



iConnect

I Create Newsletter: April 2020

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I Create India

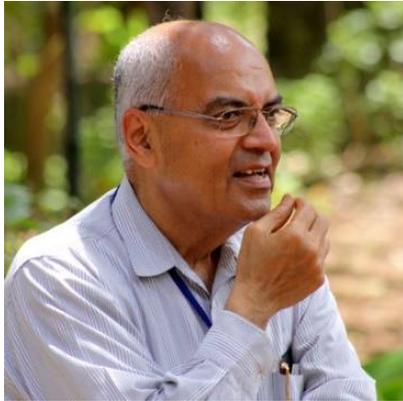
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Message from the CEO, Mr. Ulhas Kamat



I Create's mission is building capacity of people to be wealth- and- job -creators. It has been providing Integrated Entrepreneurship Training, Mentoring and Access to Capital to marginalized communities through various centres in India. We have trained over 17,000 Aspiring Entrepreneurs and created more than 3,500 Entrepreneurs, thereby supporting livelihood enhancement, job creation, rural sustainability and wealth creation. Target groups consist of women, youth and Indian Army Veterans. Three Business Incubation Centers for

Army Veterans have been established at Bangalore, Ahmednagar and Lucknow with support and sponsorship from Bajaj Group and HCL Foundation.

Covid Pandemic and resultant effect on account of social distancing and lockdown has thrown up many challenges – both for us and for members of our target groups. Since mid-March 2020, we have not able to conduct any workshops, though there are many aspirants waiting to participate. Many micro and small businesses are struggling to keep their businesses afloat. I Create has been extending its mentoring and handholding services to help those in need to survive the situation. Our mentors are in constant touch with the protégés, counselling and guiding them to sustain their businesses. We will continue to mentor and handhold the protégés in the coming months to ensure that the aspiring entrepreneurs are ready to combat any situation in the business and emerge successful.

After the Covid Crisis reaches a level of stability that may not be too dangerous or harmful, things will not be the same again as during BC (Before Covid). Every sector of the economy will have to define its “new normal” and modify/adapt its model as per the new normal. I Create is not insulated in this matter. It also will have to modify its model per new normal – only difficulty is that all crystal balls are hazy on this account.

This month's newsletter provides a peek in the entrepreneurship development of our veterans. Impact of seven quarters of BIC operations and learnings have been detailed in it. Enjoy reading about the success and impact of the program.

When everything seems to be going against you, remember that the airplane takes off against the wind, not with it. - Henry Ford

In the middle of difficulty lies opportunity. - Albert Einstein

Seven Quarters of Army BIC Operations

Background

An MOU was executed in May 2018 between I Create India and DIAV, for establishing Business Incubation Centers (BICs) in different identified Army Centers with the purpose of providing entrepreneurship training and mentoring to those of the retiring NCOs and JCOs, who are desirous of starting their own enterprises after retirement.

Current Status

As of 30.04.2020, three BICs are operational – one each at Bangalore, Ahmednagar and Lucknow with funding support from Bajaj Group and HCL Foundation. Over the last seven quarters, very meaningful impact has been created for the veterans, as would be evident from the following data and observations.

Impact and Observations:

Total of 63 programs (32 EAPs and 31 AEWs) covering 6,000+ veterans were conducted. In the 31 AEW programs, number of participants were 1,041. From this, approximately 60% (625) showed inclination to start their own enterprises and signed up to be mentored by I Create. From this lot of 625, approximately 37% (230) have remained inactive or given up their entrepreneurial journey for the present. Of the balance 395, those still working on their business plans are 253 and 142 started their enterprises. Recent follow up with these 142 has shown that all but six are sustaining their businesses. Six stopped businesses either due to death, getting a job etc.

Significant rate of conversion from aspiring to established entrepreneur and low business mortality rate (compared to published statistics) are a testimony to the effectiveness of the entrepreneurship development system designed and delivered by I Create.

Average project cost of all businesses started is ₹ 9 lakhs (median value ₹ 5 lakhs) and average number of jobs created is five per business (median being one).

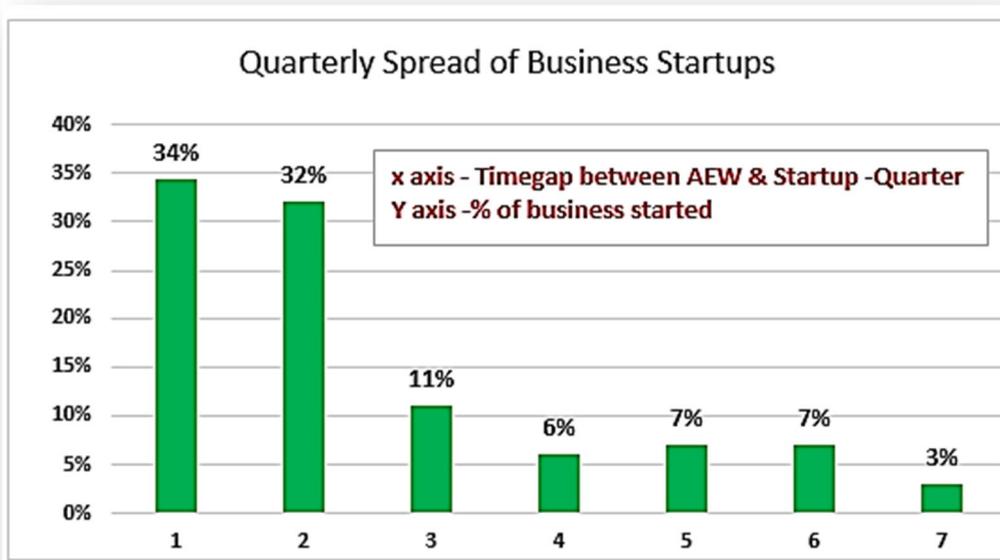
There is always a lag between attending an AEW and starting a business. No mathematical formula or law of nature exists to predict this. We can only observe the pattern and assume simplistically that same trend will repeat in the future. Larger the sample size, more accurate the prediction.

Study of lag, for the 142 businesses has thrown up some interesting observation. The average lag and median lag is between 6 and 7 months. Graphs 1 & 2 below show the %age startups – by quarter and cumulative by month respectively.

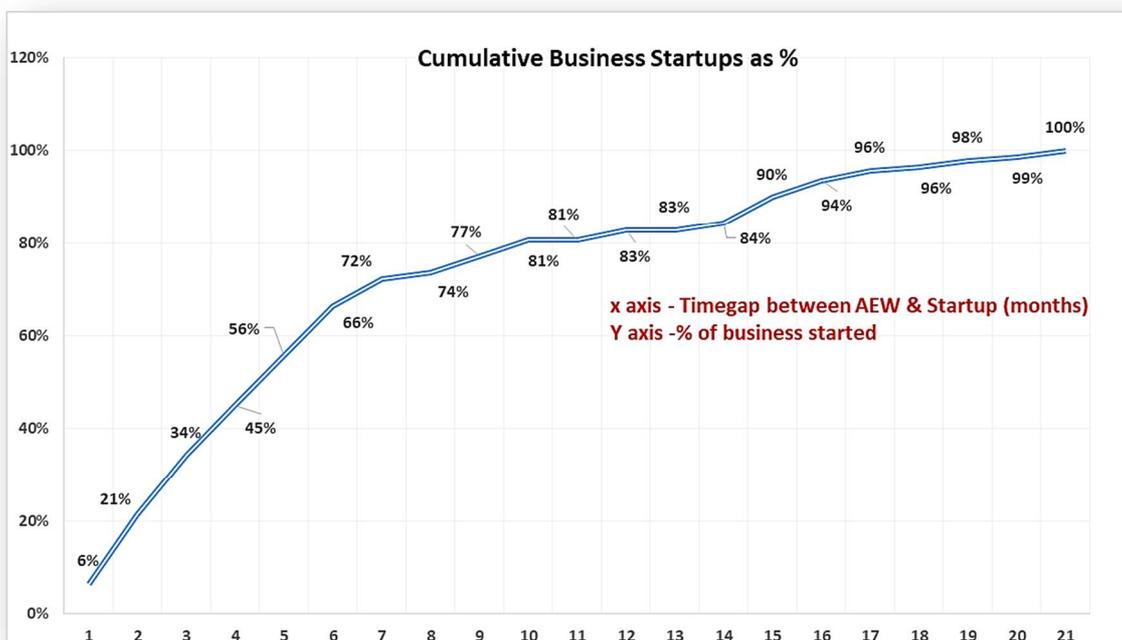
66 % of those who started the business did so within the first six months of training. An additional 17% started within six to 12 months.

Stay In, Stay Safe, Fight Covid 19

Graph 1



Graph 2

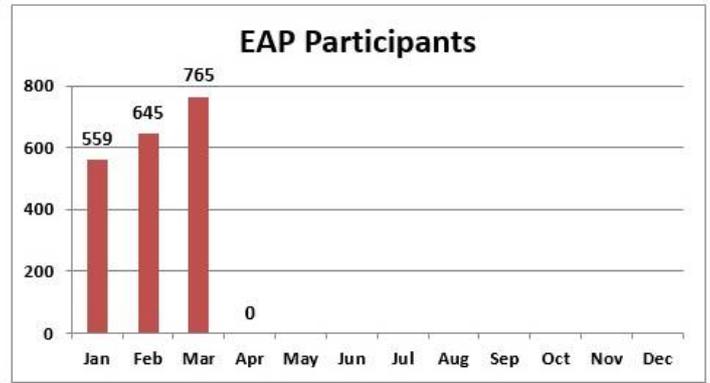
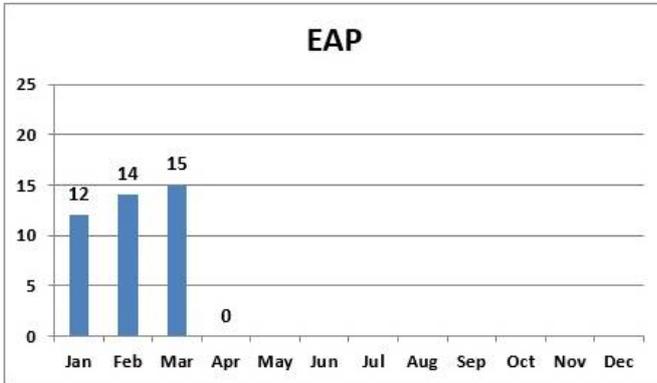
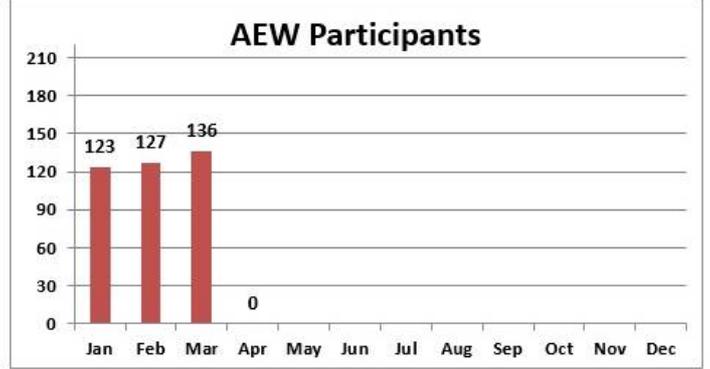
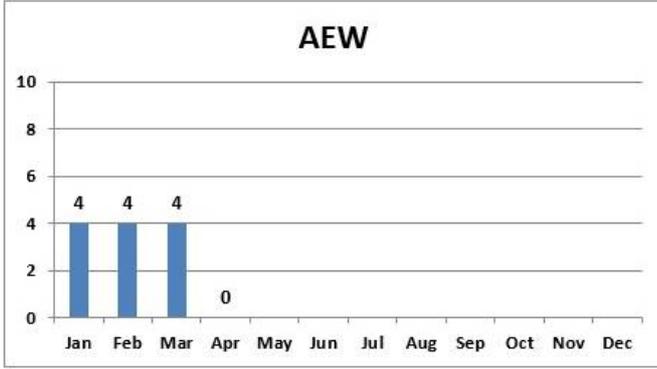
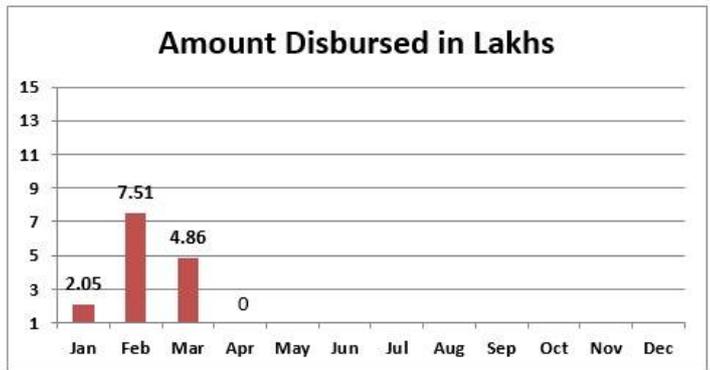
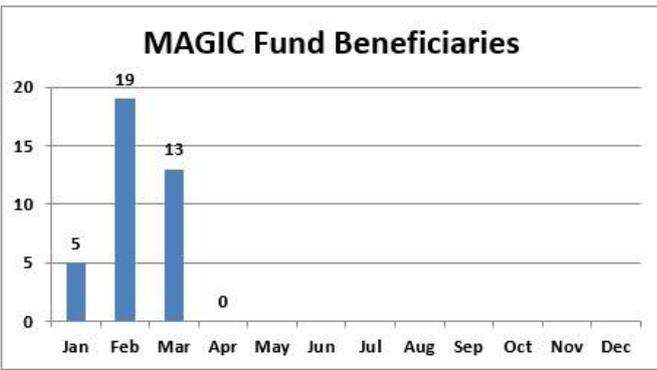
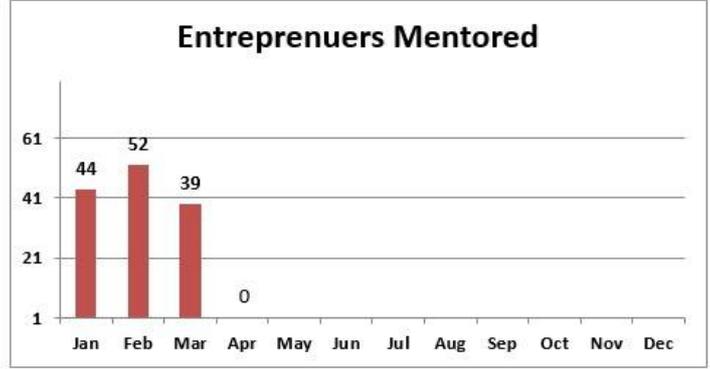
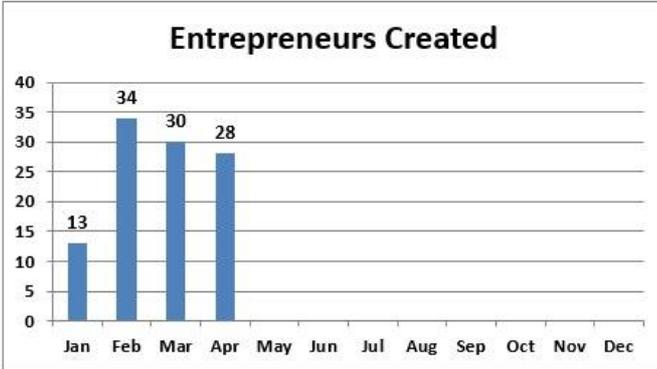


Way Forward

COVID 19 has thrown up many challenges in the country. One of them is the loss of jobs in the many organized sectors and among the MSMEs. While the extent of loss of jobs and types of sectors may be debatable, what is not under question is whether there will be job-losses under the “New-Normal”. Veterans cannot remain unaffected by this. Building capacity of veterans to become successful and sustainable entrepreneurs is certainly more critical and urgent now

Stay In, Stay Safe, Fight Covid 19

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Program Summary in Numbers- April 2020

		For the Month		YTD 2020	
1	Entrepreneurs Created	28		105	
2	Entrepreneurs Mentored	0		135	
3	Entrepreneurs Handheld	0		0	
Seed Capital Assistance		Number Assisted	Amount in Lakhs of INR	Number Assisted	Amount in Lakhs of INR
		For the Month		YTD 2020	
4	MAGIC FUND (Bangalore)	0	0	37	14.42
5	Amrit Fund (Jaipur)	0	0	9	2.10
Programs		For the Month		YTD 2020	
		Programs	Participants	Programs	Participants
7	AEWs	0	0	10	313
7	EAPs	0	0	42	1,999
8	Refresher	0	0	1	17

Since inception, MAGIC has assisted 296 beneficiaries by providing ₹ 92 Lakhs as Seed Capital Assistance.

Contributors: I Create Team.