

Role of business incubator in startup support- a case study of Assam

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Abstract:

Business Incubators are very much popular in today's world which promises to provide help and support to the intended entrepreneurs and innovators. The term business incubator refers to a physical or virtual setup comprising of facilities which are key for a new business to start and to grow. One of the most important social issues in Assam is unemployment. The problem of unemployment arises because of some serious factors like lack of industry, lack of proper expertise and knowledge, inadequate market place, lack of proper source of seed capital for small businesses etc. In the meantime, some of the young educated are trying to start their own business but they are not very successful only because of lack of proper business idea or substandard execution of a good idea.

A study was carried out to focus on understanding the current startup ecosystem of the state of Assam and to prepare a blueprint of the current scenario. During the study it revealed that new initiatives of Government of Assam, by way of establishing business incubator, aided the startups in various aspects including funding, mentorship, physical facilities etc. These initiatives significantly boosted the startup ecosystem which is evident from the studies of the new 12 startups indicated in the results and discussion section.

Keywords: Unemployment, Startup, business incubator, Assam.

Introduction:

Assam is located in the northeast of India. The state shares its borders with Arunachal Pradesh, Nagaland, Manipur, Mizoram, Meghalaya, Tripura and West Bengal. The state shares

international borders with Bangladesh and the Kingdom of Bhutan. Assam is India's gateway to Northeastern India and acts as a vital link for trade with Southeast Asian countries. The state of Assam is known for its tea, petroleum resources, muga silk and biodiversity. It is also becoming an increasingly very popular destination for wildlife tourism. The economy of Assam continues to be predominantly agriculture based. Assam's biggest contribution to the world is its tea. Assam produces many of the finest and most expensive teas in the world. The state produces 15 percent of the tea production of the world. The secondary sector of the economy is consisted of the industries in Assam with large and medium scale productions. Some of the other industries of the state are Fisheries, Sericulture, Forest and wood industry, Chemicals and fertilizers industry etc. Assam is one of the major producers of crude oil and natural gas in India. There is a lot of demand and scope for the traditional handloom and handicraft items of Assam and thus the traditional artisans should be nurtured. Sadly, these incredibly skilled people are often amongst the unemployed and poorest of the poor because they are trapped in inefficient markets and exploitative supply chains without access to capital, lack of design inputs and ready markets. As a result, they lose out to cheap, mass-produced goods and their children discard millennia-old traditions and migrate to cities for a living. There is a growing demand for sustainably produced goods which are handcrafted with unique and contemporary designs which comes with an emotional story.

Entrepreneurship is a buzz in today's world which has lots of opportunities to offer. The current global trend reflects the impact of entrepreneurial initiatives on the world economy. India as a country has seen a huge improvement in the society towards entrepreneurship development in the past decade. Even the current government's drive towards entrepreneurship development has given rise to a plethora of entrepreneurial opportunities that only needs to be identified and take hold of. According to a recent World Bank report, India has significantly improved its global ranking in ease of doing business in 2016. This is indicative of the entrepreneurial frame of mind that is being stirred in the society and the assistance towards it from the government. A business incubator is an organization that helps new and startup companies to develop by providing services such as management training, office space, mentor support, financial resources and so on.

In view of current supportive business environment in the various states of India, the state of Assam or the NER for that matter ranks very low. Compared to the business states like Gujrat, Maharashtra, Andhra Pradesh, Bihar, Uttar Pradesh, Uttarakhand etc, Assam has a lot to catch up on in the field of entrepreneurship and unemployment issues. As per the India Entrepreneurship Report 2015 by Amway, only 22% of respondents in Assam felt that the business environment in the state has improved significantly.

Methodology:

The study was based on the current startup ecosystem therefore it included extensive study of available resources from secondary sources to help understand the history and evolution. Extensive survey work was carried out throughout the town and city areas of Assam including village market areas. The primary data were collected through Survey and questionnaire wherein surveys helped in understanding the current situation and questionnaire helped in understanding the need which was not addressed. The services offered by the different business incubators were assessed and mapped with the requirements of the startups being incubated in the incubator as well as the startups who have already graduated from them.



Fig: Attending a programme at ‘Assam Start Up- the Nest’ for interaction with budding entrepreneurs

Result and discussion:

The study was conducted among the 18 budding entrepreneurs of Assam and they were interviewed, 16 were male and 2 female. The age of the entrepreneurs was between 25- 58 years. The information's were recorded in the below mentioned table. The business incubators which supported the startups under the study are Assam Start Up – The Nest which is an initiative of the Assam Government and down town Venture Labs which is a private initiative of Assam down town University set up for the startup ventures which seeks to augment the business environment by promoting idea generation to startup companies and help them establish and accelerate their growth and success.

Sl. No	Startup Name	Founder	Milestones achieved
1	ARANYAK VALLEY	Gaurav Chakraborty	Selected among NE Top 10 Startups by Indigramlabs/NABARD Agripulse Accelerator. <ul style="list-style-type: none">• Selected by NEATeHub – AAU Jorhat for Agripreneurship training.• Created state-of-art infrastructure in a rather remote corner of Assam.
2	AUTOMOVILL TECHNOLOGIES	Mridu Mahendra Das, Chinmay Baruah	20,000+ cars serviced. 800+ Inspections done in 6 Months. <ul style="list-style-type: none">• Installation of Ola Play Device in 14,000+ cars.• Bagged a service contract for Uber vehicles in Bangalore and Hyderabad.• Raised INR 2.8 crores from NEDFI-Northeast Venture Fund.• Recognised as the Budding Entrepreneur from North East India at the Startup Meet at

			<p>Aizawl, Mizoram in 2018 and was felicitated by the PM.</p> <ul style="list-style-type: none"> • Got selected among the finalists in North East India Fund Fest.
3	ESAH TEA	Bijit Sarma, Sagar Rai Deka	<p>Within 6 months of its operation, Esah Tea has secured 1500 customers from across the globe.</p> <ul style="list-style-type: none"> • Tea products exported to South Korea. • Raised INR 60 Lakh at the North East India Fund Fest in Guwahati.
4	NHOMES	Jigyan Deep Kalita	<p>Selected among the finalists in North East India Fund Fest.</p>
5	MY 3D SELFIE	Harsha P Deka	<p>Raised INR 1.5 crores at the North East India Fund Fest in Guwahati.</p> <ul style="list-style-type: none"> • Delivered to 30 countries in just 2 years. Major clients include Marvel, McDonalds, Namaste, Harvard University, and English Premier League. • Signed exclusive agreement with venture backed Silicon Valley company Bellus3d - world leader in mobile scanning.
6	DEFENCE & SPACE ROBOTICS LABORATORY	Arnab Barman	<p>Selected among India's top 30 in DRDO robotics expedition.</p> <ul style="list-style-type: none"> • Selected among India's top 100 in KPIT Sparkle, "Future of mobility and energy". • Winner of Startup India Yatra, Assam. • Selected in the 1st round of the Slingshot B-Plan Competition, Singapore .

			<ul style="list-style-type: none"> Selected among top participants in Hot Pitch Event by TiECON Kolkata 2020.
7	THOLUA PRATISTHAN	Trailukya Dutta, Trishnashree Dutta	Launched multiple products in the market.
8	SYMBICA	Nilutpal Baruah, Sandhan Sarma	100 MVP trials done on 100 amputees in Assam. These 100 customers have already agreed to buy the product at minimum cost
9	AGRO ORIGIN	Abhinab Shyam	Proof of Concept launched during the incubation phase.
10	NORTHEAST GUIDE	Bijoy Sankar Rajkumar	The startup has got 50+ local people on board, offering various tourism related services. It has impacted lives of over 800 people, offering 702 direct and indirect employment avenues
11	ZERUND BRICKS	David Gogoi, Rupam Choudhury, Mausam Talukdar	<p>Executed contracts from the Public Works Department, Assam and Mission Directorate Swachh.</p> <p>Bharat Mission Urban.</p> <ul style="list-style-type: none"> Got selected in the 1st round of the Slingshot B-Plan Competition, Singapore. Got selected for a monthly fellowship of INR 30, 000 for a year under the NIDHI Entrepreneurs-In-Residence (EIR) program. Got recognised and acknowledged officially for Good Business Output in Assam during the Startup India Investment Meet organised at Administrative Staff College, Khanapara, Guwahati.

			<ul style="list-style-type: none">• Got featured in Forbes Magazine.• Winner of SDSN YOUTH top 50 ideas from across the globe.
12	AGRO ORIGIN	Abhinab Shyam	Proof of Concept launched during the incubation phase.

Conclusion:

Promoting entrepreneurship needs to be addressed by targeting three segments—the startups, micro and small entrepreneurs and rural cooperatives/clusters. The future holds a lot of challenges and we have to improve in many directions. The digital revolution is an opportunity for anyone who comes up with indigenous innovative solutions that are capable of scaling up, capable of collaborating within the eco-system and enriching it.

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Conflict of Interest:

Authors declare that they do not have any conflicts of interest.

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