



SWAVALAMBAN

BECHAIN SAPNO KO PANKH.....

Swavalamban Info Series

Volume-I



Mission Swavalamban

Mission Swavalamban is SIDBI's mission to instil the spirit of entrepreneurship among the people especially youth. The initiative aims to focus on encouraging masses to go for "entrepreneurship" as preferred occupational choice. It endeavours to influence parents, teachers and professionals who are the role models for a child or youth. It eyes cultural shift from job seekers to job creators.

Who is Swavalambi?

Swavalambi or an Entrepreneur is an individual who, rather than working as an employee, runs a small business and assumes all the risks & rewards of a given business venture, idea, or goods or service offered for sale.

Who is an Entrepreneur?

Someone who has:

- Vision
- Interest
- Skill
- Funds to Invest
- Perfect Team
- Willingness to take (calculated) Risks

Business Leader

Innovator

Motivator

Who can replace "I wish" with "I will"

10 reasons why youth should opt for Swavalamban

1. Be your own boss
2. Pursue your passion
3. Convert your ideas/ dreams into a business
4. Provide job opportunities to others
5. Earn for your own self / unlimited rewards
6. Experience constant personal growth
7. Create a legacy and leave footprints
8. Life will never be boring!
9. Make an impact on the society
10. Participate in Nation building

How do I go about doing it

- Look around.
- Look at existing businesses.
- Identify the pains. (Weave ideas to convert these into gains). Also, who made it. Those who failed even.
- Doing things differently is key to entrepreneurship.
- Looking within about your skills (even hobbies which can be converted into the business pursuits).
- If you need to work sometimes to hone up skills, do it.
- Look at how, what, where of enterprise setting up.
- Know what rules/regulations, statutory approvals required etc.
- Look for partnership, Ex. If you have skill and friend has capital, land or building, etc. It can be good start.
- Make business plan- its key to track your progress.
- Do you have capital or need to borrow, Get financially literate on scheme/ organisations.
- Start at adequate level. Neither very big nor very small.
- There key aspects to be bankable
 Know yourself
 Know your banker
 Know banking
 For more Read bankability kit at
<https://udyamitra.in/Content/MSEbankabilitykit2.pdf>

Outline of a Business Plan

I. Introductory page

- | | |
|---|---|
| A. Name and address of business | B. Name(s) and address(s) of principal(s) |
| C. Nature of business | D. Statement of financing needed |
| E. Statement of confidentiality of report | |

II. Executive summary – Three to four pages summarizing the complete business plan

III. Industry analysis

- | | |
|------------------------------|----------------------------------|
| A. Future outlook and trends | B. Analysis of competitors |
| C. Market segmentation | D. Industry and market forecasts |

IV. Description of venture

- | | |
|--------------------------------|-----------------------------------|
| A. Product(s) | B. Service(s) |
| C. Size of business | D. Office equipment and personnel |
| E. Background of entrepreneurs | |

V. Production plan

- | | |
|----------------------------|--|
| A. Manufacturing process | B. Physical plant (amount subcontracted) |
| C. Machinery and equipment | D. Names of suppliers of raw materials |

VI. Human Resource Plan

- | | |
|--------------------------------------|----------------------------------|
| A. What kind of people are required? | B. How many people are required? |
| C. How to procure personnel? | |

VII. Operational plan

- | | |
|---------------------------------------|---|
| A. Description of company's operation | B. Flow of orders for goods and/or services |
| C. Technology utilization | |

VIII. Marketing plan

- | | |
|--------------|----------------------|
| A. Pricing | B. Distribution |
| C. Promotion | D. Product forecasts |
| E. Controls | |

IX. Organizational plan

- | | |
|----------------------|---|
| A. Form of ownership | B. Identification of partners or principal shareholders |
|----------------------|---|



STEPS TO LIVE YOUR DREAMS

DREAM BIG

Dream is the first step for becoming an entrepreneur. Follow your dream to pursue your aspirations

CONCEPTUALISE AN IDEA

Dream will lead to ideas and ideas are required to be conceptualised as a viable business proposition vis-a-vis pains and gaps in the market

STUDY OTHER BUSINESSES

Find out the key success factors of other businesses and whether it can be done in a better way

IF YOU NEED FUNDS, LOOK FOR IT

Look for various funding options. Know about government schemes like MUDRA loan, Stand-up India, CGTMSE etc

TAKE THE PLUNGE

Transform yourself into an entrepreneur and be a job creator. Be your own boss and control your income

DISCOVER MARKET OPPORTUNITY

Identify market opportunities based on location and pricing. Lend ears to opportunities and blend it with solution perspective

MAY GOD HELP YOU WITH YOUR VENTURE!

With all goals and objectives set, you are ready to embark on your venture!

Eye opener

World over, many have become successful entrepreneurs by adopting one of the following



Cheaper Alternative to an Existing Product: Aspiring entrepreneurs spend several hours understanding the consumer dynamics. Value for money can be a key success factor and cheaper alternative of a product or service can attract new customers.



Exploring a new consumer base: It is just not about innovation, it is often understanding the consumer behaviour too. Several entrepreneurs succeed in the recent years by repurposing existing products and services to reach out to a new customer base.



Devising a new business model: The yearning to succeed in their endeavours has led many businessmen to create a mark of their own. They developed their ideas into workable business model. This was not only something new for the market, but turned out to be a profitable undertaking for these entrepreneurs.

HOW TO CHOOSE A BUSINESS TO START



A

dopt a business based on your passion

Ultimately, your passion will drive your business and make it successful. So, choose a business based on what you love to do



B

uild a business on what you already know and are good at

Your knowledge and experience in a business will come handy in starting and running your own business. Going for a vocation for which you have inclination and can quickly pick up the tenets of the trade, can also help. If you have already established relationships with people in a specific industry, then consider starting a business that allows you to harness those contacts



C

onsider your financial status when comparing business opportunities

Starting a business requires capital investments in terms of your own funds as well as borrowed money. If you don't have the finances or the means to borrow the funds to start a business, then consider starting a business requiring lesser investment but having growth prospects. Excess borrowing can also be harmful for your business



D

ecide a business that fits into your lifestyle

Frictions between your lifestyle, family and business can impact your passion. At the same time, a convergence of your lifestyle and type of business will increase the chances of success



E

xplore Market with respect to gaps, competition and buyers

Think of a product or service in demand but currently under-provided or provides opportunity to do it differently. Map the gaps by talking to your prospective clientele. Your strategy should be woven around it. Make sure that there is a big enough need for your service or product to keep your business profitable



F

ind a franchise as a business

Consider starting a small business by obtaining franchisee of an established brand. A franchisee runs its own business of selling products and services which are already established in the market. It uses the trademark and support (marketing, training and other support) of the franchisor and in return, pays an initial fee and on-going royalties. This approach assures market and ensures growth



To know more about swavalamban log on to www.sidbi.in

Use E-commerce sites to boost your business

Thousands of small businesses are selling their products through E-Commerce platforms. These platforms bring an opportunity to grow a small business by selling to a customer situated in any part of the country. Low investment for selling online and assurance of on time payments is making these platforms popular among sellers. Here are few steps how to maximise sells through any E-commerce site.

- 1 Obtain PAN and GST registration for the business
- 2 Open your virtual store on the E-commerce platform by registering there
- 3 Prepare an online product catalogue. In most of the cases, products are already available in the portal
- 4 Now thousands of buyers can view the listed products and place their orders
- 5 E-commerce platforms or their logistics partners will pick the product from your store and deliver them to your customer
- 6 Receive payments in your bank account as per the payment policy of the platform/market
- 7 Grow your business by providing quality product in competitive price in a quick time

BUSTING MYTHS

#1 Discussing the business idea with others may result in the idea getting stolen

Fact: It is important to discuss the business idea with someone who can provide valuable feedback or has a similar idea. This will make the idea much better.

#2 Entrepreneurs are all well educated

Fact: Entrepreneurship has little relationship with education. Even the promoters of some of the leading technological companies have not completed their education.

ON A SHOESTRING BUDGET?



NETWORKING

Promoting your business venture in your existing network is a great way to start. We all have a bunch of friends, acquaintances and relatives. You can start by making them aware about your business



REFERRALS

Seeking referrals is an easy way to tap new customers for your product or service. Majority of the people are willing to provide referrals if asked. It is great way to start building the customer base



GIVEAWAYS

If you have launched a new product or service in the market, a trial pack or a trial service can help in attracting prospective customers. If they like your product or service, most likely they would come back to you again and a word of mouth from their side can go a long way in attracting more customers



CROSS-PROMOTION

Partnering with complementary businesses do help in marketing your own product or service along with others. For example, you can partner with the person who is the supplier of raw materials for your product and resources can be pooled in together. This will be a win-win situation for both of you



SOCIAL MEDIA

Promoting your product or service on social media goes a long way as these days most of us are present in some or the other social media channel. You can create your product or service page and talk about the features. You can promote the page and it is an effective way to educate the prospective customers about your product or service



EFFECTIVE MAYS





FOCUS ON CUSTOMER:
This cannot be over emphasised. We must learn their thought process, social habits, spending habits and everything else.



CREATE PERSON-CENTRIC BUSINESS:
Nobody likes to buy from a store where no one is there to guide and assist. This is one way of bringing uniqueness to your business.



CUSTOMER IS KING:
Do what others are thinking. Walk an extra mile, create a service which is generally not provided because customer is the king.

Location



BE DIFFERENT:
Must see what competition is doing and focus on what can make you different.

???



GOOD FEEDBACK SYSTEM:
This is very important. We must give good hearing to the feedback.

Consumer

How to create USP for your business

Conceptualising Unique Selling Proposition (USP) for your business is beginning of creation of a venture that your customers may love. You have to have a unique business.

10 MANTRAS FOR THE SUCCESS OF STARTUPS



1 Never create something which nobody wants: Create a product/service which will have takers

2 Hire resources with care: Select the right manpower because ultimately the venture will be run by people

3 Always be focused: Never divert to unrelated areas because it can affect the success of your venture

4 Execute sales and marketing well: Marketing of the product/service is important and so plan wisely

5 Identify right co-founders: Co-founders should be passionate about the business they are in and they should add value

6 Customer is the one to be chased: Identify takers for your product/service as ultimately, they will drive revenues

7 Ensure funding requirements are met: Tap investors who are willing to invest in your venture as no business can grow without money

8 Be careful while spending money: Be cautious while spending the available funds as spending on unnecessary activities can impact growth

9 Seek for help: Don't hesitate to seek help in your business venture because you may not be an expert in all areas



10 Tap social media: Social media has the potential to create a lot of buzz about your product/service at a much lesser cost

#1

Starting a business means immediate wealth.

Fact: Every entrepreneur yearns to maximize their income at the earliest. While some businesses succeed in reaping massive incomes in a short time, some take a little more time. Patience and execution of ideas are the two requisites to sustain the growth of a business.



#2

One needs an MBA to run a business.

Fact: A degree in business administration can greatly help while setting up or even managing a business. However, it is not necessarily a deciding factor for the success of any business venture. Bill Gates, Mark Zuckerberg, Michael Dell are some of the most prominent entrepreneurs today. Interestingly, all these powerful entrepreneurs are college dropouts.



BUSTING MYTHS

Myths about Entrepreneurship

1 You need a lot of Money



Ideas and the mindset are what really matter. Funds can be arranged from market. Look out

for Government schemes such as MUDRA and CGTMSE.

2 Entrepreneurs are born to business families only



It is true that many successful entrepreneurs are born to business families. But things are changing fast. Look around and you will find

many successful businesses run by first time entrepreneurs.

3 Only innovative ideas can lead to a successful business



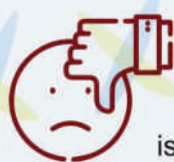
Many successful businesses are based on innovations, but a business can be equally successful by doing the same thing differently. Like multiple eateries selling the same food under different formats and locations.

4 There is no work life balance



Starting a business requires a lot of effort initially.. Once it is up and running you become the master of your time.

5 Failure is shameful



There is no shame in failure. Many celebrate failure as a stepping stone to success. There is no need to attach any social stigma to it.

How MSMEs can tap government business



The Government e-Marketplace (GeM) is a unique one stop portal for online procurement of goods and services of common use by all Government departments, organizations and public-sector undertakings.

Public Sector companies are required to procure 25% of their annual procurements from MSMEs. Hence MSMEs, through the GeM portal can tap the Government procurement market.



The MSMEs can bid for market tenders free of cost through the e-Procurement portal. This would allow MSMEs to actively participate in various Government Procurement programs.

7 LOAN TIPS FOR YOUR ENTREPRENEURIAL DREAMS

Your entrepreneurial dreams need financial support. When you sweat it out and bring your business idea into reality, at some stage you need to think growth. One of the most efficient forms of capital an entrepreneur

1 Do you really need a loan?

Loans come with a commitment of interest cost and repayment of principal borrowed. Excess borrowing can also be harmful for your business if you are not able to pay up on time. If you don't have the finances or the means to borrow the funds to start a business, then consider starting a business requiring lesser investment but having growth prospects.

3 Filing your application

As a first step towards availing a loan from lenders, please ensure all the details filled up in the loan application are true and factual. If you are unable to understand some of the terminologies, seek help from those who know, including the banker. The credentials and references provided by you in the application should match the documents submitted by you to the bank. This helps in the verification process.

2 Choose the right loan scheme

When the business is new, you are better off paying fewer loan repayments. There are various types of loans a business can get. Working capital loan, business loan, bill discounting among others. Identify the loan that fits your requirement.

4 Credit score matters

Your Credit Score generated from a credit information bureau plays an important role when you decide to avail the loan. This score is based on the past loan repayment track record. A timely repayment of loan leads to a higher credit score. A high credit score increases chances of getting a loan sanctioned.

5 Proven track record

It is always easier to convince lenders for a business model which has been tried and tested in the past. This does not mean you shouldn't be innovative. But it is important to keep in mind that your lender would evaluate profitability and cash flow prospects of your venture.

6 Collateral can be crucial

A lender looks for security for the loans extended for your venture. You may pledge your assets. If you do not have these or have inadequate assets to pledge, your loan could cost you more. The other option is to look for credit guarantees from banks. Remember, a credit guarantee comes with an additional cost.

7 Get your terms right

Understand your loan terms. Always read through the fine print of the terms and conditions, your interest, other charges and repayment schedule. You may ask for any hidden or ambiguous conditions in the sanction letter and get it clarified before you take the loan.



Useful Links

1. More information about SIDBI is available at <https://www.udyamimitra.in/>
2. More information on bankability kit
<https://udyamitra.in/Content/MSEbankabilitykit2.pdf>
3. Visit <https://www.udyamimitra.in/FAQs> to get answers to your inquisitive queries
4. Prospective entrepreneurs may register themselves on
<https://site.udyamimitra.in/Login/Register>
5. You can register as both buyer or seller on Government e Marketplace (GeM) website at <https://gem.gov.in/>
6. SC/ST and women entrepreneurs can borrow loans between Rs. 10 lakh and Rs. 1 Crore to start a manufacturing, trading or service unit under Stand Up India. Details are available at <https://www.standupmitra.in/>
7. Women Entrepreneurs visit <https://niti.gov.in/women-entrepreneurship-platform-web>
8. For mentorship support please write to us at pnd_ndo@sidbi.in



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