entrepreneurship Programme
TIDE	Technology Incubation and Development of Entrepreneurs

1. Context¹

During the last decade, the Deendayal Antodaya Yojna – National Rural Livelihoods Mission (DAY-NRLM) has expanded to 6,845 blocks spread over 721 districts across 28 States and six Union Territories (UTs). It has been instrumental in building a platform of about ten crore rural women mobilized into community institutions. Since inception, the community organisations have been provided capitalisation support of INR 19,236 crore till August 2022. Further, more than Rs 5,40,122 crore of bank credit has also been accessed by the SHGs since 2013-14 till August 2022.

Of the SHG women-entrepreneur base, approximately 150-200 women enterprises in each focus state have demonstrated growth potential in terms of size, profitability, formalization, access to bank finance etc. These entrepreneurs have an established business case but need dedicated support to grow their business. The DAY-NRLM proposes to have dedicated incubators supporting the State Rural Livelihood Missions (SRLMs) to incubate growth-micro enterprises and enable their transition into self-sustaining growth-enterprises that create local employment opportunities. These enterprises will, in turn, help in developing models which can be replicated across various states.

The rationale for incubators for this specific segment emerges from both the demand and supply-side factors. The existing incubators in the States are primarily focused on social enterprises or urban entrepreneurship, or tech-based enterprises and overlook the rural area-based entrepreneurs especially women, who face additional constraints in accessing such services and knowledge needed for sustenance and growth. On the demand-side, growth enterprises or budding entrepreneurs require specialized business development support in the form of comprehensive and integrated range of support as provided by existing service delivery providers.

A necessity exists to build knowledge and support eco-system for supporting SHG-women-owned enterprises in the manufacturing and services sector, demonstrating minimum economies of scale to engage with larger markets, become financially sustainable, generate local employment, and build models for replication and scalability.

¹ Existing incubation guidelines, including guidelines for Livelihood Business Incubator by ASPIRE and Handbook for Non-Profit Incubator Managers developed by GIZ, SIDBI, AIM, and CIIE (IIM-Ahmedabad), were referenced while preparing the document.

2. Objective

The objective of the initiative is to pilot strategies to scale up at least 150 existing women-owned / women-led growth-oriented enterprises in a State/UT and create models for replicability. The enterprises supported will be in manufacturing and service sectors, which are hamstrung by various facets of market failure and information asymmetry. The total duration of the incubation component is for three years.

Towards this, it is proposed to on-board incubators in the States/UTs who have expertise in incubating rural growth micro-enterprises or working in the social impact space or incubators with an intent to service this segment. The incubators will be expected to:

- a) Develop these women led enterprises (in manufacturing and service sectors) as formal enterprises and build them as legal entities with proper business models
- b) Help the incubated enterprises increase revenue by 15% from the baseline (on year-on-year basis)
- c) Improve creditworthiness of these enterprises and enable them access credit from formal financial institutions
- d) Develop partnerships with innovators/social enterprises/for-profit company/start-ups to catalyse the growth of rural enterprises
- e) Create business models for generating local employment (an average of three to four jobs)
- f) Capacitate the women entrepreneurs to enable them running the business themselves
- g) Create model for replicability across the DAY-NRLM States/UTs

3. Implementing Agency

The implementing agency for this component will be the SRLMs existing in each State/UT.

The incubator will be the execution agency, while the NMMU of DAY-NRLM will engage in regular monitoring and oversight.

3.1 Which state can implement the incubator intervention?

Selection of states for incubation is based on states strength and incubator strengths. The strength of the partner incubator be given 60% weightage and the strength of the SRLM be given 40% weightage while deciding the States/UTs for this component.

The States with the following characteristics shall be prioritized:

- a) The SRLM must have adequate human resources at the State, district, and block. It is essential to coordinate with the incubator at all levels and ensure regular

monitoring of activities as well as learning from the implementation process and building the internal capacity of the SRLM to support enterprises for growth.

- b) To support existing growth-oriented enterprises, it is essential to assess SRLM's enterprise promotion initiatives in the blocks. Hence, the percentage of blocks where existing enterprise support programs are being implemented will also be weightage.
- c) To assess SRLM's capability in implementing enterprise development programmes, SVEP implementation progress will be considered a proxy measure. The percentage of target met as per timelines will be accorded a weightage.
- d) The SRLM shall also have to internally assess and share the details of the approximate number of enterprises meeting the eligibility criteria for support under the incubator intervention – large enterprises / group enterprises, individual enterprises with the minimum required turnover, women led enterprises as specified in Section 4.2.

To ensure that the segment of rural women enterprises is served effectively, DAY-NRLM will also evaluate the incubator selected by the SRLM. It will evaluate the incubator on the following characteristics:

- a) The incubator should be housed in an institute of excellence or national repute like IIT / IIM / IRMA etc., and should have been an incubator in more than one govt sponsored program.
- b) Should have proven experience working with women's enterprises or with social sector enterprises.
- c) The incubator should have experience in mentoring or supporting manufacturing/service enterprises
- d) The incubator should have experience working in rural or peri-urban areas
- e) Amount of funds raised by the incubator in the past five years will also be considered.

DAY-NRLM will evaluate a composite score of the State and the incubator characteristics. The implementation capacity of the State will be accorded a 40% weightage, while DAY-NRLM will give the strength of the incubator for implementing the component with rural women entrepreneurs a 60% weightage.

- The incubator component may only be implemented by States/UTs which have the conviction and data that the State/UT has more than the required number of eligible enterprises as defined in section 4.2. Such data shall have to be substantiated by the state from any MIS data that the state has. Hence, each State/UT may not receive the opportunity to conduct the incubator component.
- SRLMs would conduct an initial screening/pre-feasibility analysis to analyse the scope and expected availability of enterprises eligible for the incubation program.

The state will share a brief report and its analysis with the DAY-NRLM. Post-approval from the DAY-NRLM, the state will take up the incubator component for implementation.

4. Characteristics of Enterprises to be Supported by the Incubator

4.1. Enterprise Type

- The incubator will support enterprises dealing with manufacture of goods or rendering of services.
- Enterprises dealing primarily with trading of goods will not be supported through the incubator component.
- Diversity of enterprises from the state/UT is preferable (Minimum 10 different types of enterprises should be supported by the incubator in the state. Maximum number of one type of enterprises to be supported (eg tailoring enterprises etc) should be 25)

4.2. Turnover Range

Three kinds of enterprises can be supported by the incubator:

Registered Enterprises

- a) **Large Enterprises:** A GST registered enterprise with a minimum annual turnover of at least Rs 20 lakh in the previous two financial years excluding covid impacted years.

Unregistered Enterprises

- b) **Group Enterprises:** An enterprise owned by more than one entrepreneur with a minimum annual turnover of at least Rs 15 lakh in the previous two financial years excluding covid impacted years.
- c) **Individual Enterprises:** An enterprise owned by an individual with a minimum annual turnover of at least Rs 12 lakh in the previous two financial years excluding covid impacted years.

4.3. Entrepreneurs

SHG members or SHG-member households must necessarily own these enterprises. In the case of SHG members households, the project can support the husband / unmarried son / unmarried daughter/ unmarried brother/ unmarried sister/parents of the SHG member.

- Minimum 2/3rd (or 66%) enterprises supported should be women-owned or women-led enterprises.

Women-owned enterprises are those enterprises that are completely owned and managed by women.

Women-led enterprises are those enterprises where at least 60% members in the enterprise's decision-making body (executive committee) are women.

- Application for support under the incubator program should be collected only from those SHG members (or the SHG households) where the SHG members have completed a minimum period of 12 months of membership in SHG and also who've attended a minimum of 30 weekly meetings in the previous 12 months (in states which follow a weekly meeting calendar for the SHGs) or a minimum of 9 monthly meetings in the previous 12 months (in states which follow a monthly meeting calendar for the SHGs), as the case may be.
- It is preferred that a maximum of 50% of enterprises supported by the incubator can be individual enterprises and 50% of enterprises supported could be group enterprises (as defined in section 4.2. The State/UT may relax this criterion based on the local conditions. The stress on supporting group enterprises is due to the fact that group enterprises are more equitable in the share of profits and a large enterprise typically needs a team of leader with complementary skills to expand and grow – one individual usually does not have all the skills needed to run a large enterprise or the time to do all the activities for running a large enterprise.
- SRLM may focus on incubating any other enterprise operating within their framework or functional under their PGs/PEs or such enterprises that they intend to launch/operate in the future.(eg. Sanitary pad manufacturing units, Take home ration units etc) Such enterprises could avail the incubation facility under the incubator component and the incubator shall help them set up a robust business plan and business practices for economic sustainability. The eligibility criteria may be suitably diluted by the state to ensure selection of such nominated enterprises. The percentage of such enterprises should not be more than 10% of the total incubated enterprises (Out of the 150 enterprises, a maximum of 15 enterprises could be in this category). Ideally such nominated enterprises should not be eligible for grants under this program, as the eligibility criteria has been relaxed for such nominated enterprises by the SRLM.

The incubator should ensure that the dependence of such units on government as the sole buyer is reduced and thereby such enterprises are de-risked.

4.4. Geography

The incubator component will support enterprises across the whole State/UT with the SRLM presence. At least 10% of total enterprises supported must be in remote blocks of the State/UT.

Remote blocks for the purpose of this component refers to a block which is at a distance of at least 50 km from the nearest town with a population of at least three lakhs (as per 2011 census). The state may relax the eligibility criteria for the enterprises from the remote blocks in order to facilitate enhanced participation and to build an understanding on how to support remote enterprises for growth.

4.5. Enterprises Ineligible for Incubator Support

The following is an indicative list of enterprises that **will not** be supported by the incubator component:

- a) Agriculture and primary production / aggregation activities
- b) Backyard activities (like backyard poultry, pre-preparation weaving activities like warping, bobbin winding, etc.)
- c) Trading / retail enterprises
- d) Enterprises not compliant with minimum health and safety standards
- e) Enterprises not compliant with environmental safeguards
- f) Enterprises operated by the SRLM staff

5. Services Provided by the Incubator to the Enterprise

The incubator will be engaged to render services across the State/UT. The incubator will provide the following services to the enterprise (indicative):

- a) Preparation of growth plan with financials and mentoring support plan
- b) Professional mentoring support to formulate strategy for growth and guide business operations to achieve growth targets
- c) Raising finance from commercial sources (debt or equity)
- d) Developing strategy for quality control, warehousing, and supply chain for supported enterprises
- e) Facilitating and **diversification** of market linkages (forward and backward linkages), providing market information and intelligence. The incubator must ensure that the incubated enterprises have more than only 1 buyer (eg. Government in case of a uniform unit or take home ration unit) or raw material supplier, so that the business is de-risked.
- f) Assisting with input need assessment and market estimation
- g) Facilitate registrations, certifications, and licences of the enterprise

- h) Handholding support to grow the business
 - i) Identify the training gaps of the entrepreneurs and provide training and capacity building to the entrepreneur
 - j) Develop partnerships with organisations /startups with technologies / innovations to benefit the rural enterprises
 - k) Reduce the business risk and increase the resilience of the incubated enterprises.
- Additionally, each enterprise supported under this component will be given a financial reward or a soft loan (at 0% interest) through a challenge fund to support their growth initiative. The grant / soft loan is being provided to allow the enterprise to mitigate any risk associated with growth – eg. Investment in enhancing capacity shall precede increase in sale and profitability. Details on the challenge fund are mentioned in section 6.
 - The SRLM must ensure that the incubator does not claim the reimbursement / benefits from any other State or Central government for the same incubation activities in the same geography. The incubator should provide an undertaking to this effect.

6. Challenge Fund

A challenge fund is an innovative financing mechanism to mitigate risks for socially worthwhile projects/ growth projects and make them financially sustainable in the project duration. It is a transparent and competitive process to allocate financial support to enterprises.

The DAY-NRLM will provide a challenge fund as a soft loan/grant to selected individual and group enterprises on a competitive basis; that has the potential to substantially increase enterprise revenue and contribute to the local economy through job creation. The enterprises availing challenge fund will also receive professional support from the selected incubation agency for growth.

The enterprises to receive awards via the challenge fund would be selected by a Jury Panel. The jury shall select individual enterprises and group enterprises to award the Challenge Fund.

The entire process of awarding the challenge fund will be anchored and managed by the incubator, with support from the SRLM. The incubator and SRLM should ensure that the outcome of the challenge fund is such that all the boundary conditions set for the enterprises to be supported are selected in the challenge fund process (% of individual and group enterprises, % of women owned/ managed enterprises, enterprises meeting the eligibility turnover criteria, enterprises from remote blocks, diversity in the types of enterprises being supported etc.).

The process of shortlisting of the enterprises for participation in the challenge fund round should itself ensure that adequate number of enterprises meeting the boundary conditions are shortlisted for participation in the challenge fund round and the final selection of the jury also closely meets the boundary conditions.

6.1. Types of Challenge Fund Awards

There are two types of challenge fund that can be awarded:

- a) Grant to enterprises
- b) Soft loan (at 0% rate of interest) to enterprises

Challenge fund award will be provided up to a maximum of 75% of the enterprise's fund requirement for growth (Capital expenditure and working capital for one cycle).

Challenge fund support – either in the form of soft loans or grant **would not** be provided for purchase of land / building, but the support should be for increasing capacity (equipment) and working capital. Capital expenditure mentioned in the guidelines would exclude construction of buildings.

The incubator should ensure that detailed and realistic business plans for the all the shortlisted enterprises (approx. 250) for the challenge fund rounds are prepared (with help and support of the incubator team) and the estimated fund requirement of each shortlisted enterprise should be available with the enterprise before the challenge round.

The incubator may take the help of CRP-EPs in making these business plans (on payment of remuneration to the CRP-EPs). The jury during the challenge fund round must have access of a detailed business model (current business) validated by a panel of industry experts / mentors and also a proposed business plan detailing the funds required for growth by the enterprise – based on the inputs from the entrepreneur and CRP-EP's / incubators teams/ industry mentors etc Adequate time and resources should be planned for this activity before the challenge fund round.

Ideally at the end of the challenge fund round the jury should be clearly able to recommend selection of an enterprise for support by incubation and the amount of soft loan / grant that is needed by the enterprise. The challenge fund round should end with an award ceremony where at least the sanction letter of the soft loan/reward is handed over to the winners of the challenge fund round.

6.2. Eligibility for Applying for the Fund

The enterprise must belong to an SHG-member household and preferably be women-owned or women-led.

1. In case the enterprise is individually owned, the entrepreneur or her immediate family member as defined in section 4.3, should necessarily be a member of SRLM-promoted SHG, which is listed on the DAY-NRLM portal.

2. Application for support under the incubator program should be collected only from those SHG members (or the SHG households) where the SHG members have completed a minimum period of 12 months of membership in SHG and also who've attended a minimum of 30 weekly meetings in the previous 12 months (in states which follow a weekly meeting calendar for the SHGs) or a minimum of 9 monthly meetings in the previous 12 months (in states which follow a monthly meeting calendar for the SHGs), as the case may be.
3. In the case of a group enterprise, a minimum of 51% of members should be members of the DAY-NRLM SHG households

6.3. Administration of the Challenge Fund

The responsibility of conducting the process of awarding challenge fund lies with the incubator.

1. Both SRLM and incubator must appoint a nodal person, each responsible for coordinating/organising a competition to administer the challenge fund.
2. The incubator and SRLM will jointly decide the schedule (including the date and venue of the competition) and modus operandi
3. The notice for applying for the challenge fund should be disseminated in the field at least two months (60-days) before the competition. It will be the responsibility of the SRLM to communicate advance information through the notice to their cadres and staff. This information should also be disseminated through social media and newspapers, etc.
4. DMMU / BMMU shall assist the interested enterprises in applying for the challenge fund, including filling up the application forms. Incubator/SRLMs may also take the support of CRPs / SRPs.
5. The incubator will select and appoint an independent jury, with at least two representatives from the SRLM to evaluate applications. The NRLM representative may be invited to be part of the jury.
6. The jury shall appraise the applications based on performance indicators, including commercial sustainability of the enterprise, scope of increasing turnover by at least 15% over the subsequent 12-months of operation (and maintaining the same for the next 6-months), the scope of creating local jobs, and replicability of the business model. The state may modify the criteria as per their context after seeking the approval of the NRLM with justification.
7. The SRLM will transfer the reward (grant) amount to the incubator within a maximum of 15-days after the culmination of the challenge fund event, who will release it to entrepreneurs/enterprises selected by the jury for reward within 15-days of receipt of funds.
8. The SRLM will transfer the soft loan amount to the concerned CLF maximum within 15-days after the culmination of the challenge fund event, who in turn, will release it to entrepreneurs selected by the jury within 15-days of receipt of funds from the

SRLM. The SRLM may prepare necessary guidelines for the administration of the challenge fund and the CBO's handling of the challenge fund.

9. The incubator will furnish bank statements reflecting the transfer of payment to the enterprises within 15-days of the receipt of funds. The unspent balance amount, if any, shall also be returned to the SRLM within 15-days from the receipt of funds.
10. While selecting enterprises, the incubator must consider both diversity and depth of type of enterprises. Ideally, no less than five (5) and no more than 25 of any kind of enterprises (e.g., apparel manufacturing/ take-home ration) etc., should be selected.

6.4. Fund Amount

The financing mechanism and amount will differ as per the type of enterprise. 75% of the fund required for enterprise growth (total infrastructure cost and working capital for one cycle) will be awarded as a prize / soft loan to selected enterprises.

Table 1: Suggested Mode of Funds Provision

Enterprise Type	Minimum Annual Turnover*	Is Registration Mandatory	Financing Mechanism	Maximum Number of Enterprises in the State/UT
Large Enterprise	Rs 20 lakh	Yes	Reward	6
Group Enterprise	Rs 15 lakh	No	Reward	6
Individual Enterprise	Rs 12 lakh	No	Reward	6
Group Enterprise	Rs 15 lakh	No	Soft loan (at 0% interest)	132
Individual Enterprise	Rs 12 lakh	No	Soft loan (at 0% interest)	

* The amount stated under minimum annual turnover is the average turnover of the previous two non-covid impacted financial years

** The total amount for awarding as grant to individual and group enterprises (as mentioned in section 4.2) is prescribed per state is in the following manner.

- Each incubator will be provided Rs 45 lakh per state to distribute as reward to individual and group enterprises and Rs 60 lakh for the large enterprises (see table below)
- A maximum of 75% of the total infrastructure cost and working capital for one cycle will be awarded as reward up to the maximum ceiling as mentioned below.
- If the SRLM and incubator plan to conduct more than two incubation rounds, the reward amount may be apportioned downward appropriately to ensure the overall budget for the class of reward is not breached.
- If a sufficient number of large enterprises are not identified even after two incubation rounds, and 6 winner cannot be declared among the large enterprises, in such case the remaining balance of the 6 winners may be added to the winners in the Group and Individual enterprises based on the selected proportion for the jury round, subject to the cap of reward for each category.

Table 2: Enterprise Types and Rewards to the Winners

Enterprise Type	Maximum First Reward	Maximum Second Reward	Maximum Third Reward	# Rounds	# Winners	Total
Large	Rs 15 lakh	Rs 10 lakh	Rs 5 lakh	2	6	Rs 60 lakh
Group	Rs 7.50 lakh	Rs 3.75 lakh	Rs 1.25 lakh	2	6	Rs 25 lakh
Individual	Rs 6 lakh	Rs 3 lakh	Rs 1 lakh	2	6	Rs 20 lakh
Total						Rs 105 lakh

The policy for disbursement of challenge fund may be reviewed in due course to incorporate necessary changes, with appropriate approvals from the DAY-NRLM.

6.4.1. Terms of Reward (Grant)

- a) Each incubator will be provided with a maximum of Rs 105 lakh (per state/UT) to distribute as reward to individual and group enterprises (Rs 45 lakh per state to distribute as reward to individual and group enterprises and Rs 60 lakh for the large enterprises)
- b) Large enterprises (registered; as mentioned in section 4.2) will be eligible for a receiving grant if they meet conditions for evaluation by the independent jury constituted as described above.

- c) Top three individual and group enterprises (unregistered; as mentioned in section 4.2) in each incubation round will be given financial rewards if they meet conditions for evaluation by the independent jury.
- d) A maximum of 75% of total fund requirement for growth (total infrastructure cost and working capital for one cycle) may be given as a reward, subject to the ceiling defined for the reward (See Table No. 1).
- e) If the SRLM and incubator plan to conduct more than 2 challenge funds rounds, the reward amount (Rs 105 lakh) may be apportioned downwards appropriately to ensure the maximum cap per reward and the total amount allocated for each class of rewards is not breached.
- f) Reward may be transferred in tranches to SHG member's bank account based on the achievement of the milestones as decided in the business plan and as approved by the jury / incubator.

6.4.2. Terms of Soft Loan (Loan at 0% Interest)

- a) Soft loan may be given to enterprises if they meet the conditions for evaluation by the independent jury.
- b) 75% of the total fund requirement for growth (total infrastructure cost and working capital for one cycle), up to the maximum ceiling defined for the type of enterprise in the table above, may be given as a soft loan. The balance of 25% may be raised by a mixture of the following: own funds, loans from banks, loans from CIF, any grants from CSR/convergence, etc. This has to be facilitated by the incubator with the support of the IBCB and Financial Inclusion teams of the SRLMs.
- c) The jury will specify the duration of the soft loan at the time of awarding the loan, but the term cannot be more than three years. The jury may also decide to grant a moratorium period of up to six months for the principal repayment of the soft loan to the enterprise depending upon the business case.
- d) The soft loan amount will be given to the concerned CLF, who will route it further to the enterprise through the SHG.
- e) The loan will be repaid to the concerned CLF of the block in which the enterprise is located. If the CLF is routing the CEF, the amount will become a part of the CIF but will be routed directly to the enterprise's / entrepreneur's account from the CLF at 0% interest. In case there is no CEF, the amount will become a part of the CIF and will be routed directly to the enterprise's / entrepreneur's account from the CLF at 0% interest.
- f) The CLF will earn interest income on the subsequent rotation of the loan amount. The fund routing mechanism may be decided by the state while ensuring minimal time lapse between the fund received from the state and the time it reaches the enterprise's bank account.

- g) The soft loan amount repaid by the entrepreneurs should be clubbed with the CEF (if exists) of the CLF or if CEF is not there then with the CIF of the CLF and should become part of the CEF /CIF and used for onward lending at the same rate of interest as the other funds of the CIF/ CEF.
- h) The concerned CLF and BMMU will be responsible for ensuring the repayment of soft loans awarded to the enterprise as part of the challenge fund. This repayment of loan may be to the CLF directly or may be routed through the SHG/VO route, as may be decided by the state. The incubator shall also monitor and track the soft loan repayment status for the duration of the project.
- i) SRLM should take adequate measures to explain to the supported/funded enterprises that they should use the total reward or soft loan amount for the specific purpose it has been awarded, and there should be no diversion of the funds for any other usage. The state may decide its penalties if any enterprise diverts funds to other uses.
- j) Soft loan may be transferred in tranches to SHG member's bank account either directly by the CLF or through the CLF-VO-SJHG route as decided by the state, based on the achievement of the milestones as decided in the business plan and as approved by the jury / incubator.

7. Incubation Process

The proposed incubation process is presented below. The primary objective of the process is to recognise indigenous enterprise models and explore ways of replicating them across the DAY-NRLM states/UTs. The states/UTs may modify the process as per their experience and context.

- a) Procure an incubator to support growth-oriented enterprises
- b) Identification of growth-micro enterprises

Stage 0

- i) SRLM and the incubator will finalize the definition and criteria for selecting growth-micro enterprises based on state context (the definition essentially involves the minimum threshold of revenue, sector, number of employees, the scope for growth, replicability of the enterprise etc.)
- ii) Shall prepare indicators to appraise applications (indicators should measure commercial sustainability of the enterprise, scope of increasing turnover by at least 15% over subsequent 12-months of operation, scope of creating local jobs), and replicability of the business model
- iii) Disseminate information to the potential enterprises/incubates to apply for challenge fund and incubation support at least 60-days prior to organizing the challenge fund competition using the states district and block units, the

CBOs and community cadre in the field, as well by advertising in the local language press and promotional activities as per the agreed plan.

Stage 1

- iv) SRLM will invite applications from SHG enterprises for accessing incubation support in the defined format. The state may seek assistance from SRPs /CRPs for filling applications. The BMMU / DMMU must also lend support wherever necessary.
- v) SRLM and incubator will scrutinize applications and shortlist adequate enterprises so that it can finalise 150 enterprises for support.

If the SRLM and incubator are unable to select 150 enterprises in one round, the incubation process may be conducted in 2-3 rounds.

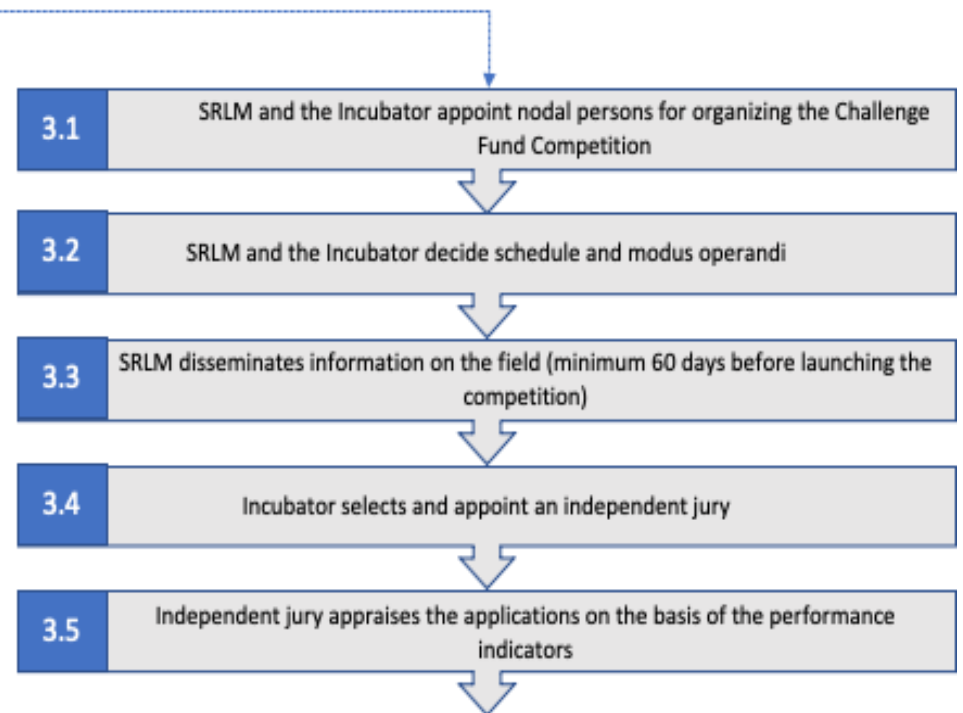
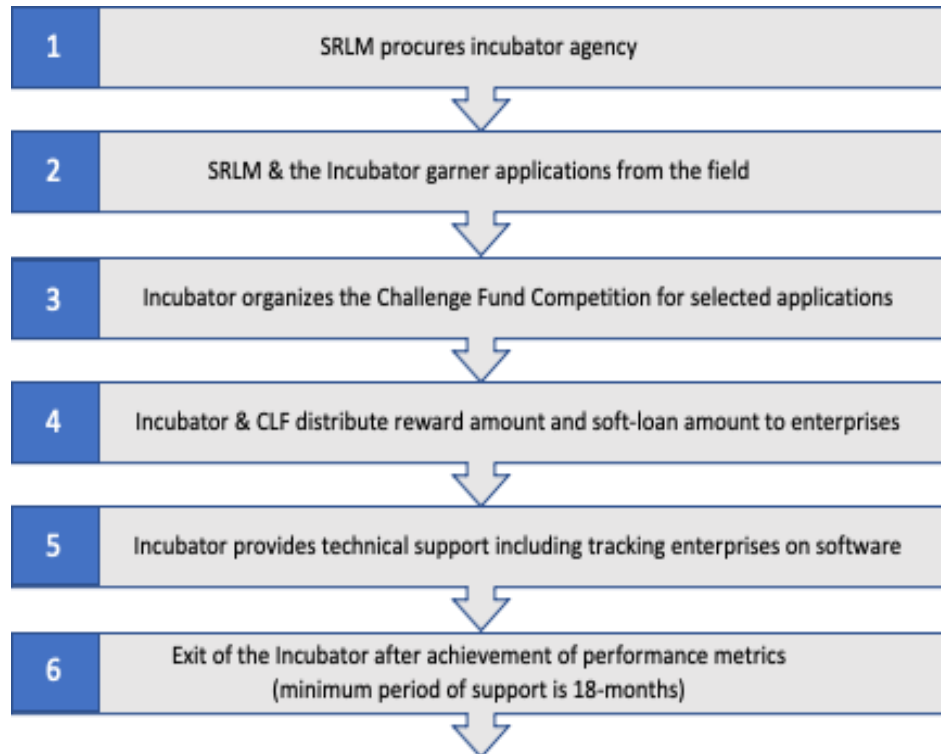
Stage 2

- vi) The incubator will support these shortlisted enterprises in fine-tuning their applications and in preparing a detailed business plan, including collecting some of the baseline information about these shortlisted enterprises and prepare them for the final challenge fund competition.
- c) Organise challenge fund competition (as per process elaborated in section 6.3)
 - i) Choose a convenient date and venue (preferably at / near the state capital) for the challenge fund competition and disseminate information to the eligible applicants at least 30-days in advance
 - ii) Appoint a jury (with at least two representatives from the SRLM and an invitee from the NRLM). The jury should include industry experts and well reputed persons in start-up ecosystem.
 - iii) Organise the challenge fund competition and have entrepreneurs make presentations about their enterprise's commercial sustainability and growth plan
 - iv) Award challenge fund to selected enterprises
 - d) Transfer of challenge fund by the SRLM
 - i) To the incubator
 - i. The SRLM shall transfer the amount of reward (grant) under challenge fund to the incubator within 15-days of culmination of the event
 - ii. The incubator shall transfer the amount to the selected enterprises within 15-days of receipt of funds

- iii. The incubator will furnish bank statements to the SRLM (both incubator and rewarder's bank accounts) reflecting transfer of payment to the enterprises at the end of the 15-day period
 - ii) To the concerned CLFs
 - i. The SRLM shall transfer the amount of reward (Soft-Loan) to the CLF. The amount of soft-loan for the selected enterprise must be deposited in the accounts of concerned CLF's within 15-days of culmination of the event
 - ii. The CLF shall transfer the amount directly to the enterprise's / entrepreneur's account within 15-days of receipt of the funds
- e) Provide incubation support to selected enterprises
 - i) The selected enterprises for incubation support would have to be supported for a minimum of 18 months or until it achieves 15% growth over baseline revenue, is commercially sustainable, replicable, and can create local employment, whichever is later.
 - ii) Collect and validate baseline information for selected enterprises
 - iii) Engage with the selected enterprises more closely to prepare a detailed growth plan/ validate the business prepared for the challenge fund competition (to increase revenue, employment, profits, etc. that will be achieved through incubation support) and fine tune /delineate their capital and non-financial business development needs
 - iv) Assist the enterprise in securing financial linkages (to meet requirements over and above the finances received as part of the challenge fund exercise) based on the requirement of the enterprise ensuring necessary backward and forward linkages, and assisting with registrations and certifications
 - v) Link enterprises with sector experts or mentors who will provide strategic and operational inputs
 - vi) Ensuring the managers appointed by the incubators for supporting enterprises engage with the enterprises on at least monthly intervals and hand-hold the enterprises for growth and also helping them prepare monthly P&L statements and business MIS statements.
- f) The incubator will use an IT-based application to track enterprise health and share the information on a regular basis with the SRLM/NRLM. The IT application should have the capability to integrate with the DAY-NRLM MIS.
- g) SRLM, along with support from the incubator, will document the scope of replicability of each type of enterprise and steps to achieve the same

The incubator will plan for exit of incubating an enterprise after a minimum 18-month period of incubation (The 18 months period is exclusive of the Challenge Fund Competition time). It has to ensure that the enterprise is able to meet performance metrics consistently for a period of six-months prior to exit.

Table 3: Diagrammatic representation of the incubation process



7.1. Selection of Incubator

SRLM may select a suitable incubator from the list of incubators empanelled/funded by any government scheme or run by an academic institution of excellence like the IIMs /IITs and other premium institutes. The tentative list of such incubators has been appended in annexure 1.

The incubator must have at least three years of operational excellence and a proven track record of incubation. The same is to be shared with the DAY-NRLM to undergo the evaluation process.

The incubators shall be selected through a process including submitting a performance report of the existing incubator program of the government/other largest funder. Any organization which has not achieved 70% or more of the adjusted targets (till the date of application) of the government/largest funder supported incubator program may not be selected as an incubator by the SRLM. The achievement of targets must be validated by the respective government department/largest funder.

An advisory body constituted by the DAY-NRLM shall also support the NRLM / SRLM in selecting the incubator. The incubator shall be chosen based on its capability to mentor and support enterprises for growth and provide them with enhanced market access. Any agency should not have blacklisted the incubator.

The project shall be awarded to a state after the incubator selected by the State has been approved by the EC of the MORD / the SRD based on a presentation made by the incubator on its prowess and mentoring strategy for the enterprises in the State to achieve the project objectives.

7.2. Roles and Responsibilities

7.2.1. Incubators

The role of the incubator is envisaged as under:

- a) Provide an undertaking to that the incubator is not claiming reimbursement / benefits from any other state or central government for the same incubation activity in the same geography and that it has not been blacklisted by any other government agency.
- b) Scrutinize and identify enterprises for support
 - Develop Challenge Fund competition implementation plan
 - Assist enterprises in filing nominations for grant awards under the challenge fund administered by the project
- c) Support to identified enterprises

- Baseline information for selected enterprises, including enterprise details and financial performance
 - Identify skills gaps and address the same either through mentoring or through formal training
 - Engage with the selected enterprises to prepare a growth plan (to increase revenue, employment, profits) and delineate the need for specific interventions
 - Identify products with the potential for scale up, aggregation, and marketing through the higher-order institutions
 - Develop a strategy for quality control, warehousing, and supply chain for supported enterprises
 - Provide technical assistance for product refinement and design and development as per market needs
 - Assist enterprises in accessing finance, ensuring necessary backward and forward linkages, supporting with obtaining licenses and certifications, and providing regular mentoring and handholding, especially for raising the balance 25% of the funding required.
 - Provide market information / intelligence, conduct input need assessments and quality control checks at various stages
 - Mentor and handhold the enterprises for a minimum 18-month period or till that growth is achieved on the journey to achieve 15% year on year growth in revenue and profit in the period (whichever is earlier) and to be financially sustainable
 - Ensure registration of enterprises if they are not registered at the time of lending support
- d) Administer the challenge fund
- Set-up the process of administering challenge fund
 - Execute the entire selection process organizing the competition for challenge fund ensuring transparency, fairness, and objective selection process
 - Identify jury to evaluate applications for receiving challenge fund. The jury must include a minimum of two representative(s) from the SRLM / NRLM and also third-party experts.
 - Ensure dissemination of challenge fund within 30 days of the culmination of the event
- e) Ensure capacity building / training of entrepreneurs
- Conduct a training needs assessment to understand areas where an entrepreneur may need capacity building (technical skills, business management skills, soft-skills) and ensure the provision of training

- Identify training institute jointly with the SRLM. The incubator should ideally conduct the training as per the SRLM' capacity building norms (refer to section 8 for additional details).
- f) Develop and meet performance benchmarks
 - Discuss with the SRLM and finalize performance benchmarks, which the enterprises will have to consistently meet for a period of six-months, before the incubator withdraws support. Ideally, the incubated enterprise should be supported for a minimum of 18 months or until it achieves 15% growth over baseline revenue, is commercially sustainable, and can create local employment
 - Ensure that health of supported enterprises are tracked regularly and is shared with relevant stakeholders
 - Ensure a regular enterprise wise business MIS and overall project implementation MIS is maintained; This MIS would have the capacity to be integrated with the state / DAY-NRLM national MIS. The same will be tracked in review meetings.
 - Develop metrics of assessment of the incubatee supported incorporating the fact that absolute progress may not be possible to track for all the parameters.
- g) Development of communication products and SoPs
 - Develop documents / toolkits for replication of enterprise models across the state / other states
 - Develop knowledge products, SoPs, learning notes, policy briefs, and compendium encapsulating the knowledge derived from the program.
 - Share enterprise stories across relevant platforms – social media, development news platforms, etc.
 - NMMU advises that these SoPs and probable customized SoPs could be included by the SRLMs (as per their requirements and local condition) during their MOU with the incubator agency. A few examples of the SOPs are as follows (but not limited to)
 - i. SoP on development of the model business plan of an enterprise
 - ii. SoP on the best practices to be incorporated during the promotion of an enterprise or a pool of enterprises
 - iii. SoP on the legal compliance for enterprises/ businesses (Non-Farm & Food focused) with the process for registration
 - iv. SoP, on the analysis of the current business situation of an enterprise
 - v. SoP on growth analysis of the business (How the SRLMs could analyze an enterprise - the toolkit)

- vi. SoP on building supply chain, and integration of forwarding and backward linkages
 - vii. SoP on product marketing processes (offline & Online)
 - viii. SoP on product packaging, labelling, standardization etc.
 - ix. SoP on indicators for the measurement of success of an enterprise
 - x. Compendium capturing the complete end to end cycle of the Incubator Program implementation, techniques deployed, mentoring, exit strategy, long-term sustainability techniques, best practices generated, etc.
 - xi. Development of a regular enterprise wise business MIS and overall project implementation MIS; The MIS would have the capacity to be integrated with the state / DAY-NRLM national MIS (This MIS should be developed by the incubator before the completion of the Jury Panel round)
- h) Active coordination with the SRLM
- Appoint a nodal person in the state to coordinate with the SRLM
 - Participate in review meetings organized by the SRLM and provide regular reports on performance of supported enterprises as per agreed terms
 - Engage with the District Project Manager (DPM) / Block Project Manager (BPM) and other DMMU / BMMU staff to leverage on the last-mile support, wherever required
- i) Develop a mentor pool of industry experts and conduct regular round tables of industry leaders on rural entrepreneurship growth and enterprise promotion (at last six such round tables should be organized)
- j) Develop partnerships with innovators to catalyse the growth of rural enterprises and pilot the usage of their innovations with the incubated enterprises as well as facilitate the adoption of their innovations by other DAY-NRLM supported enterprises (See section 9).

7.2.2. State Rural Livelihoods Mission

- a) Identify an incubator to partner
- b) Mobilize applications for seeking incubation support
 - Advertise for applications from growth enterprises seeking incubation support
 - Engage NRPs / SRPs and DMMUs / BMMUs to assist entrepreneurs in filling applications
- c) Bear costs of capacity building of entrepreneurs
 - Select agency for training / upskilling existing entrepreneurs jointly with the incubator

- Meet training cost of entrepreneurs as per cost norms
- d) Ensure provision of challenge fund reward and soft loan amount to selected enterprises
 - Ensure participation of SRLM representatives in the jury for administering challenge fund
 - Ensure incubator conducts the competition with transparency and fairness
 - Transfer reward (Grant) amount to the incubator and soft loan amount to the CLF on time
 - Make State-level guidelines about the handling of the soft loan amounts received by the CLFs as part of the challenge fund and train the CLFs receiving the soft loan funds, about the fund management rules, accounting and reporting.
 - Ensure proper utilisation of the challenge fund reward/ soft loan for the desired and defined use.
- e) Monitoring of growth micro-enterprises
 - Collaborate with the incubator to arrive at the benchmarks which the enterprises have to consistently meet for a period of 6-months, before the incubator withdraws support. Ideally, the incubated enterprise should be supported for a minimum of 18 months or until it achieves 15% growth over baseline revenue, is commercially sustainable, and can create local employment
 - Analyse the data from the MIS / enterprise software and monitor the performance of incubator supported enterprises.
 - Regular field visits by the State Nodal Person and the SRLM team must be made to obtain feedback from the entrepreneurs
 - Track performance of supported enterprises against performance benchmarks
- f) Active coordination with the incubator
 - Position staff at the state and the district level to oversee enterprise activities under the project
 - Appoint a nodal person at the SRLM to coordinate with the incubator
 - The SRLM shall inform the concerned DMMU about the enterprises that will be supported in their district and ensure their support
 - Organize review meetings at regular intervals (minimum once a month)
 - Ensure timely payments to the incubator - within 30 days from the receipt and acceptance of invoice
 - Ensure timely approvals of front-ending promotion and other material & processes requested by the incubator
- g) Ensure that the SRLM learns from the incubation process and replicates the learnings for support to replicable enterprises creating and documented by the incubator. The SRLM should also make efforts to empanel the mentors used by

the incubators as State Resource Persons, so that their technical skills can be used by the SRLM for supporting enterprises even after the incubator program gets over.

8. Entrepreneur Training and Reimbursement of Training Cost

The entrepreneur skilling and training is a critical aspect of ensuring smooth operations of the enterprise. Entrepreneur training is the responsibility of the state-appointed incubator agency. The incubator should ensure the following to ensure reimbursement of entrepreneur training costs:

- a) Conduct and document training needs analysis of all entrepreneurs supported by the incubator
- b) Select the training partner from the empanelled list of training agencies at the state / national level. The incubator could identify other technical training agencies as per the requirements.
- c) Besides, the incubator can conduct business mentoring & knowledge-based training, considering this may be the incubator's speciality area. However, it has to comply with the DDU-GKY cost norms.
- d) Consider convergence opportunities with skilling programmes, such as RSETI, DDU-GKY offered within the Ministry of Rural Development and by other ministries (Ministry of Skill Development and Entrepreneurship, Ministry of Textiles, Ministry of Micro Small and Medium Enterprises, etc.)
- e) In case a trade is not available in the empanelled list of agencies, the entrepreneurs can be sent to institutes that are above the SRLM community training cost norms. However, the cost should not exceed the norms applicable for staff / consultant training at the state level
- f) Bear the initial cost of training and keep all necessary documents safe for claiming reimbursement
- g) Monitor conduct of training periodically and prepare monitoring reports
- h) File the claim for reimbursement as per approved format complying with approved training norms and attaching necessary documents such as training needs analysis, monitoring reports, etc.
- i) Follow-up with the SRLM for timely release of the training cost.

9. Partnerships for Piloting Innovations

Each incubator shall get an amount of Rs 50 lakh, which it shall invest in equity in a minimum of three and a maximum of five partner organizations. These organizations must have cutting-edge innovations or technologies to support SHG family-owned manufacturing, trade and service enterprises. These partner organizations can be in logistics, technology, market linkages, etc., favourably impacting the NRLM / SRLMs

value chain initiatives. These partner agencies should preferably have past relationship with the incubator and should be in the line of business/ service in which they could support/ add value to the enterprises selected under this programme. An incubator may invest a maximum of Rs 25 lakh from this fund in one partner organization.

These partner organizations will sign a tri-partite agreement with NRLM / SRLM and the incubator to provide SHG-household owned enterprises access to services² for a minimum period of four years at a beneficial rate compared to that charged by other market players. In case the partner organization is unable to sign the tri-partite agreement or fails to abide by the agreement, the incubator shall return the amount invested in the partner organization to the SRLM at a pre-decided rate of interest (not less than the Fixed Deposit rate of SBI for a tenure of one year). If the incubator cannot invest in partner organizations, the unspent amount shall be returned to the SRLM along with any interest earned at the end of the engagement period.

10. Human Resources to be Deployed by the Incubator

The incubator shall deploy the following personnel:

- a) Project Lead (part-time)
- b) Manager(s)
- c) Mentors

Apart from this the Incubator should be at liberty to employ resources like subject matter experts, project associates and outreach executives as and when required within the overall budgeted cost.

10.1. Profiles of Human Resources to be Deployed

Table 4: Qualifications for the personnel to be employed by the incubator

Team member	Number of Members	Qualification, Experience, and Responsibilities
Project Lead (part-time)	1	At least 12-15 years of experience in setting up and / or managing a manufacturing business preferably in the food processing or handicraft sector in a leadership position, answerable for the P&L of the unit.

² Services may include access to technology, logistics support, standardization and market-linkage services, etc.

		<p>Should have expertise in the entire business operations specially in sales and business accounts and should have extensive industry contacts.</p> <p>Will be responsible for providing overall direction and guidance to the team. Will interface with government officials, industry experts and other key stakeholders.</p> <p>Qualification: Post-Graduation in Business Management, Development Studies, Rural Management, Accounts, Economics, or related fields or a professional degree like CA, ICWA, etc.</p>
Business Managers	As required (Minimum 2)	<p>At least three (03) years of experience in enterprise promotion / management – in a functional area like production/sales / procurement etc.</p> <p>It is advisable that out of two of Business Managers, one of them, should have at least three years sales experience.</p> <p>Will be expected to travel extensively and provide hands-on mentoring to approximately 60-75 enterprises selected for support by the incubator.</p> <p>Shall be responsible to ensure that his / her supported enterprises grow as per the desired rate and meet other defines business and governance KPI targets, on a monthly, quarterly, and annual basis. Shall seek help from the functional specialists for specific technical support and report to the Project Lead.</p> <p>Qualification: Post-Graduation in Business Management, Development Studies, Rural Management, Accounts, Economics or related fields or a professional degree like CA, ICWA, etc. Preference will be given to candidates from premier institutions like IRMA, IIMs, IITs, NITs, and other such institutions. The educational criteria may be relaxed,</p>

		in consultation with the SRLM in case the candidate has higher relevant experience.
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The remuneration for the personnel employed for the project shall not exceed 15% of their last drawn monthly remuneration, corrected for the number of working days.

In case the team (incubator and the SRLM) feels the need, they can add another Manager if:

- The enterprises supported by each manager are more than 60-75
- The enterprises to be supported are spread out across the state
- The enterprises need the manager to be physically present in the enterprise or its market
- The time duration of the project needs additional people to ensure parallel working and meet the project objectives within the defined time lines
- The total budget for manpower provided to the incubator is adhered to.

The number of Managers to be hired will depend upon the number of enterprises selected for support during the challenge fund process. Incubator may hire one Project Lead (part-time) and one Manager may be hired at the beginning of the project. Additional Managers or human resources may be hired as required in due course.

The personnel selected by the incubator need to be approved by the SRLM / NRLM before they are formally on-boarded. The approval process by the SRLM / NRLM can be through an e-interview process. The Incubator may modify the number of people to be hired as per its own assessment of the work, within the overall budget for the manpower cost.

The Mentors empanelled by the incubator shall be approved by the SRLM / NRLM based on mutually agreed parameters. The selection of Mentors can also be through an e-interview process.

10.2.Reimbursement of Human Resource Cost to the Incubator

The maximum HR cost to be reimbursed to the incubator is as under.

Table 5: Maximum Reimbursable HR Cost

Position	Annual remuneration (excluding variable pay)	Total budget (max)
Project Lead (part-time)	Rs 10 lakh per year for three years	Rs 30 lakh
2 Managers	Rs 12 lakh per year for three years	Rs 72 lakh

Mentors / Functional Experts	Rs 5,000 per day for 480 person days per year for three years	Rs 72 lakh
Total Salary Cost		Rs 174 lakh
Travel and incentive	40% of salary cost	Rs 69 lakh
Total Salary and Travel Cost		Rs 243 lakh
Overhead cost	10% of total expenses	Rs 24 lakh
Total Cost		Rs 267 lakh

- Travel and incentive expenses for Project Lead and two Managers have been accounted at 40% of salary expenses (40% of Rs 174 lakh = Rs 69 lakh).

The travel entitlements for the Project Lead, Managers, and Mentors shall be equal to that of an A1 grade NRP as per National Institute of Rural Development and Panchayat Raj (NIRD&PR). For travel in the field, taxi fare shall be allowed to be reimbursed for all the human resources deployed by the incubator.

- For the post COVID period, expenses related to broadband / Wi-Fi and resource fee to CRPs who will co-ordinate and facilitate e-meetings between the Managers / Mentors and the enterprises in the field may be claimed under the head of travel expenses. The remuneration to the CRPs shall be as per the state policy for CRP payments, and can at most be equal the skilled wages under MGNREGA for the state.
- The costs associated with members of Jury Panel could be claimed under the Mentor/Functional Experts. The costs should be for number of days engaged for the specific purpose.

In case of delay in the commencement of the program, the incubator may add additional resources to complete the tasks with reduced timelines (as explained above). The process of selection of additional resources and defining their remuneration shall remain the same.

In addition to the salary, the incubator may add an incentive of up to 20% of the maximum fixed remuneration allowed for all positions. This incentive will be based on achievement of project targets on quantitative and qualitative basis. The budget for this incentive amount must be met out of the budget allocated to incubator for the project (inter-head funds can be used for this incentive amount). The incentive amount, the parameters, and release shall be approved by the SRLM / NRLM during regular review meetings (discussed in section 13.2).

The amounts given in the guideline are maximum and reimbursement shall be based on actuals. The amount claimed by the incubator shall be supported by a Utilisation

Certificate (UC). All necessary vouchers and supporting documents must be presented for audit, if required.

10.3.Variable Reimbursement to the Incubator (Overheads)

The 10% allocation for overheads (Rs 24 lakh) shall be released on 6-monthly rests to the incubator. The release will be based on achieving targets for the six months. The amount deducted for a period due to underachievement of the target shall not be carried forward to the next period. Any non-achievement of the target due to delays in approvals etc., by the SRLM / NRLM, should be documented in writing by the incubator and submitted with the claim to be considered for any relaxation.

The suggested release percent is as under:

Table 6: Achievement of Target Vs Percentage of the Allocated Overheads amount

Achievement of Target	Percent of the Allocated Overheads amount that can be Released
>85% of weighted average target for the period	100%
70% to 84% of weighted average target for the period	65%
50% to 69% of weighted average target for the period	45%
Below 50% of weighted average target for the period	0%

11. Duration of Assistance

The project shall engage the incubator for a period of three years.

NMMU may assess the performance at the mid-term and revise/adjust based on performance and experience.

12. Fund and Release

12.1.Target

Each SRLM shall engage an incubator to provide high-end business development support to growth-oriented micro-enterprises. The incubator shall support at least 150 enterprises within the state. At least 10% of enterprises must be from remote areas (as mentioned in section 4.4).

12.2.Availability of Funds

The total cost envisaged per state/UT is as under:

Table 7: Total Cost per state/UT

Particulars	Quantity	Rate per Unit (Rs Lakh)	Amount (Rs Lakh)	Remarks
Incubator cost			267.00	As calculated in section 10.2
Equity investment for partnerships			50.00	Given once to the incubator
Expenses for selection of applications and organizing challenge fund event	3	10.00	30.00	A maximum of three (3) rounds of incubation support have been considered
Challenge fund (Grant for large – registered enterprises)	6	10.00	60.00	Assuming two (2) large enterprises per incubation round
Challenge fund (Grant for individual and group - unregistered enterprises)	12	***	45.00	***To be given to top three (3) individual and group enterprises, as calculated in section 6.4
Challenge fund (Soft loan for individual and group enterprises)	132	4.00	528.00	Assuming a total of 150 enterprises to be supported. The number of enterprises to which grant will be administered has been excluded.
Capacity building for entrepreneurs including digital tools, digital training platform, digital content, tabs, etc	225	0.40	90.00	One (1) member each from 75 individual enterprises and two (2) members from each 75 group enterprises
Total			1,070.00	

12.3.Fund Release

The following will be the timeline for release of funds for the incubator:

Table 8: Timeline for fund release to the Incubator Agency

Fund	Time for Release	Released by	Released to
State-level incubator cost	<ul style="list-style-type: none"> ▪ Once per year for three years. ▪ Costs for first year will be released upon placing required human resources and submission of the inception report. ▪ Costs for subsequent years would be released upon plan document for the year, placement of adequate HR, and satisfactory performance report by the SRLM and on submission of a UC for 80% of the funds released in the previous year. ▪ Adequate security in terms of a bank guarantee/indemnity bond may be sought by the State as per the State finance rules 	SMMU	Incubator (reimbursement)
Expenses for selection of enterprises and organising challenge fund competition	<ul style="list-style-type: none"> ▪ After signing the agreement, submission of the inception report, and on submission and acceptance of the selection criteria for the potential innovators 	SMMU	Incubator (reimbursement)
Fund for equity investment for partnerships	<ul style="list-style-type: none"> ▪ 3 months post call for applications ▪ Reimbursement to incubator based on approved norms 	SMMU	Incubator
Challenge fund (Grant)	<ul style="list-style-type: none"> ▪ Within 15-days after culmination of the challenge fund competition 	SMMU	Incubator
	<ul style="list-style-type: none"> ▪ Within 15-days of receipt of funds from SMMU 	Incubator	Growth-micro enterprises
Challenge fund (Soft Loan)	<ul style="list-style-type: none"> ▪ Within 15-days after culmination of the challenge fund competition 	SMMU	CLF
	<ul style="list-style-type: none"> ▪ Within 15-days of receipt of funds from SMMU 	CLF	Growth-micro enterprises

Fund	Time for Release	Released by	Released to
Capacity building of entrepreneurs	Reimbursement to incubator / training agency based on approved training norms	SMMU	Incubator (reimbursement) / training agency

Utilisation certificates shall be submitted to competent authorities as per the financial guidelines released by each SRLM.

12.4. Pre-condition for Release of Fund

The release of funds to the State will be contingent on the following conditions being met:

- **Positioning of 90% of the HR for Non-farm Livelihoods at the State level as per advisories issued by the DAY-NRLM**

13. Monitoring and Reporting

Monitoring and review of the incubators will be at two levels i.e. at the Central level by the NMMU and at the State level by the SRLM.

13.1. Review at the State Level

- a) The state nodal person for supporting the incubation component in the SRLM, along with State Project Manager – Non-Farm and the State Mission Director (or their representative) shall review the progress of the enterprises supported by the incubator every month
- b) Representatives from the incubator agency and DMMU (District Project Manager or equivalent) should also attend the meeting
- c) The intimation of the meeting along with the agenda shall be circulated by the state nodal person for incubation at least 07-days prior to the conduct of the meeting through e-mail
- d) The meeting shall be minuted by the SRLM, and the minutes of the meeting should be shared with all participants and concerned stakeholders, including NMMU, within 10-days of the meeting being held
- e) The minutes must necessarily include the profit and loss statement and cash flow of the enterprises supported and their plan for growth
- f) Documents / plan for replication of enterprise models across state / other states must also be reviewed in the meeting
- g) The performance of the managers appointed by the incubator shall be reviewed during these monthly reviews, and the quantum of incentive earned by them will be quantified and declared as part of this review

- h) Apart from this state-level review, the state, district, and block teams are expected to coordinate with the incubator and monitor the incubator support provided to the selected enterprises in their block/district
- i) A representative of the NMMU shall also be part of this review

13.2.Review at the National Level

- a) The nodal person for supporting the incubation component at the national level along with Lead – Non-Farm / Entrepreneurship and the Mission Director (or their representative) shall review the progress of the enterprises supported by the incubator every quarter. The meeting can be physical or through an electronic medium. In case of an electronic review, the national and state level quarterly reviews can be combined.
- b) Apart from these quarterly reviews, a periodic national review of all the incubators supported by this program shall be conducted by the DAY-NRLM. The periodicity of these reviews may be between one to four per year (maximum quarterly and minimum annual review)

14. Grievance Redressal

Conflicts in professional space are inevitable occurrences. However, it is in the best interest of all concerned that conflicts are resolved immediately. In cases where the conflicts cannot be resolved internally, a conflict resolution mechanism will be put in place for their timely resolution.

In case of issues that cannot be resolved internally, a redressal committee will meet to understand the issue and arrive at a mutually acceptable decision. In case the committee cannot arrive at a mutually acceptable decision, the final decision will rest with the DPM and in some cases with the JS (RL) at the national level. The redressal mechanism will be as follows:

Table 9: Dispute Redressal Mechanism

Party 1	Party 2	Redressal Committee	Final Authority
Incubator	Entrepreneur	Representative(s) from Incubator agency, community institutions, and DMMU	DPM
Incubator	DMMU	Representative(s) from Incubator agency, DMMU, and SMMU	SPM-NF
Incubator	SMMU	Representative(s) from Incubator agency and SMMU	JS (RL)

Annexure 1: List of Government Approved / Government Funded Incubators (as of Aug 2022) – please look up the updated list from the respective websites of the Ministry’s.

#	Name of the Incubator	State	AIM ³	TIDE (MeitY) ⁴	DST ⁵	ASPIRE ⁶
1	Aditya Global Business Incubator	Andhra Pradesh			Y	
2	AIC AMTZ MediValley Incubation Council	Andhra Pradesh	Y			
3	Atal Incubation Centre - Centre for Cellular & Molecular Biology (AIC-CCMB)	Andhra Pradesh	Y			
4	AIC-SKU Confederation at Sri Krishnadevaraya University	Andhra Pradesh	Y			
5	Center For Innovation, Incubation and Entrepreneurship (CIIE), Shri Vishnu Engineering College for Women (SVECW)	Andhra Pradesh			Y	
6	Siddharth Technology and Business Incubator	Andhra Pradesh			Y	
7	Sri Padmavati Mahila Visvavidyalam (SPMVV) Society for Innovation Incubation Entrepreneurship – TBI	Andhra Pradesh			Y	
8	Sri Padmavati Mahila Visvavidyalam (SPMVV) Livelihood Business Incubator	Andhra Pradesh				Y
9	Atal Incubation Centre - Assam Agricultural University (AIC-AAU) - North East Agriculture Technology Entrepreneurs Hub (NEATEHUB)	Assam	Y			
10	AIC-SELCO Foundation, Guwahati		Y			

³ AIM: Atal Incubation Mission supported incubators (Detailed list can be accessed from: <https://aim.gov.in/selected-atal.php>)

⁴ TIDE MeitY: Technology Incubation and Development of Entrepreneurs is a scheme under Ministry of Electronics and Information Technology (Detailed list of incubators can be accessed from: https://meity.gov.in/writereaddata/files/List_Technology_TIDE_Centres.pdf)

⁵ DST: Department of Science and Technology supported incubators (Detailed list can be accessed from: <http://www.nstedb.com/institutional/tbi-list.htm>)

⁶ ASPIRE: Incubators supported by ASPIRE scheme of Ministry of Micro Small and Medium Enterprises (Detailed list can be accessed from: https://aspire.msme.gov.in/Map/UA_IndiaMap.aspx)

#	Name of the Incubator	State	AIM ³	TIDE (MeitY) ⁴	DST ⁵	ASPIRE ⁶
11	Indian Institute of Entrepreneurship, Guwahati (IIEG)	Assam				Y
12	Indian Institute of Entrepreneurship, Kamrup (IIEG)	Assam				Y
13	Indian Institute of Entrepreneurship, Sivasagar (IIEG)	Assam				Y
14	IITG-Technology Incubation Centre (IITG-TIC), IIT Guwahati	Assam		Y		
15	AIC - BV Foundation	Bihar	Y			
16	Foundation for Innovators in Science and Technology (FIST) - Indian Institute of Technology Patna	Bihar			Y	
17	Dr. Rajendra Prasad Multi-Disciplinary Training Centre, Khadi and Village Industries Commission	Bihar				Y
18	Bhartiya Harit Khadi Gramodaya Sansthan(BHKGS)-KVIC, Khanwa, Nawada (BHKS-KVIC)	Bihar				Y
19	National Small Industries Corporation (NSIC), Nawada	Bihar				Y
20	AIC @36INC Society	Chhattisgarh	Y			
21	AIC Ambedkar University Delhi Foundation	Delhi	Y			
22	AIC – EMPI Incubation Foundation	Delhi	Y			
23	AIC Foundation for Innovation and Social Entrepreneurship (Social Alpha)	Delhi	Y			
24	AIC Jawaharlal Nehru University Foundation For Innovation	Delhi	Y			
25	Foundation for Innovation and Technology Transfer (FITT) IIT Delhi	Delhi		Y	Y	
26	IAN Mentoring and Incubation Services	Delhi			Y	

#	Name of the Incubator	State	AIM ³	TIDE (MeitY) ⁴	DST ⁵	ASPIRE ⁶
27	Indigram Labs Foundation – ILF	Delhi			Y	
28	Indraprastha Institute of Information Technology, Delhi (IIITD) Innovation and Incubation Centre	Delhi			Y	
29	Pusa Technique Se Vyavsay (PUSA TAKSAY)	Delhi			Y	
30	Shriram Institute – Technology Business Incubator (SRI-TBI)	Delhi			Y	
31	Atal Incubation Centre, Goa Institute of Management (AICGIM)	Goa	Y			
32	Centre for Incubation and Business Acceleration	Goa			Y	
33	Forum for Innovation Incubation Research and Entrepreneurship	Goa			Y	
34	Ahmedabad University Support Foundation (AUSF)	Gujarat			Y	
35	Atal Incubation Center at Gujarat Technological University (AIC-GISC Foundation)	Gujarat	Y			
36	AIC ISE Foundation	Gujarat	Y			
37	AIC - LM College of Pharmacy Foundation (AIC-LMCP)	Gujarat	Y			
38	AIC SURATi iLAB Foundation, Surat Smart City Development Limited	Gujarat	Y			
39	Association for Harnessing Innovation and Entrepreneurship - SVNIT, Surat	Gujarat			Y	
40	Centre for Innovation Incubation and Entrepreneurship (CIIE), IIM Ahmedabad	Gujarat		Y	Y	
41	Comcubator	Gujarat			Y	
42	DA-IICT Centre for Entrepreneurship and Incubation (DCEI)	Gujarat		Y		

#	Name of the Incubator	State	AIM ³	TIDE (MeitY) ⁴	DST ⁵	ASPIRE ⁶
43	Gujarat Foundation for Entrepreneurial Excellence, (GFEE-i create)	Gujarat			Y	
44	Gujarat University Start-up and Entrepreneurship Council (GUSEC)	Gujarat			Y	
45	IIT Gandhinagar Research Park				Y	
46	IIT Gandhinagar Innovation and Entrepreneurship Center	Gujarat		Y	Y	
47	LEAF (Leadership Entrepreneurship and Acceleration Foundation) - GLS University Incubator	Gujarat			Y	
48	NIDHI- Technology Business Incubator (TBI) - Association for Harnessing Innovation and Entrepreneurship (ASHINE)	Gujarat			Y	
49	NIF Incubation and Entrepreneurship Council (NIFientreC)	Gujarat			Y	
50	National Design Business Incubator	Gujarat			Y	
51	NSIC- Technical Services Centre	Gujarat			Y	
52	NSIC, Rajkot	Gujarat				Y
53	TBI - Centre for Advancing and Launching Enterprises (CrAdLE)	Gujarat			Y	
54	AIC IIT DELHI SONIPAT INNOVATION FOUNDATION	Haryana	Y			
55	AIC Sangam Innovation Foundation	Haryana	Y			
56	Society for Innovation & Entrepreneurship in Dairying (SINED) Technology Business Incubator	Haryana			Y	
57	IIT Mandi Catalyst	Himachal Pradesh			Y	
58	AIC Jammu and Kashmir EDI	Jammu & Kashmir	Y			

#	Name of the Incubator	State	AIM ³	TIDE (MeitY) ⁴	DST ⁵	ASPIRE ⁶
59	NIDHI- Technology Business Incubator (TBI) - Indian Institute of Integrative Medicine-Technology Business Incubator (IIIM-TBI)	Jammu & Kashmir			Y	
60	Shri Mata Vaishno Devi University Technology Business Incubator Center Society (SMVDU-TBIC)	Jammu and Kashmir			Y	
61	MSME Tool Room, Dumka	Jharkhand				Y
62	MSME Tool Room, Ranchi	Jharkhand				Y
63	STEP-Birla Institute of Technology	Jharkhand			Y	
64	AIC CCRI Foundation for Entrepreneurship Development	Karnataka	Y			
65	AIC Dayanand Sagar University Innovation Foundation (AIC-DSU)	Karnataka	Y			
66	AIC - Jyothi Institute of Technology Foundation (AIC-JITF)	Karnataka	Y			
67	AIC NCore Developmental Impact Foundation	Karnataka	Y			
68	AIC NITTE Incubation Centre	Karnataka	Y			
69	AIC Shiksha Infotech Foundation	Karnataka	Y			
70	AIC SRS-ICAR-NDRI Foundation, The National Dairy Research Institute	Karnataka	Y			
71	AIC STPINEXT INITIATIVES	Karnataka	Y			
72	Amrita TBI	Karnataka	Y	Y		
73	ARTI Lab Foundation	Karnataka			Y	
74	BEC STEP (Bagalkot Engineering College- Science & Technology Entrepreneur's Park)	Karnataka			Y	

#	Name of the Incubator	State	AIM ³	TIDE (MeitY) ⁴	DST ⁵	ASPIRE ⁶
75	Centre for Cellular and Molecular Platforms	Karnataka	Y			
76	DERBI Foundation	Karnataka			Y	
77	E-Health TBI	Karnataka			Y	
78	Foundation for Innovation and Social Entrepreneurship (FISE)	Karnataka			Y	
79	Foundation for Sandbox Start-up Initiatives, Hubli	Karnataka			Y	
80	Global Incubation Service (GINSERV)	Karnataka			Y	
81	IIITB Innovation Center, IIIT Bangalore	Karnataka		Y		
82	IKP EDEN NIDHI TBI, Bangalore	Karnataka			Y	
83	International Centre for Innovation Technology Transfer and Entrepreneurship (IN-CITE)	Karnataka			Y	
84	Jain University Incubation Centre (JUincubator)	Karnataka			Y	
85	KLE Technological University	Karnataka			Y	
86	Manipal University Technology Business Incubator	Karnataka			Y	
87	National Design Business Incubator (NDBI) –Bengaluru	Karnataka			Y	
88	NIDHI-Technology Business Incubator (TBI) – Business Entrepreneurship and Start-up support through Technology in Horticulture (BESST-HORT)	Karnataka			Y	
89	NITK - Science Technology Entrepreneurship Park (NITK-STEP), NITK Surathkal	Karnataka		Y	Y	
90	NSRCEL (Nadathur S Raghavan Centre for Entrepreneurial Learning) – IIMB	Karnataka	Y	Y		
91	SJCIT, Chikballarpur	Karnataka				Y
92	Society for Development of Composites	Karnataka			Y	

#	Name of the Incubator	State	AIM ³	TIDE (MeitY) ⁴	DST ⁵	ASPIRE ⁶
93	Society for Innovation & Development (SID), IISc Bangalore	Karnataka	Y	Y		
94	Sri Jayachamarajendra College of Engineering – Science & Technology Entrepreneurs Park (SJCE-STEP)	Karnataka			Y	
95	VTU, Dandeli	Karnataka				Y
96	AIC IIIT KOTTAYAM FOUNDATION	Kerala	Y			
97	Amal-Jyothi Rural Technologies Business Incubator (ARTBI)	Kerala			Y	
98	Amrita Technology Business Incubator (Amrita TBI)	Kerala			Y	
99	CET-TBI	Kerala			Y	
100	IMK LIVE (Laboratory for Innovation, Venturing and Entrepreneurship), Indian Institute of Management, Kozhikode	Kerala			Y	
101	Kerala Start-up Mission (Formerly Technopark Technology Business Incubator)	Kerala			Y	
102	Sree Chitra Tirunal Institute for Medical Sciences and Technology (SCTIMST-TIMed)	Kerala			Y	
103	Start-up Village	Kerala			Y	
104	Technology Business Incubator - NITC (TBI-NIT Calicut)	Kerala		Y	Y	
105	AIC Aartech Solonics Pvt. Ltd.	Madhya Pradesh	Y			
106	AIC – RNTU Foundation	Madhya Pradesh	Y			
107	AIC- Prestige Inspire Foundation	Madhya Pradesh	Y			
108	Innovation and Incubation Centre for Entrepreneurship (IICE), Indian Institute of Science Education & Research (IISER)				Y	

#	Name of the Incubator	State	AIM ³	TIDE (MeitY) ⁴	DST ⁵	ASPIRE ⁶
109	Laghu Udyog Nigam Ltd.-Govt of MP, Dewas	Madhya Pradesh				Y
110	Madhya Pradesh Laghu Udyog Nigam Ltd., Katni	Madhya Pradesh				Y
111	Maulana Azad National Institute of Technology (MANIT)	Madhya Pradesh			Y	
112	MPSBM, Satna	Madhya Pradesh				Y
113	NIDHI-Technology Business Incubator (TBI)- Innovation and Incubation Centre for Entrepreneurship (IICE)	Madhya Pradesh			Y	
114	RGTU-Amarkantak, Amarkantak	Madhya Pradesh				Y
115	ROLTA Innovation and Incubation Centre, MANIT Bhopal	Madhya Pradesh		Y		
116	Technology Innovation and Incubation Centre (TIIC), Atal Bihari Vajpayee Indian Institute of Information Technology & Management (ABV-IIITM)	Madhya Pradesh		Y		
117	Agriculture Development Trust, Baramati	Maharashtra				Y
118	AIC BAMU Foundation	Maharashtra	Y			
119	AIC-ADT Baramati Foundation at Agricultural Development Trust Baramati	Maharashtra	Y			
120	AIC IISER Pune Seed Foundation	Maharashtra	Y			
121	AIC-MIT ADT Incubator Forum	Maharashtra	Y			
122	AIC - NMIMS Incubation Centre	Maharashtra	Y			
123	AIC - Pinnacle Entrepreneurship Forum	Maharashtra	Y			
124	AIC - Rambhau Mhalgi Prabodhini (RMP)	Maharashtra	Y			
125	Centre For Incubation And Business Acceleration (CIBA)	Maharashtra			Y	
126	College of Engineering, Pune	Maharashtra			Y	
127	DKTE TBI, DKTE Textile and Engineering Institute	Maharashtra			Y	

#	Name of the Incubator	State	AIM ³	TIDE (MeitY) ⁴	DST ⁵	ASPIRE ⁶
128	Dr.B.R.Ambedkar Institute of Rural Technology and Management, Nashik by KVIC	Maharashtra				Y
129	Entrepreneurship Development Center (Venture Center)	Maharashtra			Y	
130	KVIC-MDTC, Nashik	Maharashtra				Y
131	KVIC-MDTC, Pune	Maharashtra				Y
132	MGIRI, Wardha	Maharashtra				Y
133	Mitcon Technology Business Incubation Centre (A Division of MITCON Consultancy & Engg. Services Ltd.)	Maharashtra			Y	Y
134	MITPune Technology Business Incubator	Maharashtra			Y	
135	National Centre for Aerospace Innovation and Research (NCAIR)	Maharashtra			Y	
136	NIDHI-Technology Business Incubator (TBI) – Symbiosis Centre for Entrepreneurship and Innovation (SCEI-TBI)	Maharashtra			Y	
137	Ramdeobaba Engineering College, Nagpur	Maharashtra				Y
138	Rayat Shikshan Sanstha's Dahiwadi College, Satara	Maharashtra				Y
139	RiiDL (Research Innovation Incubation Design Labs)	Maharashtra			Y	
140	Sardar Patel Technology Business Incubator	Maharashtra			Y	
141	Science and Technology Park, Pune	Maharashtra			Y	
142	Society for Innovation and Entrepreneurship (SINE), IIT Bombay	Maharashtra		Y	Y	
143	TBI-Foundation for Innovation and Social Entrepreneurship (FISE)	Maharashtra			Y	
144	VJTI-TBI	Maharashtra			Y	
145	Yashwantrao Chavan College of Engineering, Nagpur	Maharashtra				Y
146	Zone Start-ups India (BIL-Ryerson Fututes Pvt Ltd.)	Maharashtra			Y	

#	Name of the Incubator	State	AIM ³	TIDE (MeitY) ⁴	DST ⁵	ASPIRE ⁶
147	Mizoram University Incubation Centre	Mizoram			Y	
148	AIC CV Raman College of Engineering Foundation	Odisha	Y			
149	AIC-Nalanda Institute of Technology Foundation	Odisha	Y			
150	Coir Board, RO, Bhubaneswar	Odisha				Y
151	Foundation for Technology and Business Incubation (FTBI), National Institute of Technology Rourkela	Odisha			Y	
152	KIIT Technology Business Incubator (KIIT-TBI), KIIT University	Odisha		Y	Y	
153	MSME Dept. Odisha-IED-Govt. of Odisha, Bhubaneswar	Odisha				Y
154	MSME Dept. Odisha-IED-Govt. of Odisha, Jajpur	Odisha				Y
155	National institute of Technology Rourkela	Odisha			Y	
156	NSIC, Sundargarh	Odisha				Y
157	Atal Incubation Centre - Pondicherry Engineering College Foundation (AIC-PECF)	Puducherry	Y			
158	AIC Indian School of Business Association	Punjab	Y			
159	Center for Innovation and Business Incubation (CIBI), IIT Ropar	Punjab		Y		
160	CU-TBI	Punjab			Y	
161	Science & Technology Entrepreneur's Park	Punjab			Y	
162	Society for Technology Business Incubator (TBI-IISERM)	Punjab			Y	
163	TBI-NITJ Technology Business Incubator, Dr B R Ambekdar National Institute of Technology (NIT), Jalandhar	Punjab			Y	

#	Name of the Incubator	State	AIM ³	TIDE (MeitY) ⁴	DST ⁵	ASPIRE ⁶
164	AIC - Banasthali Vidyapith Foundation	Rajasthan	Y	Y		
165	AIC Catalyst	Rajasthan	Y			
166	AIC JKLU (Atal Incubation Center- JK Lakshmipat University)	Rajasthan	Y			
167	AIC - Manipal University Jaipur	Rajasthan	Y			
168	AIC MUJ Incubation Foundation	Rajasthan	Y			
169	GEC, Ajmer	Rajasthan				Y
170	GEC, Bikaner	Rajasthan				Y
171	GITI, Alwar	Rajasthan				Y
172	GITI, Jaipur	Rajasthan				Y
173	Govt. Production Center, Udaipur	Rajasthan				Y
174	IIM Udaipur Incubation Centre	Rajasthan			Y	
175	Kumarappa National Hand Paper Institute, Jaipur	Rajasthan				Y
176	MNIT Innovation and Incubation Center (MIIC)	Rajasthan			Y	
177	Pilani Innovation and Entrepreneurship Development Society	Rajasthan			Y	
178	Rajasthan Technical University, Kota	Rajasthan				Y
179	RIICO-GCE, Jhalawar	Rajasthan				Y
180	Society for Technology Incubation & Development of Entrepreneurs (STIDE), CURAJ	Rajasthan		Y		
181	Start-up Oasis Incubation Center	Rajasthan			Y	Y
182	Technology Business Incubator, BITS Pilani	Rajasthan		Y		
183	AIC - Sikkim Manipal University	Sikkim	Y			
184	AIC SMU Technology Business Incubation Foundation	Sikkim	Y			

#	Name of the Incubator	State	AIM ³	TIDE (MeitY) ⁴	DST ⁵	ASPIRE ⁶
185	AIC Anna University Incubation Foundation	Tamil Nadu	Y			
186	AIC CODISSIA Defence Innovation and Atal Incubation Centre	Tamil Nadu	Y			
187	AIC - Great Lakes Balachandran Incubator (AGBI)	Tamil Nadu	Y			
188	AIC NIFT TEA Incubation Centre for Textiles and Apparels	Tamil Nadu	Y			Y
189	AIC RAISE Business Incubator	Tamil Nadu	Y			
190	Atal Incubation Centre- Rambhau Mhalgi Prabodhini (RMP) Foundation	Tamil Nadu	Y			
191	BAIT-TBI (Bannari Amman Institute of Technology - Technology Business Incubator)	Tamil Nadu			Y	
192	Central Palmgur and Palm Products Institute, Chennai	Tamil Nadu				Y
193	Centre for Entrepreneurship Development and Incubation (CEDI), NIT Trichy	Tamil Nadu		Y		
194	Coimbatore Innovation and Business Incubator (CIBI)	Tamil Nadu			Y	
195	Coir Board Regional Extension Center, Tanjavore	Tamil Nadu				Y
196	Development of Entrepreneurs Through Incubation (DETI@ACE)	Tamil Nadu			Y	
197	IIFT, Thanjavur	Tamil Nadu				Y
198	IITM Incubation Cell	Tamil Nadu			Y	
199	IITMS Rural Technology and Business Incubator (RTBI)	Tamil Nadu			Y	
200	Incubating IoT Dreams , CIET-TBIS	Tamil Nadu			Y	
201	Nanotechnology Research, Innovation and Incubation Centre (NRIIC)	Tamil Nadu			Y	

#	Name of the Incubator	State	AIM ³	TIDE (MeitY) ⁴	DST ⁵	ASPIRE ⁶
202	NIDHI-Technology Business Incubator (TBI)-Foundation for Innovation and Research-SASTRA TBI SASTRA TBI	Tamil Nadu			Y	
203	NSIC, Chennai	Tamil Nadu				Y
204	Periyar Technology Business Incubator	Tamil Nadu			Y	
205	PSG CT - Science & Technology Entrepreneurial Park, (PSG - STEP)	Tamil Nadu			Y	
206	Rural Technology and Business Incubator(RTBI), IIT Madras	Tamil Nadu		Y		
207	Sathyabama University - Technology Business Incubator	Tamil Nadu			Y	
208	St. Peter's Engineering College – TBI	Tamil Nadu			Y	
209	TBI-MaDeIT Innovation Foundation	Tamil Nadu			Y	
210	Technology Business Incubator (TBI) - Agribusiness Incubation Society (ABIS)	Tamil Nadu			Y	
211	Technology Business Incubator (TBI), University of Madras	Tamil Nadu			Y	
212	Technology Business Incubator @ Kongu Engineering College (TBI@KEC)	Tamil Nadu			Y	
213	Technology Business Incubator Centre for Biotechnology, Anna University	Tamil Nadu			Y	
214	Thiagarajar College of Engineering - Technology Business Incubator (TCE-TBI)	Tamil Nadu			Y	
215	Tiruchirappalli Regional Engineering College - Science and Technology Entrepreneurs Park (TREC-STEP)	Tamil Nadu	Y		Y	Y
216	Vel Tech Technology Incubator (Vel Tech TBI)	Tamil Nadu			Y	
217	Villgro Innovations Foundation	Tamil Nadu			Y	
218	VIT-Technology Business Incubator (VITTBI)	Tamil Nadu			Y	

#	Name of the Incubator	State	AIM ³	TIDE (MeitY) ⁴	DST ⁵	ASPIRE ⁶
219	Agri Business Incubator International Crops, Research Institute for the Semi-Arid Tropics ICRISAT	Telangana			Y	
220	AIC Centre for Cellular & Molecular Biology (AIC-CCMB)	Telangana	Y			
221	AIC T-Hub Foundation	Telangana	Y			
222	ALC India	Telangana	Y			
223	Association for Innovation Development of Entrepreneurship in Agriculture (a-IDEA)	Telangana			Y	
224	BITS-Pilani, Hyderabad Campus, Jawahar Nagar	Telangana			Y	
225	Centre for Innovation & Entrepreneurship (CIE), IIIT Hyderabad	Telangana		Y		
226	DLabs Incubator Association	Telangana			Y	
227	IIIT-H Foundation (International Institute of Information Technology-Hyderabad Foundation)(Formerly known as Banyan Intellectual Initiatives)	Telangana			Y	
228	IKP Life Science Incubator (IKP-LSI)	Telangana			Y	
229	i-TIC Foundation, IIT Hyderabad TBI	Telangana			Y	
230	NIDHI - TBI - Nesting Incubation and Entrepreneurship for Leveraging Agri-innovations in Nutricereals (NIELAN)	Telangana			Y	
231	NIDHI- Technology Business Incubator (TBI) - SR Foundation	Telangana			Y	
232	TBI@UoH, University of Hyderabad	Telangana			Y	
233	Technology Incubation and Development of Entrepreneurship (TIDE-UoH), University of Hyderabad	Telangana		Y		

#	Name of the Incubator	State	AIM ³	TIDE (MeitY) ⁴	DST ⁵	ASPIRE ⁶
234	AIC-BIMTECH	Uttar Pradesh	Y			
235	AIC - Birla Institute of Management Technology	Uttar Pradesh	Y			
236	AIC Mahamana Foundation For Innovation and Entrepreneurship - IM-BHU	Uttar Pradesh	Y			
237	AIC Shiv Nadar Research Foundation, Shiv Nadar University	Uttar Pradesh	Y			
238	Amity Innovation Incubator	Uttar Pradesh			Y	
239	Government ITI, Balia	Uttar Pradesh				Y
240	Government ITI, Basti	Uttar Pradesh				Y
241	Government ITI, Faizabad	Uttar Pradesh				Y
242	Government ITI, Ghazipur	Uttar Pradesh				Y
243	Government ITI, Kushinagar	Uttar Pradesh				Y
244	HBTI-STEP (Harcourt Butler Technological Institute)	Uttar Pradesh			Y	
245	Info Communication Incubation Centre (IIIC), IIIT-A	Uttar Pradesh		Y		
246	JSSATE-STEP, Noida	Uttar Pradesh			Y	
247	Malviya Centre for Innovation, Incubation & Entrepreneurship (MCIIE)	Uttar Pradesh			Y	
248	NIESBUD, Gautam Buddha Nagar	Uttar Pradesh				Y
249	NSIC, Allahabad	Uttar Pradesh				Y
250	NSIC, Deoria	Uttar Pradesh				Y
251	Samadhan, Lucknow	Uttar Pradesh				Y
252	Sanjay Gandhi PolyTechnic, Amethi (Chhatrapati Shahuji Maharaj)	Uttar Pradesh				Y
253	Shretron IT UPVAN Society	Uttar Pradesh			Y	

#	Name of the Incubator	State	AIM ³	TIDE (MeitY) ⁴	DST ⁵	ASPIRE ⁶
254	SIDBI – Innovation & Incubation Centre (SIIC), Indian Institute of Technology Kanpur (IITK)	Uttar Pradesh		Y	Y	
255	Sobhit University, Meerut	Uttar Pradesh				Y
256	Technology Business Incubator-KIET	Uttar Pradesh			Y	
257	Technology Business Incubator, Graphic ERA University (TBI-GEU), Graphic Era University	Uttarakhand			Y	
258	TIDES Centre, TIDES Incubation Centre, IIT Roorkee	Uttarakhand		Y	Y	
259	Ekta Incubation Centre	West Bengal			Y	
260	IIM Calcutta Innovation Park (IIM CIP)	West Bengal			Y	
261	Science Technology Entrepreneurship Park (STEP), IIT Kharagpur	West Bengal		Y	Y	
262	Tagore Centre for Green Technology Business Incubation, Indian Institute of Engineering	West Bengal			Y	
263	91springboard		Y			

Annexure 2 FAQs – Incubator Guidelines

1. What is the objective of the incubator program of the DAY-NRLM?

The primary objective of the incubation program is to recognise indigenous enterprise models and explore ways of replicating them across the states / UTs. The program will play a pioneering role in reinforcing comprehensive development through grassroots penetration, enterprise growth, and facilitating innovations to resolve some of the critical challenges permeating India's rural livelihood development sector.

2. What is incubation

Incubation is a business support process that accelerates the development of start-ups, companies, and enterprises by providing them with the required business support and services.

3. How many Incubators can a state/UT implement?

A state/UT can only implement one incubator program.

4. What are the steps that SRLM will follow to apply for the incubator program of the DAY-NRLM?

Step 1: The SRLM would conduct an initial screening/pre-feasibility analysis to analyse the scope and expected availability of enterprises eligible for the incubation program through the Challenge Fund Competition.

Step 2: The SRLM will share the brief report, including their analysis and recommendation, with the DAY-NRLM.

Step 3: Post-approval from the DAY-NRLM, the state will take up the incubator component for implementation as explained in the guidelines.

The SRLM shall endeavour to complete the initial analysis within two weeks and share the report at the maximum within the next 15 days.

5. Who will implement the incubator program?

SRLM is the implementing agency. The Incubator TSA is the executing agency.

6. What services can an enterprise avail in the incubator program?

An enterprise can avail of the following services in the incubator program (not limited to):-

1. Business development advisory
2. Enterprise assessment and needs analysis
3. Identification of skill gaps of the entrepreneurs and steps to facilitate skill-building
4. Establish and validate proof of concept (where required)
5. Growth plan preparation (to increase revenue, employment, profits, etc.)
6. Technical Assistance and Strategy development
7. Market Assessment and sales strategy
8. Assistance in accessing finance, necessary backward and forward linkages
9. Support with obtaining licenses and certifications
10. Capacity building of the entrepreneurs
11. Networking and exposure with the market, potential investors, and industry experts
12. Development of tools to assist in scaling up the enterprises
13. Regular mentoring and handholding

7. Can an enterprise avail financial support through the incubator program?

Yes, in the form of grant and/or soft-loan (at zero percent interest rate)

8. What type of enterprises would receive support under this program

- a. Enterprises engaged in manufacturing
- b. Enterprises engaged in Services

9. What may be the usual duration of a Challenge Fund Competition?

A Challenge Fund Competition should be completed in a maximum of six months duration.

10. What are the different phases of a Challenge Fund Competition?

Different phases could be as follows (not limited to)

- Call of Applications/Sourcing of the enterprises
- Selection Phase
- Preparation of the business model and proposed business plan
- Pitch Training Phase
- Jury Panel Phase
- Award ceremony

11. Number of enterprises who will receive support under this program

An incubator/Executing agency is expected to provide extensive support to 150 SHG enterprises

12. Who can participate in the Challenge Fund Competition and receive incubation support from the incubator agency?

Only DAY-NRLM registered SHGs members who meet the eligibility criteria (minimum 12 months of membership of SHG and minimum number of SHG meetings attended in the previous 12 months) can avail this incubation opportunity. SHG members or SHG-member households must necessarily own these enterprises. In the case of non-SHG members, the project can support the husband / unmarried son / unmarried daughter/ unmarried brother/ unmarried sister/parents of the registered SHG member with the DAY-NRLM.

The SHG enterprises spread across the state/UT can participate following the due application process of the Challenge Fund Competition route.

13. How does an entrepreneur obtain the license and necessary registrations?

The Incubator agency will facilitate the necessary licensing and registration of the SHG enterprises as per their requirements and eligibility.

14. What is the process of dispute redressal among the stakeholders?

The dispute redressal mechanism is laid out in Section 14 of the incubator guidelines. The final decision rests with the JS (RL)/Mission Director, DAY-NRLM, MoRD, Gol. The executing agency or the implementing agency can escalate the matter on due time and when necessary.