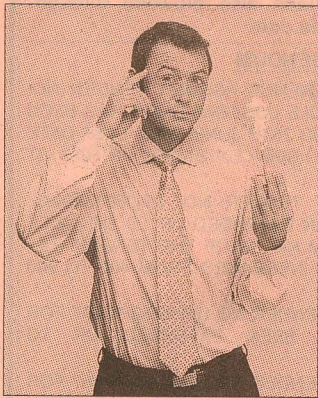


# Setting up biz incubators for MSMEs

## Govt Invites Proposals From IITs, NIITs, Technical Institutions & Universities



**THINKING LIGHT:** Bright idea

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**T**O HELP spawn new ideas and technologies for the benefit of micro, small and medium enterprises (MSMEs), the concerned ministry is playing facilitator for setting up a host of incubating centres across the country.

The ministry has invited proposals from IITs, NIITs, technical institutions and universities to facilitate the setting up of business incubators. The proposals have been invited from those ones which already have in-house R&D and laboratory facilities.

The move has been taken by the ministry as part of its initiative to set up 100 business

incubators across the country for Rs 80 crore during the 11th Plan period.

The scheme provides early stage funding for establishing incubators for innovative products/ process to improve efficiency of MSMEs and enhance their competitiveness. Educational institutions, which would be chosen as incubators, would get central grants to the tune of 85% of the innovation cost, up to a cap of Rs 8 lakh per idea.

All the targeted business incubators will be located within established R&D institutes. So far the mandate for each business incubator is to spawn 10 new ideas on process technology or product development or help setting up similar number of new units embracing innovative

product lines. Ideas/technologies, innovated in the process, are to be dovetailed later with other schemes aiming at technology upgradation of SMEs.

While start-up companies, willing to adopt the innovative ideas/ technologies developed by identified incubators, have been assured by the government of all helps in their search for finance capital from venture capital funds or Angel funds.

Business incubation centres are to be developed to accelerate successful deployment of new ideas/ technologies in the SME sector. Once a network of such centres will be developed, an array of business support and services are expected to be available to units in the sector, an industry official said.