

सामयिक निबन्ध - 57
Occasional Paper - 57

भारत में ग्रामीण उद्यमिता
विकास कार्यक्रम – प्रभाव अध्ययन
**Rural Entrepreneurship Development
Programme in India – An Impact Assessment**

डॉ. जी. डी. बॅनर्जी
Dr. G. D. Banerjee



आर्थिक विश्लेषण और अनुसंधान विभाग
Department of Economic Analysis and Research
राष्ट्रीय कृषि और ग्रामीण विकास बैंक
National Bank for Agriculture and Rural Development
मुंबई
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लेखक

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महाप्रबंधक, नाबार्ड (सेवानिवृत्त)

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पेपर में दिए गए तथ्यों और व्यक्त किए गए विचारों के लिए राष्ट्रीय बैंक उत्तरदायी नहीं है।

The usual disclaimer about the responsibility of the National Bank as to the facts cited and views expressed in the paper is implied.

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प्रस्तावना

ग्रामीण उद्यमिता विकास कार्यक्रम (आरइडीपी) संचालित करने का मुख्य उद्देश्य उद्यमिता को बढ़ावा देना और ग्रामीण क्षेत्रों में स्वरोजगार के अवसर उत्पन्न करना है। यह कार्यक्रम, भूमिहीन मजदूरों और कृषि में अतिरिक्त मजदूरों की आय के पूरक के रूप में लाभकारी रोजगार भी प्रदान करता है। नाबार्ड ने, ग्रामीण गैर-कृषि क्षेत्र में उद्यम और रोजगार सृजन के उद्देश्य से 1990 में आरइडीपी को एक प्रमुख संवर्धनात्मक पहल के रूप में प्रारंभ किया। आरइडीपी के प्रमुख उद्देश्य शिक्षित बेरोजगार ग्रामीण युवाओं के बीच उद्यमिता और गतिविधि उन्मुख कौशल विकसित करना है। ये कार्यक्रम, उद्यमिता विकास संस्थानों/ स्वैच्छिक संघों/ गैर सरकारी संगठनों के माध्यम से ग्रामीण क्षेत्रों में स्थायी रोजगार और आय के अवसर प्रदान करने के लिए आयोजित किए जाते हैं। नाबार्ड, ऐसी एजेन्सियों और ग्रामीण विकास उद्यमिता प्रशिक्षण संस्थान (आरयूडीएसइटीआई) को आरइडीपी के सफल कार्यावन्धन हेतु संवर्धनात्मक सहायता प्रदान करता है।

उक्त के परिप्रेक्ष्य में, नाबार्ड के, चयनित सात क्षेत्रीय कार्यालयों (क्षेका) में कार्यरत कृषि अर्थशास्त्रियों ने संबंधित राज्यों के ग्रामीण उद्यमिता विकास कार्यक्रम पर प्रभाव मूल्यांकन अध्ययन किया। चयनित 7 राज्य, आंध्र प्रदेश, बिहार, छत्तीसगढ़, हिमाचल प्रदेश, उड़ीसा, उत्तर प्रदेश और पश्चिम बंगाल हैं। यह दस्तावेज राज्य की रिपोर्टों का समेकन है। इसके अलावा, यह समेकित रिपोर्ट अन्य स्रोतों से उपलब्ध आँकड़ों/ जानकारी की आपूर्ति करती है। इस अध्ययन के निष्कर्षों से, वर्तमान में आयोजित किए जा रहे आरइडीपी को बेहतर बनाया जा सकेगा।

अध्ययन से पता चलता है कि आरइडीपी, ग्रामीण युवाओं विशेषकर ग्रामीण और अर्ध शहरी क्षेत्रों में महिलाओं के लिए आय और रोजगार के अवसर उत्पन्न करने हेतु एक कारगर साधन है। इस कार्यक्रम ने न केवल पारम्परिक कला में आर्थिक संभाव्यताओं की पुनः खोज की है बल्कि कारीगरों को नया जीवन भी दिया है। इसने अनुपूरक आय देकर परिवार को भी सहायता दी है। आरइडीपी से यह लाभ भी है कि प्रशिक्षण कार्यक्रम के तहत कई प्रकार की गतिविधियों को शामिल किया जा सकता है। इसे किसी भी स्थान पर आयोजित किया जा सकता है और इसे किसी भी प्रकार के लक्ष्य समूह के लिए डिजाइन किया जा सकता है। अलग-अलग लक्ष्य समूहों के लिए आरइडीपी को अलग-अलग तरीके से डिजाइन किया जाता है। यह कार्यक्रम बहुत लचीला है और इसे जरूरत के अनुसार डिजाइन किया जा सकता है। आरइडीपी की अधिकांश गतिविधियों में उद्यम के लिए कम निवेश की आवश्यकता होती है। यही वजह है कि प्रशिक्षणार्थी, बिना किसी ऋण और अन्य वित्तीय सहायता के भी कुछ लघु उद्यमी गतिविधियाँ प्रारंभ कर सकता है। बेशक, कभी-कभी कार्यशील पूँजी और अवसर लागत की आवश्यकता, प्रशिक्षणार्थियों की संख्या को सीमित कर देती है।

यद्यपि कई कार्यान्वयन एजेन्सियों ने विभिन्न गतिविधियों पर कई आरईडीपी आयोजित किए हैं और ग्रामीण बेरोजगार युवाओं हेतु रोजगार के लाखों अवसर उपलब्ध करवाए हैं तथापि वर्तमान अध्ययन ने कई बाधाओं/ कमियों को उजागर किया है। ज्यादातर आरईडीपी लक्ष्य उन्मुख दृष्टिकोण पर आधारित हैं परन्तु इनमें ग्रामीण और शिक्षित बेरोजगार युवाओं की उद्यमशीलता की प्रतिभा में सुधार लाने पर कम ध्यान दिया गया है। लोगों में उपलब्ध कौशल और अपेक्षित कौशल बेमेल नहीं होना चाहिए क्योंकि इसके परिणाम स्वरूप बेरोजगारी में वृद्धि हो सकती है। अतः आरईडीपी, स्थानीय अर्थव्यवस्था द्वारा वांछित कौशल और उपलब्ध कौशल के संभाव्यता सर्वेक्षण के माध्यम से आवश्यकता आधारित होनी चाहिए। अध्ययन से पता चला है कि आरईडीपी हेतु गतिविधियों का चयन स्थानीय माँगों/ आवश्यकताओं और लोगों की धारणाओं के आधार पर नहीं किया गया है। एजेन्सियाँ, विशेषकर एनजीओ, गतिविधि के चयन से पूर्व एक उचित व्यवस्थित संभावित सर्वेक्षण नहीं करती हैं। साथ ही, प्रशिक्षणार्थियों का चयन उचित नहीं है और यह उम्मीदवारों की रुचि और योग्यता पर आधारित नहीं है। एनजीओ और स्वैच्छिक संस्थाओं ने उम्मीदवारों की ग्राह्य क्षमता और भविष्य की आवश्यकताओं के आधार पर समुचित प्रशिक्षण मोड्यूल डिजाइन नहीं किया है। इन सभी के अलावा, परियोजना भागीदारों यथा बैंकरों, राज्य/ केन्द्र सरकार के अधिकारियों और जिला स्तर पर विपणन एजेंटों के बीच नाममात्र का ही व्यवस्थित समन्वय है। आरयूडीएसइटीआई और इडीआई द्वारा अनुरक्षण/ हैंड होल्डिंग/ अनुवर्ती सेवाएँ प्रदान की जा रही हैं। एनजीओ/ स्वैच्छिक संस्थाओं के मामले में ऐसा नहीं है।

अध्ययन से पता चला है कि प्रशिक्षणार्थियों को पर्याप्त अभ्यास के माध्यम से वांछित सीमा तक उनके कौशल को विकसित करने के लिए कच्चे माल के लिए पर्याप्त प्रावधान नहीं किया गया है। इसके अलावा, सभी तकनीकी आरईडीपी हेतु कुछ एजन्सियाँ न तो उपकरण किट और पाठ्य सामग्री उपलब्ध करवाती हैं और न ही क्षेत्र दौड़ों और अतिथि वक्ताओं की व्यवस्था करती हैं जिससे अभ्यर्थी इस कार्यक्रम से अधिकतम लाभ प्राप्त करने से वंचित रह जाते हैं। उम्मीदवारों को गुणवत्तापरक प्रशिक्षण प्रदान करने के लिए योग्य और अनुभवी प्रशिक्षकों को नियुक्त/ अनुबंधित नहीं किया जा रहा है।

अध्ययन में यह सिफारिश की गई है कि इडीआई/ आरयूडीएसइटीआई प्रकार के संस्थानों और चुनी गई सक्षम स्वैच्छिक एजन्सियों/ एनजीओ के माध्यम से आरईडीपी के तहत पर्याप्त संख्या में संभावित उद्यमियों को शामिल करने के लिए एक व्यापक रणनीति अपनाने और इसे संचालित करने की आवश्यकता है। वर्तमान में प्रचलित लक्ष्य उन्मुख दृष्टिकोण के स्थान पर एक संरचित और आवश्यकता आधारित रणनीति अपनानी चाहिए। इससे ग्रामीण युवाओं के बीच अवसर की समानता रहेगी। इससे सभी जिलों में ग्रामीण गैर कृषि क्षेत्र का संतुलित विकास होगा। आरईडीपी के संचालन में शामिल कार्यान्वयन एजेन्सियों में उद्देश्यों, दृष्टिकोण और क्षमता आदि की दृष्टि से काफी भिन्नता होगी। आरईडीपी के सफल कार्यान्वयन के लिए, कार्यान्वयन एजेन्सियों का क्षमता निर्माण सबसे महत्वपूर्ण आवश्यकता के रूप में उभरा है। अतः क्षमता निर्माण के उपायों के माध्यम से अत्यधिक प्रतिबद्ध संगठनों की योग्यता

को बढ़ाया जाना चाहिए. अधिक संख्या में एनजीओ के माध्यम से तदर्थ और छिटपुट आधार पर आरइडीपी आयोजित करने के बजाय प्रत्येक राज्य में कुछ संभावित सक्षम एनजीओ/ संस्थाओं की सावधानीपूर्वक पहचान की जाए और उन्हें नाबार्ड की सहायता से आरइडीपी आयोजित करने के लिए क्षमता निर्माण सहायता प्रदान की जाए. वाणिज्य बैंक, नाबार्ड के सहयोग से आरयूडीएसइटीआई की तर्ज पर संस्थानों की स्थापना कर सकते हैं. सावधानीपूर्वक तैयार की गई चयन प्रक्रिया से केवल ऐसे युवाओं की पहचान की जा सकेगी जो गतिविधि में रुचि रखते हैं और जिनमें इसके लिए क्षमता और योग्यता भी है. इससे आरइडीपी का आयोजन करना सफल सिद्ध होगा. आरइडीपी के आयोजन हेतु क्षमता के मानचित्रण, उधारकर्ताओं की पहचान, अपेक्षित उद्यमिता कौशल प्रदान करने और समर्थकारी माहौल प्रदान करने में एनजीओ की सहभागिता और बैंकों, डीआईसी जैसी सरकारी एजेन्सियों की सक्रिय भूमिका की आवश्यकता है. यह देखा गया है कि शादी हो जाने के बाद लड़कियों द्वारा इन गतिविधियों को छोड़ देने की घटनाएँ अधिक होती हैं. अतः विवाहित महिलाओं को वरीयता दी जाए क्योंकि वे इस गतिविधि को लम्बी अवधि के लिए जारी रख सकती हैं.

कई गतिविधियों, विशेषकर पत्ताचित्र, ताड़ पत्ता शिल्प, उत्कीर्ण चित्र, जरदोशी और कर्धई, कांथा सिल्क आदि में कार्यक्रम की अवधि (4-6 सप्ताह) अपर्याप्त लगती है. यह प्रशिक्षणार्थी को उद्यमशीलता क्रियाकलाप आरंभ करने हेतु प्रोत्साहित नहीं करती है. ऐसे कार्यक्रमों की अवधि को तीन माह तक के लिए बढ़ाया जा सकता है. जिन प्रशिक्षणार्थियों ने क्रियाकलापों को आरंभ कर दिया है, उन्हें राज्य के भीतर या बाहर समान या समरूप व्यापार के विशेषज्ञों या उद्यमियों के पास, संस्थाओं में 4-7 दिनों के लिए परवर्ती परिचय-सह-प्रशिक्षण कार्यक्रम हेतु भेज देना चाहिए. प्रशिक्षणार्थी, नए डिजाइन, कौशल और बाजार के संबंध में भी पूर्ण जानकारी प्राप्त कर सकते हैं. परिचयात्मक दौरों से प्रशिक्षणार्थी, समान शिल्पकारों के समूह से मिल सकते हैं जो साथ मिलकर एक क्लस्टर बना सकते हैं और बड़े आर्डर्स को समय पर पूरा कर सकते हैं. प्रशिक्षणार्थी, वजीफे की अपेक्षा गतिविधियों की प्रक्रिया/ कौशल सीखने को अधिक महत्व देते हैं.

अध्ययन से पता चला है कि प्रशिक्षणार्थी एक वर्ष या उसके बाद अपने उद्यमशीलता कौशल पर से अपना विश्वास उस समय खो देते हैं जब उन्हें यह पता चलता है कि आरइडीपी के दौरान सीखा गया डिजाइन पुराना हो गया है और अब यह बाजार में बिकने योग्य नहीं रहा है. नवोन्मेषों की सदैव आवश्यकता रहती है तथा प्रशिक्षणार्थियों को अधिक जानकारी के लिए सहायता की आवश्यकता होती है. अतः कार्यक्रम की समाप्ति के एक वर्ष पश्चात 2-4 सप्ताह के लिए अनुपूरक प्रशिक्षण कार्यक्रम की व्यवस्था की जा सकती है. केवल 25 प्रतिशत प्रशिक्षणार्थी ही ऋण से सहबद्ध थे. प्रशिक्षणार्थियों को उनके उद्यमों की स्थापना या आर्थिक गतिविधि को शुरू करने में मदद करने की दृष्टि से आरइडीपी के समापन के समय प्रत्येक प्रशिक्षणार्थी को न्यूनतम रु.25000/- की ऋण सीमा का एक "आर्टिजन कार्ड" प्रदान किया जाना चाहिए. इमरजेंसी लैम्प, केले के फाइबर की कर्षण, उपयोगिता की वस्तुएँ

बनाने, उत्कीर्ण चित्रकारी, कम्प्यूटर शिक्षा आदि जैसी विशिष्ट गतिविधियों के लिए प्रोत्साहन आधारित आरइडीपी हेतु रु.50000/- की रकम पर्याप्त नहीं है। अध्ययन में यह सुझाव दिया गया है कि प्रशिक्षण घटक के लिए प्रोत्साहन आधारित आरइडीपी के तहत अनुदान सहायता की सीमा को समुचित रूप से बढ़ाया जा सकता है।

आरइडीपी प्रशिक्षणार्थियों द्वारा स्थापित यूनिटों की विपणन संबंधी कठिनाइयों को हल करने के लिए एनजीओ ऐसी उपयुक्त एजेन्सियों जैसे फेयर ट्रेड संगठन जो केवल ग्रामीण उद्यमियों, शिल्पियों के व्यापार/ विपणन को बढ़ावा दे रही है और जिन्हें इस क्षेत्र में विशेषज्ञता हासिल है, उनकी पहचान करके उनके साथ नेटवर्किंग करे। ऐसी एजेन्सियों के साथ सहबद्धता से उत्पादों के विपणन, डिजाइन और मूल्य के मुद्दों को हल करने में काफी समय तक मदद मिलती रहेगी। प्रशिक्षण-पश्चात् चरण में उम्मीदवारों को प्रदत्त अनुवर्ती सेवाएँ अपर्याप्त हैं। फलतः उम्मीदवारों द्वारा यूनिटों की स्थापना में खराब प्रदर्शन देखा गया है। प्रशिक्षण-पश्चात् चरण में उम्मीदवारों को गहन अनुवर्ती सेवाएँ प्रदान की जाएँ ताकि प्रशिक्षित उम्मीदवार अपनी गतिविधि को टिकाऊ आधार पर कायम रख सकें। आरइडीपी के कार्यान्वयन और इसकी सफलता की कहानियों को प्रलेखित नहीं किया गया है। आरइडीपी पर वर्ष-वार, कार्यान्वयन एजेन्सी-वार, जिला-वार, गतिविधि-वार, राज्य-वार मंजूरी और संवितरण-वार, प्रशिक्षित उम्मीदवार, सृजित किए गए नए उद्यम, मजदूरी रोजगार, संवितरित ऋण आदि संबंधी एक सुदृढ़ डाटाबेस गंभीरता पूर्वक तैयार किया जाए ताकि इस संबंध में नाबार्ड के प्रयासों/ अंशदान को दिखाया जा सके और ग्रामीण युवाओं तथा कार्यान्वयन एजेन्सियों के बीच जागरूकता उत्पन्न की जा सके। मुझे यकीन है कि इस अध्ययन के निष्कर्ष, उद्यमिता विकास के विशेषज्ञों, बैंकों, उद्यमिता विकास संस्थानों, शिक्षाविदों, योजनाकारों, नीति निर्माताओं और आरइडीपी कार्यान्वयन एजेन्सियों जैसे एनजीओ, स्वैच्छिक संस्थाओं आदि के लिए उपयोगी होंगे।

(डॉ.के.जी.करमाकर)

प्रबंध निदेशक

Foreword

The main purpose of conducting Rural Entrepreneurship Development Programmes (REDPs) is to promote entrepreneurship and create self-employment avenues in rural areas. The programme also provides gainful employment to the surplus labourers in agriculture and land-less labourers with a view to supplement their income. NABARD introduced REDP in 1990 as a major promotional initiative aiming at enterprise and employment creation in rural non-farm sector (RNFS). **The major objectives of REDP are to develop entrepreneurship and activity oriented skill among the educated unemployed rural youth.** The programmes are conducted through Entrepreneurship Development Institutes / Voluntary Associations / Non Governmental Organizations for providing sustainable employment and income opportunities in rural areas. NABARD provides promotional assistance to such agencies and **Rural Development Entrepreneurship Training Institute (RUDSETI) to successfully implement REDPs.**

In the context of the above back drop, the Agricultural Economists (AEs) attached to the select seven Regional Offices (ROs) of NABARD undertook the Impact Evaluation Study on Rural Entrepreneur Development Programme of the respective states. The select 7 states are Andhra Pradesh, Bihar, Chhattisgarh, Himachal Pradesh, Odisha, Uttar Pradesh and West Bengal. This document is the consolidation of State Reports. Besides, the consolidated report supplements data / information available from other sources. The findings of the study will facilitate fine tuning of the REDP interventions in vogue.

The study reveals that REDP is as an efficient instrument in creating income and employment opportunities for the rural youth especially for women in rural and semi-urban areas. The programme not only rediscovered the economic potentials in the traditional art but also brought life to artisans. It also supported the family with a supplementary income. The added advantage of REDP is that there are large varieties of activities that can be covered under the training programme. It can be organized at any place and can be designed to suit any type / kind of target group. REDPs are designed differently for different target groups. The programme is very flexible so that it can be designed according to the need. Most of the REDP activities are low investment-requirement enterprises. **That is why without**

credit or other financial support the trainee could take up some micro entrepreneurial activities. Of course, sometimes the requirement of working capital and opportunity cost restricts, the number of the trainees.

Although many implementing agencies conducted numerous REDPs on different activities and created lakhs of employment opportunities among rural unemployed youth, the present study brought out several constraints / deficiencies. Mostly REDP is based on target oriented approach with little attention to improving the entrepreneurial talents of rural and educated unemployment youth. There should not be any mismatch between the skills sought and skills available among the people that might result in growth of unemployment. Therefore, REDP should be need based through some potential survey of skills available and skills sought by the local economy. The study has revealed that selection of activities for imparting REDP is not based on local demands / needs and perceptions of people. Agencies particularly NGOs, don't go for a proper systematic potential survey before selection of activity. Further, selection of trainees is not proper and not based on interest, aptitude of the candidates. NGOs/VAs didn't design suitable training modules based on absorption capacity and future requirements of the candidates. To top it all, there is hardly any systematic coordination among the project partners viz. Bankers, state/central government officials and marketing agents at the district level. Escort / hand holdings/follow-up services are provided by RUDSETI and EDIs, same is not the case with the NGO/VAs.

The study has brought out that adequate provision has not been made for raw materials to enable the trainees develop their skills upto the desired extent through sufficient practice. Besides, for all technical REDPs, certain agencies neither provide small tool kits and reading material nor do they arrange for field visits and guest lecturers thereby depriving the candidates to derive maximum benefits from the programmes. Qualified and experienced trainers are not being appointed/contracted to provide quality training to the candidates.

The study recommends that there is a need to adopt a comprehensive strategy to cover adequate number of potential entrepreneurs under REDP through EDIs/RUDSETI type institutes and select capable VAs/NGOs to operationalise the strategy. The target-oriented approach, as it is based presently, should be replaced with a structured and need-based strategy. It should lead to equality of opportunity among

rural youth. This will lead to a balanced growth of RNFS in all the districts. The implementing agency involved in conduct of REDPs varied significantly in terms of objectives, approach, competence, etc. Capacity building of the implementing agencies emerged as the most important requirement in successful implementation of REDP. Thus, the capability of highly committed organizations should be enhanced through capacity building measures. Instead of undertaking REDPs through a large number of NGOs on ad-hoc and sporadic basis, a few potentially capable NGOs/ institutions may carefully be identified in each state and they may be given capacity building support for conducting REDP with NABARD's support. The Commercial Banks may set up institutes on the lines of RUDSETI in collaboration with NABARD. A carefully designed selection process to identify only interested and potential youths who have an aptitude for the activity would make the REDP a success. There is a need for a proactive role by Government agencies like the DIC, banks and involvement of NGOs in mapping of potential, identifying borrowers, imparting required entrepreneurial skills and providing enabling environment for conducting REDPs. It is observed that the incidence of discontinuation of the activity by the girls after their marriage is more. Hence, preference may be given to married women who most likely would continue with the activity for a longer period.

The duration of the programme (4-6 weeks) in many activities especially for Pattaachitra palm leaf craft, engraved pictures, zardoshi and embroidery, kantha silk etc. seems to be inadequate. That doesn't fire up the trainee to take up any entrepreneurial activity. The duration of such programme may be increased to three months. The trainees who have settled with activities may be facilitated with subsequent exposure-cum training programme for 4-7 days to institutes, experts or enterprise with same or similar trade within or outside the state. The trainees can also get exposed to new design, perfection in skill and market linkages. The exposure visits may introduce the trainees to a group of similar craftsman who can form a cluster and can meet the bigger orders in time. The trainees attached more importance to learn the skill/process of the activities rather than stipend.

The study reveals that the trainees lose their confidence on the entrepreneurial skill after a year or so, when they feel that the design that learnt during the REDP became outdated and unable to fetch

market. There is always a need for innovation and trainees need support for graduation. Thus a supplementary training programmes for 2-4 weeks may be arranged after a year of completion of the programme. Only 25 per cent of trainees were credit linked. With a view to facilitate the trainees to establish their enterprises or undertake economic activities, on valediction of the REDP each trainee should be provided with 'Artisan Card' of atleast Rs.25000/- credit limit. An amount of Rs.50000/- for incentive based REDP is not sufficient for specialized activities such as emergency lamps, banana fibre extraction, making utility items, engraved pictures, computer education etc. The study suggests that the ceiling of grant assistance under incentive based REDP for training component may be suitably enhanced.

Marketing issues faced by units set up by REDP trainees may be taken up by NGOs by networking with identified suitable agencies like fair trade organizations, which are exclusively promoting trade / marketing of artisans, rural entrepreneurs and have expertise in these areas. Tie up with such agencies would go a long way in addressing the issues on marketing, design, prices of products. Follow up services provided to the candidates in the post-training phase are inadequate resulting in poor performance in setting up of the units by the candidates. Intensive follow-up services have to be provided to the candidates in the post-training phase so that the trained candidates are able to pursue the activities on a sustainable basis.

The implementation of REDPs and its success stories are not documented. A strong database on REDP year wise implementing agency-wise, district-wise, activity-wise, State-wise sanction and disbursement wise, candidates trained, new enterprises created, wage employment generated, credit disbursed etc. has to be taken up seriously to showcase the efforts/contribution of NABARD in this regard as also to create an awareness among rural youth and implementing agencies.

I am sure the findings of the study will be useful to the experts of entrepreneurship development, banks, entrepreneurship development Institutes, academicians, planners, policy makers and REDP implementing agencies like NGOs, VAs etc.

(Dr. K.G. Karmakar)
Managing Director

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कार्यनिष्पादन सारांश

अन्तर्राष्ट्रीय श्रम संगठन ने उद्यमियों को ऐसे लोगों के रूप में परिभाषित किया है जिनमें आवश्यक संसाधनों सहित अवसरों को देखने और मूल्यांकन करने, उनसे लाभ उठाने और सफलता सुनिश्चित करने के लिए उचित कार्य प्रारंभ करने की योग्यता है। नैशनल कमीशन ऑन एन्टरप्रेन्योरशिप (एनसीओई) उद्यमियों को ऐसी महिलाओं और पुरुषों के रूप में देखता है जो ऐसी फर्मों की अगुआई करते हैं जो नवोन्मेष पर आधारित है और जिनकी वार्षिक वृद्धि दर 15 से 20 प्रतिशत है। उद्यमशीलता की कुछ विशेषताएं, सृजनात्मकता और नवोन्मेष, कार्य करवाने की योग्यता, मूल्य सृजन पर ध्यान, जोखिम उठाने की इच्छा, संसाधनों के प्रति प्रतिबद्धता, परिचय, नीतिपरकता, संसाधन और प्रबंध संरचना पर नियंत्रण है। ग्रामीण उद्यमशीलता फार्म के कारोबार के आधार को बढ़ती है ताकि (i) सभी गैर कृषि उपयोगों को शामिल किया जा सके और (ii) केवल कृषि से सहबद्ध से इतर उत्पादन के स्तर या भूमि उपयोग में प्रमुख परिवर्तन किया जा सके। इस प्रकार ग्रामीण उद्यमी वह है जो ग्रामीण क्षेत्र में रहने को वरीयता देता है और स्थानीय सम्पत्ति के सृजन में अपना सहयोग देता है।

ग्रामीण उद्यमिता विकास कार्यक्रम (आरईडीपी) एक ऐसा ही कार्यक्रम है जिसका उद्देश्य ग्रामीण क्षेत्रों में उद्यमशीलता और रोजगार के अवसरों को प्रोत्त करता है। यह कृषि क्षेत्र में बचे हुए श्रमिकों और भूमिहीन श्रमिकों को उनकी आय बढ़ाने की दृष्टि से लाभप्रद रोजगार भी प्रदान करता है। आरईडीपी के तीन चरण हैं। यथा प्रशिक्षण पूर्व, प्रशिक्षण और प्रशिक्षण पश्चात् चरण, आरईडीपी के सफलतापूर्वक कार्यान्वयन हेतु नाबार्ड अच्छे ट्रैक रिकार्ड और व्यावसायिक योग्यतावाली सक्षम एजेन्सियों को प्रोत्साहक सहायता प्रदान करता है। नाबार्ड, संभाव्यतायुक्त उद्यमशील गतिविधियों/ विपणन, प्रेरणादायक अभियान, प्रचार चयन प्रक्रिया, वजीफा या ठहरने और खान-पान, स्टेशनरी, पाठ्यसामग्री, प्रशिक्षकों हेतु वेतन, अतिथि संकाय के लिए यात्रा भत्ता (टीए) और दैनिक भत्ता (डीए)/ मानदेय, प्रशिक्षण हॉल का किराया, टीचिंग एड्स का किराया, एजेन्सी हेतु उपरि लागत, क्षेत्र दौरे और अनुवर्ती बैठकों/ मार्गरक्षी सेवाओं आदि में आवर्ती खर्च को पूरा करने के लिए चयनित एजेन्सियों को प्रोत्साहक सहायता प्रदान करता है। आरईडीपी के संस्थानीकरण के तहत चयनित संस्थाओं को आरईडीपी आयोजित करने हेतु सतत वित्तीय सहायता का दीर्घावधि आश्वासन और आवश्यकता आधारित क्षमता निर्माण सहायता भी प्रदान की जाती है।

प्रत्येक आरईडीपी के लिए आवश्यक फीड-बैक पाने के लिए और बेहतर सफलता दर सुनिश्चित करने के लिए आरईडीपी के प्रशिक्षणार्थियों का निकट अनुप्रवर्तन करने की दृष्टि से सरल अनुप्रवर्तन फार्मेट्स का एक सैट प्रारंभ किया गया है। कार्यान्वयनकर्ता एजेन्सियों को अनुदान सहायता जारी करने के लिए इन विवरणियों की प्रस्तुति को सहबद्ध कर दिया गया है। नाबार्ड ने 300 से अधिक स्वै.संस्थाओं/ गैर सरकारी संगठनों को आरईडीपी आयोजित करने के लिए अनुदान सहायता दी है और संस्थानीकरण

कार्यक्रम के तहत दीर्घावधि सहभागिता हेतु 38 गैर सरकारी संगठनों को चिन्हित किया है। 31 मार्च 2007 तक 28 राज्यों और एक संघशासित प्रदेश में कुल 27160 आरईडीपी को सहायता प्रदान की जा चुकी है जिसमें 206571 ग्रामीण युवाओं को प्रशिक्षण दिया जा चुका है। इसकी सफलता दर बहुत अधिक थी। साथ ही, नाबार्ड ने आरईडीपी के कार्यान्वयन हेतु अधिकांश रूडसेटी यूनिटों के साथ निकट संबंध रखा है और भारतीय उद्यम विकास संस्थान (इडीआईआई) अहमदाबाद के सहयोग से आरईडीपी पर गैर सरकारी संगठन - बैंकर्स इंटरफेस मीट और ट्रेनर्स ट्रेनिंग कार्यक्रम के आयोजन में सहयोग दिया है।

इस अध्ययन के मुख्य उद्देश्य (i) योजना की प्रगति की समीक्षा करना (ii) आरईडीपी के आयोजन का मूल्यांकन करना (iii) आरईडीपी प्रशिक्षणार्थियों की प्रोफाइल्स को आउट लाइन करना (iv) आरईडीपी निवेश की अर्थव्यवस्था संबंधी कार्य करना (v) योजना के प्रभाव का आकलन करना (vi) आरईडीपी के कार्यान्वयन में बाधाओं की पहचान करना (vii) ग्रामीण अर्थव्यवस्था में आरईडीपी की प्रभावोत्पादकता को सुधारने के लिए नीतिगत परिवर्तनों का सुझाव देना है। सात (7) राज्यों यथा आंध्रप्रदेश, बिहार, छत्तीसगढ़, हिमाचल प्रदेश, उड़ीसा, उत्तर प्रदेश और पश्चिम बंगाल का चयन किया गया। इसके अलावा 14 जिलों, 100 आरईडीपी, 66 क्रियाकलापों और 793 प्रशिक्षणार्थियों से इस अध्ययन के लिए आँकड़ें/ जानकारी एकत्रित की गई जो राज्य रिपोर्टों का समेकन है। यह समेकित अध्ययन प्राथमिक और गौण दोनों ही आँकड़ों/ जानकारी पर आधारित है। गौण आँकड़ें नाबार्ड के क्षेत्रीय कार्यालयों से संग्रहित किए गए थे, प्राथमिक आँकड़ें, डीआईसी के अधिकारियों, वित्तपोषक बैंकों के शाखा प्रबंधकों, आरईडीपी प्रतिभागियों को प्रशिक्षण देने वाले इडीआई/एनजीओ, आरईडीपी यूनिटों, आरईडीपी प्रशिक्षणार्थियों से, संरचित प्रश्नावली के माध्यम से संग्रहित किए गए थे।

वर्ष 1993-94 के दौरान नाबार्ड द्वारा किए गए आरईडीपी के अंतरिम मूल्यांकन से यह पता चला है कि इस कार्यक्रम ने प्रशिक्षणार्थियों को स्वरोजगार को एक वास्तविक विकल्प के रूप में अपनाने के लिए प्रेरित किया है। इसके अलावा, संहत क्षेत्रों के उम्मीदवारों के लिए स्थानीय स्वयंसेवी संगठनों द्वारा कौशल प्रशिक्षण/ कार्यक्रमों पर बल देते हुए आयोजित किए गए आरईडीपी ने उच्च सफलता दर का प्रदर्शन किया। 1996-97 के दौरान, यूनिटों के स्थापन से आरईडीपी की सफलता दर 40-65 प्रतिशत थी। साथ ही, केवल महिलाओं के लिए आयोजित आरईडीपी ने बेहतर परिणाम दिखाए। गाँधी श्रम संस्थान, अहमदाबाद द्वारा किए गए चयनित आरईडीपी के मूल्यांकन अध्ययन में आरईडीपी के विस्तार, आरईडीपी के संस्थानीकरण, चयन मानदंडों के युक्तिकरण आदि के लिए दीर्घावधि कार्यनीति अपनाने की आवश्यकता हेतु सुझाव दिये गये। तदनुसार, अनुप्रवर्तन प्रणाली को सुदृढ़ करने और गतिविधि विशिष्ट आरईडीपी पर जोर देने, केवल सक्षम एनजीओ के माध्यम से आरईडीपी आयोजित करने, आरईडीपी कार्यान्वयन संस्थाओं के चयन मानदंडों को युक्तिसंगत बनाने के लिए नीति का पुनः परिचयन किया गया। आरईडीपी की सफलता दर को बेहतर बनाने के लिए प्रोत्साहन प्रारंभ किए गए।

अध्ययन से पता चला कि कार्यान्वयन एजेन्सियाँ सामान्यतः समितियों के पंजीकरण अधिनियम के तहत पंजीकृत थीं। इन एजेन्सियों का मुख्य उद्देश्य, ग्राम क्लस्टर और फ़ैडरेशन स्तर पर स्वयं सहायता समूहों के स्व-प्रबंधित, आत्मनिर्भर और स्थायी संस्थानों को बढ़ावा देना है। फ़ैसिलिटेटिंग एजेन्सियों का मूल्यांकन, आरईडीपी आयोजित करने के लिए आवश्यक बारह प्रमुख मानदंडों के अनुसार किया गया। एजेन्सी को आरईडीपी आयोजित करने के लिए नाबार्ड से सहायता प्राप्त करने हेतु प्रत्येक मानदंड में न्यूनतम 60 अंक प्राप्त करना अनिवार्य है। आरईडीपी आयोजित करने के लिए कार्यान्वयन एजेन्सियों की योग्यता के आकलन हेतु रेटिंग प्रणाली अप्रैल 2003 से प्रचलन में है। स्वैच्छिक एजेन्सी, एनजीओ, विकास एजेन्सी, इडीआई, ट्रस्ट जैवी 52 फ़ैसिलिटेटिंग एजेन्सियों की पहचान की गई। इन फ़ैसिलिटेटिंग एजेन्सियों ने नाबार्ड के मार्गनिर्देशों और वित्तीय सहायता के तत्वावधान में कार्यक्रम निष्पादित किए। अध्ययन से पता चला है कि सभी कार्यान्वयन एजेन्सियों ने चुने हुए राज्यों में तीन चरणों में आरईडीपी आयोजित किए।

आंध्र प्रदेश में इडीआई ने भावी प्रशिक्षणार्थियों के लिए गाँवों में जागरूकता/ प्रेरणा शिबिरों का आयोजन किया और बैंक अधिकारियों के बीच उम्मीदवारों के प्रायोजन के लिए कार्यक्रमों का वार्षिक कैलेंडर भी परिचालित किया। कृषि क्षेत्र की गतिविधियों के लिए आंध्र प्रदेश में इडीआई ने उम्मीदवार प्रायोजित करने के लिए सरकारी विभागों को लिखा। चयन, व्यक्तिगत साक्षात्कार के माध्यम से किया गया। चयन प्रक्रिया में बैंक अधिकारियों को भी शामिल किया गया। बेरोजगार और अंडर एम्प्लॉयड युवाओं तथा स्कूल/ कॉलेज के ड्रॉपआउट्स को शामिल करने हेतु विशेष कदम उठाए गए।

18 से 35 वर्ष की आयु वाले प्रशिक्षणार्थियों का चयन किया गया और साक्षर व्यक्तियों को वरीयता दी गई। तथापि, स्वयं सहायता समूह सदस्यों (उत्तर प्रदेश, उड़ीसा, हिमाचल प्रदेश और आंध्र प्रदेश) हेतु आयोजित आरईडीपी के मामले में साक्षरता की शर्त के मामले में छूट प्रदान की गई। उड़ीसा के मामले में, सूखी मछली प्रसंस्करण, मोमबत्ती और चाक बनाने और सुनहरी घास जैसी गतिविधियों के लिए आयु (18 से 35 वर्ष) और न्यूनतम शिक्षण मानदंड (आठवीं कक्षा) में छूट दी गई। उत्तर प्रदेश में, जरी बनाने, जरी कार्य/सिलाई और कढ़ाई करने वाले कुछ प्रशिक्षणार्थी 18 वर्ष से कम की आयु के थे। पश्चिम बंगाल में, सामान्य आरईडीपी और ब्यूटिशियन कोर्स में 7 प्रतिशत प्रशिक्षणार्थी 36 वर्ष और अधिक की आयु के थे। समूह में की जानेवाली गतिविधियों के मामले में स्वयं सहायता समूह सदस्यों के सहभागियों के लिए शैक्षणिक मानदंडों में छूट प्रदान की गई। उड़ीसा में फ़ैसिलिटेटर्स ने आस-पास या प्रशिक्षण केन्द्र के समीप के गाँवों में प्रशिक्षणार्थियों की खोज की।

आरईडीपी के लिए गतिविधियों का चयन, ग्रामीण और अर्धशहरी क्षेत्रों में उत्पाद और सेवाओं की माँग, बाजार के विस्तार हेतु इसकी संभावना एवं तकनीकी और आर्थिक व्यवहार्यता के मद्देनजर किया गया। आरईडीपी का चयन, उम्मीदवारों की गतिविधि को वरीयता और संभाव्यतायुक्त आकलन के

आधार पर किया गया. चयन के लिए मानदंड, संभाव्यता सर्वेक्षण के अलावा रूचि और सम्मान या तथा तकनीकी आरईडीपी में व्यवहारिक ओरियन्टेशन पर ध्यान दिया गया था. एनजीओ ने सॉफ्ट टॉइज, सिलाई आदि जैसी गतिविधियों के लिए संभाव्यता सर्वेक्षण नहीं किया था. फलतः सॉफ्ट टॉइज और सिलाई जैसी गतिविधियों के लिए क्राउडिंग इफैक्ट नोटिस किया गया. उड़ीसा और हिमाचल प्रदेश में एनजीओ ने, गतिविधियों हेतु संभाव्यता, इसकी बाजार संपर्क क्षमता, मास्टर कारीगर की उपलब्धता, प्रशिक्षणार्थियों की प्रशिक्षण केन्द्र से दूरी आदि की प्रारंभिक समीक्षा के उपरांत कार्यान्वयन एजेन्सियों ने गतिविधियों का चयन किया. यद्यपि, उत्तरप्रदेश में संभाव्यता सर्वेक्षण नहीं हुआ था, तथापि गतिविधियों का चयन, उत्पादों और बाजार की स्थितियों के बारे में कार्यान्वयन एजेन्सियों के व्यक्तिगत निर्णय के आधार पर किया गया. तथापि, गैर-पारंपारिक गतिविधियाँ, बाजार की स्थिति में बदलाव की वजह से स्थायी आधार पर सफल नहीं हो सकी. बिहार के मामले में, अध्ययन के लिए चयनित आठ आरईडीपी में केवल दो आरईडीपी में संभाव्यता सर्वेक्षण किया गया.

आरईडीपी में शामिल गतिविधियाँ विविध प्रकृति की हैं और इन्हें मोटे तौर पर पारंपारिक कला/ शिल्प, विनिर्माण और सेवा क्षेत्र की गतिविधियों के रूप में वर्गीकृत किया जा सकता है. किसी भी एनजीओ ने कृषि क्षेत्र संबंधी आरईडीपी नहीं की है और इडीआई ने जैविक खेती, नर्सरी और लिफ्ट इरिगेशन मोटर्स की मरम्मत जैसी गतिविधियों की व्यवस्था की है. 2000 और 2007 के बीच आयोजित कुल आरईडीपी का 2.9 प्रतिशत, कृषि आधारित आरईडीपी थी. स्वरोजगार उद्यम में परिकल्पित जोखिम की वजह से कृषि क्षेत्र की आरईडीपी की प्रगति असंतोषजनक रही.

सभी एजेन्सियों के अपने निजी परिसर थे और आरईडीपी उन्हीं के परिसर में आयोजित किए गए. एजेन्सियों के अपने निजी स्टाफ थे. कुछ एजेन्सियों ने बाहरी स्टाफ को काम पर रखा था. तथापि, श्रमशक्ति की उपलब्धता/ बुनियादी ढाँचे और आरईडीपी की सफलता दर के बीच शायद ही कोई संबंध था.

आंध्र प्रदेश में ग्रामीण उद्यमिता विकास कार्यक्रम कार्यान्वित करने के लिए इडीआई तथा गैर सरकारी संगठनों के पास अपने निजी भवन / क्लास रूम/ वर्कशॉप हैं किन्तु हॉस्टल एवं ओएचपी जैसे शिक्षा संबंधी उपकरण सिर्फ इडीआई के पास ही उपलब्ध हैं. इस कार्यक्रम के चलते प्रशिक्षणार्थियों के मन में प्रबंधकीय कौशल तथा आत्मविश्वास का भाव जागृत हुआ. तथापि, गैर-सरकारी संगठनों ने प्रणालीबद्ध पाठ्यक्रम नहीं चलाए बल्कि सिर्फ कौशल आधारित ग्रामीण उद्यमिता विकास कार्यक्रम ही संचालित किए. सामान्यतः ग्रामीण उद्यमिता विकास कार्यक्रम का फोकस क्लास रूम की जानकारी (जागरूकता सृजन, प्रेरणा, लीडरशिप/ उद्यमिता प्रशिक्षण) तक ही सीमित था. उत्तर प्रदेश में गैर-सरकारी संगठनों के अपने निजी परिसर हैं और अधिकांश (75%) ग्रामीण उद्यमिता विकास कार्यक्रम उनके निजी परिसरों में संचालित किए गए. बुनियादी सुविधा और श्रम शक्ति की उपलब्धता अलग-अलग एजेन्सियों में

काफी भिन्न थीं. पाठ्यक्रम की सामग्री में मुख्यतया कौशल कार्यक्रम के तकनीकी पहलू शामिल थे तथा उसमें उद्यमिता के बारे में कुछ भी नहीं था. इस अध्ययन में उद्यमिता विकास पर ज्यादा जोर देने एवं पाठ्यसामग्री में ग्रामीण उद्यमिता विकास कार्यक्रम पर अच्छी तरह से लिखी गई सफलता की कहानियाँ शामिल करने के बारे में सुझाव दिया गया है.

आंध्र प्रदेश में गैर-सरकारी संगठनों ने 8 से 12 सप्ताह की अवधि तक ग्रामीण उद्यमिता विकास कार्यक्रम संचालित किए जबकि 4 से 8 सप्ताह की अवधि हेतु इडीआई संचालित किए. उत्तर प्रदेश में 6 से 8 सप्ताह की अवधि के दौरान ग्रामीण उद्यमिता विकास कार्यक्रम संचालित किए गए. ओडिशा में कार्यकलापों की प्रकृति के आधार पर 4 से 8 सप्ताह की अवधि के दौरान ग्रामीण उद्यमिता विकास कार्यक्रम संचालित किए गए.

एजेन्सियों ने प्रशिक्षणार्थियों, बैंकों और अन्य के साथ सहयोग बनाए रखा जिससे इकाइयाँ स्थापित करने के लिए अन्य आवश्यक सेवाओं के साथ प्रशिक्षणार्थियों को ऋण/ वित्तीय सेवाएँ मिलना सुनिश्चित हो सके. इसके अलावा, कार्यान्वयनकर्ता एजेन्सियों ने प्रशिक्षणार्थियों के साथ अच्छा सहयोग करते हुए कम से कम दो वर्षों के लिए आवश्यक एवं एस्कॉर्ट सेवाएँ प्रदान की. इस संबंध में नाबार्ड, सहयोग प्रदाताओं के प्रयासों का अनुप्रवर्तन करता है. ओडिशा में “सोसायटी यू नीड” (एसवाईएन), एडवेंचर आदि जैसे सहयोग प्रदाताओं ने प्रशिक्षणार्थियों को अपनी निजी इकाइयाँ स्थापित करने के लिए सीमित दायरे में वित्तीय सेवाएँ प्रदान की. कच्चे माल एवं तैयार उत्पाद के लिए बाजार मुहैया करने के लिए सेवा प्रदाताओं ने विशेष रूप से कार्य किए. उत्तर प्रदेश में किए गए अध्ययन से यह देखा गया कि ऋण संयोजन के पश्चात् कार्यान्वयनकर्ता एजेन्सियों की ओर से अनुवर्ती कार्रवाई के संयोजन में कुछ कमी थी. प्रशिक्षणोपरांत खराब अनुवर्ती कार्रवाई के कारण ग्रामीण उद्यमिता विकास कार्यक्रमों की सफलता की दर में कमी आई है. आंध्र प्रदेश में अनुवर्ती कार्रवाई का कार्ड जारी कर प्रशिक्षणार्थियों के साथ इडीआई से संबंधित अनुवर्ती कार्रवाई सुनिश्चित की गई. परियोजना अनुप्रवर्तन कार्यक्रम तैयार किए गए किन्तु इनकी बैठकें संचालित करने में गैर-सरकारी संगठन नियमित नहीं थे. संवर्धनात्मक कार्यों से संबंधित अनुभवों का दस्तावेजीकरण करने के लिए कोई प्रयास नहीं किए गए. परियोजना अनुप्रवर्तन समिति से कार्यक्रम का उचित कार्यान्वयन तथा कार्यक्रम की प्रगति की निगरानी सुनिश्चित होती है. इसके अलावा अनुप्रवर्तन फार्मेटों के माध्यम से भी ग्रामीण उद्यमिता विकास कार्यक्रमों का अनुप्रवर्तन किया जाता है जिसमें प्रशिक्षणार्थियों की संख्या, प्रशिक्षणार्थियों की प्रोफाइल (लिंग, शिक्षा और सामाजिक स्थिति), बैंक की वित्तीय सहायता के साथ अथवा उसके बिना इकाई की स्थापना आदि शामिल रहता है.

इस अध्ययन से यह पता चला कि कुल नमूना (793) में से 66 प्रतिशत लोग 18 से 30 वर्षों की आयु वर्ग के थे, जबकि 33 प्रतिशत की आयु प्रोफाइल 31-40 वर्षों की थी. ग्रामीण उद्यमिता विकास

कार्यक्रम के कुल प्रशिक्षणार्थियों में से 39.22 प्रतिशत ने हाई स्कूल तक शिक्षा ग्रहण की थी तथा 35.43 प्रतिशत ने हायर सेकेंडरी/ डिप्लोमा/ स्नातक स्तर तक शिक्षा ग्रहण की थी और शेष 25.35 प्रतिशत ने प्राथमिक स्तर तक शिक्षा ग्रहण की थी. सामाजिक समूह के अनुसार प्रशिक्षणार्थियों के नमूने से यह पता चला कि कुल नमूने में से 32.28 प्रतिशत प्रशिक्षणार्थी अजा/अजजा वर्ग के थे, विभिन्न वर्गों में अन्य पिछड़ी जाति के 23.08 प्रतिशत तथा अल्पसंख्यक समुदाय के 7.57 प्रतिशत एवं सामान्य श्रेणी के 37.07 प्रतिशत प्रशिक्षणार्थी थे. लिंग वार, कुल प्रशिक्षणार्थियों में से महिलाओं की संख्या 58.38 प्रतिशत थी जबकि पुरुषों की संख्या 41.62 प्रतिशत थी. इसके अलावा, अध्ययन से यह पता चला कि लगभग 55.08 प्रतिशत नमूना प्रशिक्षणार्थियों के परिवार की संख्या 4 से 6 सदस्यों की थी तथा 19.42 प्रतिशत ने बताया कि उनके परिवार में सदस्यों की संख्या 3 थी. एक चौथाई से कुछ अधिक (25.50%) प्रशिक्षणार्थियों के परिवारों की सदस्य संख्या 7 और उससे अधिक थी. नमूना ग्रामीण उद्यमिता विकास कार्यक्रम के प्रशिक्षणार्थियों में से 20.51 प्रतिशत कृषक, 18.80 प्रतिशत खेतिहर मजदूर तथा 17.78 प्रतिशत कारीगर थे. कुल में से सेवा और व्यापार क्षेत्र का प्रतिनिधित्व 42.91 प्रतिशत था. ज्यादातर प्रशिक्षणार्थी (81.08%) भूमिहीन थे तथा शेष 18.92 प्रतिशत छोटे और सीमांत कृषक थे. प्राथमिक अथवा सेकेंडरी पेशेवाले नमूना प्रशिक्षणार्थी परिवारों के विकास पूर्व आय स्तर का विश्लेषण करने पर यह पता चला कि 88.03 प्रतिशत की वार्षिक आय रु.25000.00 थी जिससे यह संकेत मिलता है कि वे गरीबी रेखा के नीचे जीवन यापन कर रहे थे. अधिकांश नमूना प्रशिक्षणार्थियों ने यह बताया कि उन्हें कार्यान्वयनकर्ता एजेन्सियों द्वारा आयोजित किए गए विभिन्न जानकारी कैम्पों (35.94%) के माध्यम से ग्रामीण उद्यमिता विकास कार्यक्रम के बारे में सूचना प्राप्त हुई. प्रशिक्षणार्थियों को गैर-सरकारी संगठनों/ स्वयं सहायता समूहों (22.70%), समचार पत्र के विज्ञापन (15.89%), मित्र और संबंधियों (14.12%) तथा अन्य माध्यमों से (11.35%) सूचना प्राप्त हुई.

चयन किए गए पूरे राज्यों के संबंध में गणना की गई औसत वार्षिक वृद्धिशील आय की राशि रु.18663 है. आंध्र प्रदेश में सबसे अधिक वार्षिक वृद्धिशील आय (रु.22600) देखी गई है क्योंकि स्थापित की गई इकाइयाँ उच्चतर स्केल पर कार्य कर रही थीं. पश्चिम बंगाल में भी वार्षिक वृद्धिशील आय का स्तर आंध्र प्रदेश जैसा (रु.22592) ही था. ओडिशा में न्यूनतम वृद्धिशील आय (रु.11292) देखा गया क्योंकि प्रशिक्षणार्थियों द्वारा स्थापित इकाइयों के परिचालन का स्तर बहुत निम्न था. नमूना प्रशिक्षणार्थी की औसत मासिक आय रु.1555 परिकलित की गयी थी. अलग-अलग राज्य में यह रुपये 942 से रुपये 1884 के बीच थी. निवेश पर प्रतिलाभ की जो गणना की गई है वह 50% से अधिक है. इससे यह पता चलता है कि ग्रामीण उद्यमिता विकास कार्यक्रम के अंतर्गत निवेश की व्यवहार्यता काफी अच्छी है.

कुल प्रशिक्षणार्थियों में से 65.62 प्रतिशत को नए रोजगार मिले जबकि 34.38 प्रतिशत को नई इकाइयों में रोजगार प्राप्त हुआ. मजदूरी रोजगार की सफलता दर छत्तीसगढ़ में सबसे अधिक (शत प्रतिशत) थी

उसके पश्चात् उत्तरप्रदेश (68.12%), ओडिशा (62.75%), बिहार (62.22%) और हिमाचल प्रदेश (53.12%) का स्थान था. पश्चिम बंगाल में सफलता का दर सबसे कम (27.54%) रहा जबकि आंध्र प्रदेश में इसकी दर 37.28% थी. मजदूरी रोजगार के बिना पश्चिम बंगाल में सफलता की दर 72.46% थी, जबकि आंध्र प्रदेश में यह 62.72% थी. हिमाचल प्रदेश में सफलता की दर 50 प्रतिशत से कम थी तथा ओडिशा, उत्तर प्रदेश और बिहार में 40 प्रतिशत से भी कम थी.

किसी विशेष उद्यम में सृजित किए गए रोजगार की मात्रा उसके कार्य की प्रकृति तथा परिचालन के स्केल पर निर्भर करता है. औसतन, वार्षिक तौर पर प्रति इकाई 218 व्यक्ति दिवस का सृजन किया गया. अन्य राज्यों में स्थित इकाइयों की तुलना में आंध्र प्रदेश की इकाइयों के परिचालन का स्केल उच्चतर रहा. प्रति इकाई व्यक्ति दिवस में सृजित रोजगार बिहार में 136 से लेकर आंध्र प्रदेश में 287 के बीच अलग-अलग रहा. विभिन्न प्रकार की इकाइयों में लगे कामगारों की संख्या परिचालन के स्केल के आधार पर काफी अलग-अलग रही.

औसतन, उद्यमियों ने कुल राशि के 40% अर्थात् रु.25,221की राशि निजी/ पारिवारिक निधि से रु.22,700 (35%) फैंसिलिटेटर्स से तथा शेष रु.15,133 (24%) की राशि ऋण के रूप में बैंकों से प्राप्त किए थे. इस प्रकार कुल परिव्यय के एक चौथाई से भी कम मात्रा में बैंक ऋण उपलब्ध था. राज्य-वार, उत्तर प्रदेश में बैंक का हिस्सा सिर्फ 5% और बिहार एवं ओडिशा में 10% था. कुल पूँजी में पश्चिम बंगाल ने 40% प्राप्त किया उसके बाद आंध्र प्रदेश (38%) दूसरे स्थान पर रहा. एजेन्सीवार, बैंकों से प्राप्त निधियों की मात्रा 5% से 40% के बीच रही जबकि स्वयं सहायता समूहों का हिस्सा 25% और 60% के बीच रहा.

ग्रामीण उद्यमिता विकास कार्यक्रम से न सिर्फ पारंपरिक कला के रूप में आर्थिक संभाव्यता को फिर से सामने ला दिया गया है बल्कि इसके द्वारा कारीगरों को नया-जीवन मिल गया है. इसके अलावा, ग्रामीण उद्यमिता विकास कार्यक्रम के माध्यम से मुख्यतया ग्रामीण युवकों और महिलाओं को मदद प्रदान की गई है जिससे वे अतिरिक्त आय कमाकर परिवार की सहायता कर सकें. ग्रामीण उद्यमिता विकास कार्यक्रम का दूसरा लाभ यह है कि प्रशिक्षणार्थियों के लिए उपयुक्त कार्यकलाप के चयन हेतु काफी सुविधा है क्योंकि फैंसिलिटेटर्स उत्पाद हेतु बाजार की संभाव्यता को ध्यान में रखते हुए कार्यकलापों का चयन करते हैं. यद्यपि, कार्यकलाप के चयन तथा ग्रामीण उद्यमिता विकास कार्यक्रमों को आयोजित करना प्रारंभ में ऐसा लगता है कि यह एक आपूर्ति उन्मुख कार्यक्रम है तथा प्रशिक्षणार्थियों की प्रकृति, बाजार की संभाव्यता और लिंकेज एवं अच्छे वातावरण के साथ घर पर अथवा किसी उद्यम में कार्य करते हुए अच्छी आय कमाने के अवसर के कारण यह कार्यक्रम माँग आधारित बन गया है.

ग्रामीण उद्यमिता विकास कार्यक्रम का अतिरिक्त लाभ यह है कि इसमें कई किस्म के कार्यकलाप हैं जिन्हें प्रशिक्षण कार्यक्रम के अंतर्गत शामिल किया जा सकता है. इसे कहीं भी आयोजित किया जा

सकता है और किसी भी तरह के लक्ष्य समूह के लिए तैयार किया जा सकता है. अलग-अलग लक्ष्य समूह के लिए अलग-अलग स्थानों पर अलग-अलग तरह से ग्रामीण उद्यमिता विकास कार्यक्रम तैयार किए जा सकते हैं. यह कार्यक्रम काफी लचीला है जिससे जरूरत के अनुसार इसे तैयार किया जा सके. बिना किसी कौशल वाले व्यक्ति को भी साधारण कार्यकलापों के लिए प्रशिक्षित किया जा सकता है जैसे खाद्य अभिसंसाधन, मोमबत्ती, चाक, अगरबत्ती निर्माण अथवा ऐसे अन्य कार्यकलाप. शिक्षित एवं योग्य युवाओं को कम्प्यूटर हार्डवेयर, फैब्रीकेशन, इलेक्ट्रानिक और बिजली के सामानों की रिपेयरिंग के कार्य के लिए प्रशिक्षित किया गया.

अन्य बातों के अलावा ग्रामीण उद्यमिता विकास कार्यक्रम से कई लाभ हैं जैसे (क) पारंपारिक कला/शिल्प और उत्पादों का परिरक्षण (ख) ग्रामीण गैर-कृषि क्षेत्र तथा सेवा क्षेत्र के कार्यकलापों में नवोन्मेष और रोजगार प्रदान कर कृषि क्षेत्र पर दबाव को कम करना, (ग) स्थानीय उत्पाद का मूल्यवर्धन, (घ) वर्ष भर उत्पादक रोजगार सृजन (ङ) अजा/अजजा और अन्य पिछड़ी जाति एवं महिला लाभार्थियों को शामिल कर ग्रामीण उद्यमिता विकास कार्यक्रम के दायरे को बढ़ाना और (च) राष्ट्रीय ग्रामीण रोजगार गारंटी योजना जैसी रोजगार गारंटी योजना के व्यय में बचत कर पूरे समाज को लाभ पहुँचाना.

ग्रामीण उद्यमिता विकास कार्यक्रम के प्रशिक्षणार्थियों के खराब चुकौती निष्पादन (कुल माँग का 45%) के कारण ग्रामीण उद्यमिता विकास कार्यक्रम और बैंकों के बीच संयोजन कार्य में प्रतिकूल असर रहा. लगभग 52 प्रतिशत प्रशिक्षणार्थियों का यह मानना था कि ग्रामीण उद्यमिता विकास कार्यक्रम तैयार माल के विपणन पर फोकस नहीं करता, 56 प्रतिशत का यह मानना था कि गैर-सरकारी संगठनों बैंकों और संबंधित विभागों के बीच खराब संयोजन रहा, 46 प्रतिशत का यह मानना था कि अनुवर्ती कार्रवाई अपर्याप्त थी और 31 प्रतिशत का यह मानना था कि इकाइयाँ स्थापित करने के लिए कोई अध्यादेशात्मक अनुच्छेद (clause) नहीं था.

सभी जिलों को ध्यान में रखते हुए ग्रामीण उद्यमिता विकास कार्यक्रम की मंजूरी के मामले में कोई संतुलित अवधारणा नहीं देखी गई. कुछ जिलों में बहुत अच्छा कार्य हुआ है जबकि अन्य जिलों में ग्रामीण उद्यमिता विकास कार्यक्रम की कोई परियोजना मंजूर नहीं की गई है. ग्रामीण उद्यमिता विकास कार्यक्रम से इस तरह समान रूप से कार्यान्वित न किए जाने के कारण ग्रामीण क्षेत्रों के साथ न्याय नहीं हुआ है. इससे कई उप क्षेत्रों के विकास में असंतुलन आ सकता है.

एक ही क्षेत्र में कुछ कार्यकलाप अधिक संख्या में आरंभ कर देने से विपणन संबंधी दिक्कतें उत्पन्न हो जाती हैं जिसके कारण इकाइयाँ अव्यवहार्य हो जाती हैं. इडीआई/रूडसेटी के कार्यों से हटकर गैर-सरकारी संगठन, विभिन्न गाँवों/मंडलों/जिलों के विभिन्न स्थानों से प्रशिक्षण के लिए प्रत्याशियों के चयन के लिए पर्याप्त प्रयास नहीं करते.

अध्ययन से पता चला है कि कच्चे माल के लिए इतना पर्याप्त प्रावधान नहीं किया गया है कि प्रशिक्षणार्थी उपयुक्त अभ्यास के माध्यम से वांछित स्तर तक अपने कौशल को विकसित कर सकें. प्रत्याशियों को गुणवत्तापूर्ण प्रशिक्षण प्रदान करने के लिए योग्य और अनुभवी प्रशिक्षक नियुक्त/ संविधा आधार पर पदापित नहीं किए जाते.

चुनिंदा कृषि आधारित कार्यकलापों जैसे उच्च प्रौद्योगिकी कृषि, कृषि-उद्योग, कृषि अभिसंसाधन, एग्री-क्लिनिक, कृषि सेवा केन्द्रों, हर्बल/औषधीय वनस्पतियों के संसाधन को शामिल कर नाबार्ड ने ग्रामीण उद्यमिता विकास कार्यक्रमों के दायरे को और व्यापक बना दिया है. एजेन्सियों को चाहिए कि वे प्रशिक्षण मॉड्यूल में उद्यमिता प्रबंधन के सभी पहलूओं को शामिल करें जिससे प्रशिक्षित व्यक्ति स्वतंत्र रूप से इकाई स्थापित करने का कौशल और सामर्थ्य प्राप्त कर सकें.

नीतिगत मुद्दे

1. उद्यमिता विकास कार्यक्रम संचालित करने के लिए कार्यकलापों का चयन स्थानीय माँग/ जरूरतों एवं लोगों की अवधारणा के आधार पर नहीं किया गया था. उद्यमिता विकास कार्यक्रम संचालित करने हेतु अनुदान सहायता के लिए प्रस्ताव तैयार करने और प्रेषित करने से पहले एजेंसियों, विशेषकर गैर-सरकारी संगठनों, ने कोई उपयुक्त तथा प्रणालीबद्ध संभाव्यता सर्वेक्षण नहीं किए थे. स्थानीय संभाव्यता, संसाधनों की उपलब्धता एवं उत्पादों/ सेवाओं के विपणन अवसरों के आधार पर चयन होना चाहिए. लोगों के बीच अपेक्षित कौशल तथा उपलब्ध कौशल के बीच कोई असमानता नहीं होनी चाहिए क्योंकि इससे बेरोजगारी बढ़ सकती है. अतः, उद्यमिता विकास कार्यक्रम उपलब्ध कौशल के कुछ संभाव्यता सर्वेक्षण एवं स्थानीय अर्थव्यवस्था द्वारा अपेक्षित कौशल के द्वारा आवश्यकता आधारित होना चाहिए.
2. प्रशिक्षणार्थियों का चयन ठीक तरीके से नहीं किया गया है और प्रत्याशियों की रूचि एवं मनोवृत्ति के मुताबिक नहीं है. कुछ प्रत्याशियों ने कार्यक्रम बीच में ही छोड़ दिया क्योंकि प्रस्तावित कार्यकलाप में उनकी रूचि/ क्षमता नहीं थी जिसके चलते इकाइयाँ स्थापित करने एवं रोजगार सृजना की सफलता दर बहुत कम रही. सिर्फ रूचि वाले एवं संभाव्यतायुक्त युवाओं की पहचान एवं चयन करने के लिए सावधानी पूर्ण तरीके से तैयार की गई चयन प्रक्रिया से उद्यमिता विकास कार्यक्रम बहुत सफल हो सकता है. स्कूल छोड़ देने वाले और ग्रामीण आदिवासी युवाओं के लिए तकनीकी उद्यमिता विकास कार्यक्रम संचालित करने के लिए ईडीआई को विशेष प्रयास करने की जरूरत है.
3. आवश्यकता आधारित स्थान विशिष्ट अल्पावधि वाले पाठ्यक्रमों की कोई रूपरेखा नहीं दिखाई पड़ी जिससे प्रशिक्षणार्थियों को प्रेरणात्मक/ व्यावहारिक जानकारी दी जा सके. गैर-सरकारी संगठनों/ स्वैच्छिक एजेंसियों को चाहिए कि वे प्रत्याशियों के ज्ञान ग्रहण के स्तर और भावी आवश्यकताओं के आधार पर प्रशिक्षण मॉड्यूल तैयार करें. प्रायोगिक ज्ञानार्जन, समूह चर्चा, क्षेत्र स्तरीय अनुभव और सहभागिता की विधि का उपयोग प्रशिक्षणार्थियों के भविष्य के लिए एक आस्ति होती है.

4. कार्यक्रमों की अवधि 4 से 8 सप्ताह की थी. ऐसा महसूस किया गया कि कई कार्यकलापों विशेषकर हस्तशिल्पों जैसे पट्टचित्र, पाम लीफ और अन्य के मामले में कार्यक्रम की अवधि बहुत कम थी. ऐसे कार्यक्रमों की अवधि कम से कम तीन महीने की होनी चाहिए.
5. जो प्रशिक्षणार्थी कार्यकलापों से जुड़ गए हैं उन्हें राज्य के अंदर और राज्य के बाहर उसी तरह के अथवा उसके सदृश वाले संस्थानों, विशेषज्ञों अथवा उद्यमों में 4 से 7 दिनों के लिए परिचय सह प्रशिक्षण कार्यक्रमों में भाग लेने के लिए सुविधा प्रदान करनी चाहिए. प्रशिक्षणार्थी नई डिजाइन, कौशल में पूर्णता तथा बाजार संयोजन से संबंधित जानकारी भी प्राप्त कर सकते हैं.
6. विभिन्न एजेंसियों द्वारा प्रदान की गई एस्कॉर्ट, सहयोग/ अनुवर्ती सेवाओं में काफी विभिन्नता पाई गई. जहाँ रूडसेटी और ईडीआई द्वारा प्रदान की गई सेवाएँ बहुत प्रभावी थी वहीं गैर-सरकारी संगठनों/ स्वैच्छिक एजेंसियों के मामले में ऐसा नहीं था. इसे सुदृढ बनाया जाए.
7. ग्रामीण उद्यमिता विकास कार्यक्रम के प्रशिक्षणार्थियों के विपणन संबंधी मुद्दों का कार्य फेअर ट्रेड ऑर्गनाइजेशन जैसी पहचान की गई उपयुक्त एजेंसियों, जो समग्र रूप से कारीगरों, ग्रामीण उद्यमियों के व्यापार/ विपणन का संवर्धन करती हो और उस क्षेत्र में उन्हें विशेषज्ञता हो उनके साथ गठजोड़ कर यह कार्य गैर-सरकारी संगठन द्वारा किया जाए. ऐसी एजेंसियों के साथ गठजोड़ करने से उत्पादों के विपणन डिजाइन की कीमत से संबंधित मुद्दों का समाधान करने में इसका दूरगामी प्रभाव पड़ता है.
8. नाबार्ड प्रति वर्ष फैसिलिटेटरों की एक राज्य स्तरीय कार्यशाला की व्यवस्था करे जहाँ बाजार संयोजन बढ़ाने के अवसर पर चर्चा की जा सके. इस कार्यशाला में विभिन्न उत्पादों के नमूने प्रदर्शित किए जाएँ. सभी फैसिलिटेटरों द्वारा उत्पादों के लिए बाजार और बाजार संयोजन निर्मित करने के लिए समन्वित प्रयास किया जाए. इससे न सिर्फ ग्रामीण उद्यमिता विकास कार्यक्रम के प्रशिक्षणार्थियों को बल्कि पूरे राज्य के स्वयं सहायता समूहों और सूक्ष्म उद्यमों को लाभ होगा.
9. ग्रामीण उद्यमिता विकास कार्यक्रमों की प्रक्रिया के संस्थानीकरण के लिए अच्छे और गैर सरकारी संगठनों और अन्य संस्थागत एजेंसियों के साथ सहयोगात्मक व्यवस्था नहीं है. ऐसा पता चला है कि अनुदान सहायता के रूप में अल्पराशि प्रदान किए जाने, मंजूरी तथा संवितरण की प्रक्रिया (दो वर्षों की अवधि में सात से दस बार) की गड़बड़ियों के कारण बड़े गैर-सरकारी संगठन आगे नहीं आ रहे हैं. इस प्रकार से ग्रामीण उद्यमिता विकास कार्यक्रम के संस्थानीकरण की प्रक्रिया को मजबूत बनाने की जरूरत है. तकनीकी ग्रामीण उद्यमिता विकास कार्यक्रम संचालित कर बेहतर सफलता दर सुनिश्चित करने के लिए ईडीआई, अच्छे और प्रतिष्ठित स्वैच्छिक एजेंसियों/ गैर-सरकारी संगठनों के साथ सहयोग कर समन्वित प्रयास करने की जरूरत है. दिशानिर्देशों को संशोधित करते समय इन बिंदुओं को ध्यान में रखने की जरूरत है.

10. ग्रामीण उद्यमिता विकास कार्यक्रम लक्ष्य उन्मुख अवधारणा पर आधारित है इसमें ग्रामीण और शिक्षित बेरोजगार युवकों की उद्यमशील प्रतिभा में सुधार लाने के लिए कोई संरचित और केन्द्रीय फोकस नहीं है. इसलिए, स्थानीय ग्रामीण और शिक्षित बेरोजगार युवकों की उद्यमशीलता प्रतिभा में सुधार लाने के लिए लक्ष्य उन्मुख अवधारणा के स्थान पर संरचित, आवश्यकता आधारित कार्यनीति के साथ केन्द्रीय फोकस की नीति अपनाई जाए. इससे ग्रामीण युवाओं के बीच अवसरों की गुणवत्ता में सुधार एवं सभी जिलों में ग्रामीण गैर-कृषि क्षेत्र का संतुलित विकास होना चाहिए.

11. अपनी उद्यमवृत्ति आरंभ करने के लिए प्रशिक्षणार्थियों के लिए बमुश्किल ऋण उपलब्ध है, तथापि, सफल उद्यमशीलता के पश्चात कुछ प्रशिक्षणार्थियों को कारीगर क्रेडिट कार्ड जारी किए गए. ऐसी परिस्थिति में, शुरुआत में स्वरोजगार कार्यकलापों संबंधी उनकी उद्यमशीलता जारी रखने के लिए कुछ हद तक उनकी कार्यशील पूंजी आवश्यकताएं पूरी करने के लिए प्रशिक्षणार्थियों के लिए वृत्तिका उपयोगी रहेगी. वृत्तिका की राशि रु.300 प्रति सप्ताह होनी चाहिए.

12. प्रायः एक वर्ष अथवा उसके पश्चात् प्रशिक्षणार्थियों को अपनी उद्यमशीलता कौशल से आत्मविश्वास उठ जाता है, विशेषकर जब वे यह महसूस करते हैं कि ग्रामीण उद्यमिता विकास कार्यक्रम के दौरान उन्होंने जो डिजाइन सीखा था वह पुराना हो गया और अब बाजार में उसका कोई खरीददार नहीं है. इसलिए कार्यक्रम पूरा हो जाने के पश्चात् प्रशिक्षणार्थियों के लिए 2 से 4सप्ताह का एक पूरक प्रशिक्षण कार्यक्रम आयोजित किया जाए. इससे न सिर्फ यह फीड बैक मिलेगा कि “एक वर्ष के पश्चात् प्रशिक्षणार्थियों ने क्या सीखा” बल्कि इससे “प्रशिक्षणार्थियों को उद्यमशीलता से संबंधित कार्यकलाप अपनाने के लिए प्रेरित किया जा सकेगा” और इस प्रकार ग्रामीण उद्यमिता विकास कार्यक्रमों की सफलता दर को बढ़ाया जा सकेगा. इससे उद्यमशीलता/ स्वरोजगार संबंधी कार्यकलापों को टिकाऊ बनाने में मदद मिलेगी.

13. ईडीपी के कुशल कार्यान्वयन में कार्यान्वयनकर्ता एजेंसियों का क्षमता निर्माण एक महत्वपूर्ण आवश्यकता के रूप में उभरकर सामने आया. यह देखा गया है कि बेहतर प्रोफेशनल और तकनीकी क्षमता वाली एजेंसियाँ प्रशिक्षणार्थियों के हित के लिए पूरी तरह समर्पित नहीं हैं जबकि ज्यादा समर्पण भावना वाले संगठन ईडीपी कार्यान्वित करने के मामले में तकनीकी और प्रोफेशनल रूप से सक्षम नहीं थे. इसलिए क्षमता निर्माण उपायों के माध्यम से ज्यादा समर्पण भावना वाले संगठनों की क्षमता बढ़ाई जाए.

14. अध्ययन से पता चला कि सिर्फ 25 प्रतिशत नमूना प्रशिक्षणार्थियों को ऋण सुविधा प्रदान की गई है. प्रशिक्षणार्थी अपने उद्यम स्थापित कर सकें अथवा आर्थिक कार्यकलापों को सुगमता पूर्वक कर सकें इस बात को ध्यान में रखते हुए ग्रामीण उद्यमिता विकास कार्यक्रम के विदाई समारोह के समय ही प्रत्येक प्रशिक्षणार्थी को कम से कम रु.25000/- तक की ऋण सीमा वाला कारीगर क्रेडिट कार्ड प्रदान किया जाए.

15. बड़ी संख्या में गैर-सरकारी संगठनों के माध्यम से तदर्थ आधार पर और कभी-कभी ग्रामीण उद्यमिता विकास कार्यक्रम करने के बजाय लम्बे समय तक नाबार्ड के सहयोग से ग्रामीण उद्यमिता विकास कार्यक्रम संचालित करने के लिए प्रत्येक राज्य में कुछ संभाव्यता वाले गैर-सरकारी संगठनों/ संस्थाओं की सावधानीपूर्वक पहचान की जाए. चुनिंदा संस्थाओं को क्षमता निर्माण सहायता एवं नाबार्ड की नियमित सहायता से ग्रामीण उद्यमिता विकास कार्यक्रम संचालित करने के लिए दीर्घावधि हेतु आश्वासन प्रदान किया जाए.

16. वाणिज्य बैंकों को सुझाव प्रदान किया जाए कि वे नाबार्ड के सहयोग से रूडसेटी जैसे संस्थान स्थापित करने हेतु कदम उठाए. जिला उद्योग केन्द्र (डीआईसी), औद्योगिक प्रशिक्षण केन्द्र (आईटीआई), रूरल पोलिटेक्नीक आदि जैसी संस्थाओं को और मजबूत तथा स्थानीय आवश्यकताओं के अनुरूप बनाने की जरूरत है. संबंधित क्षेत्र की संसाधन उपलब्धता एवं उदारीकृत/ वैश्विकृत संदर्भ में उभरते अवसरों को ध्यान में रखते हुए ये संस्थान प्रशिक्षण हेतु नए कारोबार की भी पहचान करें.

17. जिला स्तर पर परियोजना के भागीदारों अर्थात् बैंकों, राज्य/ केन्द्र सरकार के अधिकारियों, विपणन एजेंटों के बीच सुनियोजित और प्रणालीबद्ध संयोजन की कमी देखी गई. जिला उद्योग केन्द्र, बैंकों जैसे सरकारी एजेंसियों द्वारा सक्रिय भूमिका निभाने तथा संभाव्यता का पता लगाने, उधारकर्ताओं की पहचान करने, अपेक्षित उद्यमिता कौशल प्रदान करने एवं ग्रामीण उद्यमिता विकास कार्यक्रम संचालित करने के लिए उपयुक्त वातावरण निर्मित करने हेतु गैर सरकारी संगठनों की सहभागिता आवश्यक है.

18. क्षेत्र स्तर पर विवाह के पश्चात् लड़कियों द्वारा कार्यकलाप छोड़ देने के ज्यादातर मामले देखने में आए. इसलिए, विवाहित महिलाओं को वरीयता दी जाए जिससे वे लंबे समय तक संबंधित कार्यकलाप करती रहें.

19. प्रोत्साहन आधारित ग्रामीण उद्यमिता विकास कार्यक्रम संचालित करने वाली एजेंसियों का यह विचार था कि इमर्जेसी लैम्प बनाने, केला फाइबर एक्ट्रैक्शन तथा यूटीलिटी आइटम बनाने, इंग्रेव पिक्चर, कम्प्यूटर-शिक्षा जैसे कई विशेष मामलों में प्रशिक्षण प्रदान करने के लिए रु.50,000/- की राशि पर्याप्त नहीं है. इसलिए यह सुझाव दिया जाता है कि प्रशिक्षण घटक के लिए प्रोत्साहन आधारित ग्रामीण उद्यमिता विकास कार्यक्रमों के अंतर्गत अनुदान सहायता की उच्चतम सीमा में समुचित वृद्धि की जाए.

20. प्रशिक्षणोपरांत चरण में प्रत्याशियों को प्रदान की जाने वाली अनुवर्ती सेवाएं अपर्याप्त हैं जिसके परिणामस्वरूप प्रत्याशियों द्वारा इकाइयाँ स्थापित करने में खराब कार्यनिष्पादन देखा गया. प्रशिक्षणोपरांत चरण में प्रत्याशियों को गहन अनुवर्ती सेवाएं प्रदान की जाएं जिससे प्रशिक्षित प्रत्याशी टिकाऊ रूप से अपने कार्यकलाप कर सकें.

21. ग्रामीण उद्यमिता विकास कार्यक्रमों के कार्यान्वयन और इसकी सफलता की कहानियों का दस्तावेजीकरण नहीं किया गया है। ग्रामीण उद्यमिता विकास कार्यक्रम पर एक अच्छा डेटाबेस (एसबीएलपी के अनुसार) तैयार किया जाए जिसमें वर्ष वार, कार्यान्वयनकर्ता एजेंसी-वार, जिला-वार, कार्यकलाप-वार, राज्य-वार मंजूरी तथा संवितरण, नव सृजित उद्यमों, सृजित मजदूरी रोजगार, संवितरित ऋण आदि का ब्यौरा हो।

Executive Summary

The International Labour Organization describes entrepreneurs as people who have the ability to see and evaluate opportunities, together with necessary resources, to take advantage of them and to initiate the appropriate action to ensure success. **The National Commission on Entrepreneurship (NCOE) views entrepreneurs as those men and women who lead firms that are based on innovation and grow at an annual rate of 15 to 20 per cent.** Some of the entrepreneurial traits are creativity and innovation, an ability to get things done, drive, a focus on creating value, willingness to take risk, strategic orientation, commitment to opportunity / resources, control of resources and management structure. **Rural entrepreneur widens the base of a farm business to (i) include all the non-agricultural uses, and (ii) make major changes in land uses or level of production other than those related solely to agriculture. Thus, a rural entrepreneur is the one, who prefers to stay in the rural area and contribute to the creation of local wealth.**

Rural Entrepreneurship Development Programme (REDP) is one such programme that aims at promoting entrepreneurship and self employment avenues in rural areas. It also provides gainful employment to surplus labour in agriculture sector as well as to landless labourers with a view to supplement their income. REDP comprises of 3 distinct phases, viz. Pre-training, training and post-training phase. NABARD provides promotional assistance to capable agencies with good track record and professional competence to successfully implement REDPs.

NABARD provides promotional assistance to select agencies to meet the recurring expenditure in potential entrepreneurial activities / market, motivational campaign, publicity, selection process, stipend or lodging and boarding, stationery, course material, salary for trainers, honorarium / Travelling Allowances (TA) and Daily Allowances (DA) to guest faculty, rent for training hall, hire charges for teaching aids, overhead cost for the agency, field visits and follow-up meetings / escort services, etc. Under institutionalization of REDP, the select institutions are also provided with need-based capacity building assistance and long term assurance of continued financial support, for conducting REDPs.

With a view to have a close monitoring of REDP trainees so as to

ensure good success rate and also to get the necessary feedback regarding each REDP, a set of simple monitoring formats have been introduced. The release of grant assistance to the implementing agencies is also linked to the submission of these returns. NABARD extended grant assistance to over 300 VAs/NGOs to conduct REDPs and identified 38 NGOs for long-term collaboration under Institutionalization programme. A total of 27,160 REDPs covering 28 states and one union territory were assisted, till 31 March 2007 enabling training of 2,06,571 rural youth with high degree of success rate. Further, NABARD maintained close association with most of the RUDSETI units for implementation of REDPs and supported conduct of Trainer's Training Programmes and NGO - Bankers Interface meet on REDP, in association with Entrepreneurship Development Institute of India (EDII), Ahmedabad.

The broad objectives of the study are to (i) review the progress of the scheme (ii) evaluate mode of organizing the REDP, (iii) out line profiles of REDP trainees (iv) to work out economics of REDP investment (v) to assess impact of scheme (vi) to identify constraints in implementation of REDP and (vii) suggest policy changes to improve the effectiveness of REDP in rural economy. Seven (7) States i.e. Andhra Pradesh, Bihar, Chattisgarh, Himachal Pradesh, Odisha, Uttar Pradesh and West Bengal were selected. Besides the data / information from 14 districts, 100 REDPs, 66 activities and 793 trainees was collected for this study which is consolidation of the state reports. The reference year of the study was 2006-07. The consolidated study is based on both primary and secondary data / information. The secondary data was collected from Regional Offices of NABARD. The Primary data was collected through structured questionnaire from REDP trainees, REDP units, EDIs/NGOs imparting training to REDP participants, Branch Managers from financing banks and officials of DIC.

An interim evaluation of the REDPs undertaken by NABARD during 1993-94 revealed that the programme motivated the trainees to consider self employment as a real option. Further, REDPs with emphasis on skill training / programmes conducted by local voluntary organizations for candidates drawn from compact areas demonstrated higher success rate. During 1996-97 the success rate of REDP by way of setting up of units was in the range of 40-65 per cent. Further, the REDPs conducted exclusively for women showed better results.

Evaluation study of select REDPs conducted by Gandhi Labour Institute, Ahmedabad, suggested the need for adoption of long term strategy in expanding REDP, institutionalization of REDPs, rationalization of selection norms, etc. Accordingly, the policy was reoriented towards rationalization of selection norms of REDP implementing institutions, conducting REDPs only through competent NGOs, emphasis on activity specific REDPs and strengthening monitoring mechanism. With a view to improving the success rate of REDPs, incentive was introduced.

The study observed that implementing agencies were generally registered under Societies' Registration Act. The main vision of the agencies is to promote self-managed, self reliant sustainable institutions of SHGs village, cluster and federation levels. The facilitating agencies were rated according to twelve different broad parameters essential for organizing REDP. The agency has to score a minimum of 60 marks and at least 40 per cent in each parameter to qualify for availing support from NABARD for organizing REDP. Rating system for implementing agencies for assessing its abilities for conducting REDPs is in vogue since April 2003. As many as 52 facilitating agency which were Voluntary Agency, NGO, Development Agency, EDI, Trust etc. had been identified. The facilitating agencies executed the programme under the aegis of financial support and guidelines of NABARD. The study revealed that all the implementing agencies conducted REDPs in select states in three phases.

The EDIs in Andhra Pradesh conducted awareness / motivation camps in villages for prospective trainees and also circulated annual calendar of programmes among bank officials for sponsoring candidates. For Farm Sector activities, EDIs in Andhra Pradesh wrote to Government Departments to sponsor candidates. Selection was done through personal interviews. Bank officials were also involved in the selection process. Special steps were taken to involve unemployed and under employed youths, and school / college dropouts.

The trainees were selected from the age group of 18 to 35 years and preference was given to literate people. However, the condition of literacy was relaxed in case of REDPs conducted for SHG members (Uttar Pradesh, Odisha, Himachal Pradesh and Andhra Pradesh). In case of Odisha, the age (18 to 35 years) and minimum education criteria (Eighth standard) were relaxed for activities like dry fish processing, candle/ chalk making and golden grass. Some of the

trainees of durries making, zari work/stitching and embroidery were below 18 years of age in Uttar Pradesh. In West Bengal 7 per cent of trainees in General REDP and beautician's course were in age group of 36 and above. The education norm was relaxed to the participants from SHGs where the activities were intended to take up in group mode. In Odisha the facilitators scouted for the trainees within the locality mostly in the vicinity or nearby villages of the training centre.

Activities for REDPs were identified keeping in view the demand for the product and services in rural and semi urban areas, its scope for expansion of market, technical and economic viability. REDPs were identified based on potential assessment and activity preference of the candidates. Criterion for selection was interest and aptitude apart from potential survey and focus was on practical orientation in technical REDP. NGOs did not undertake potential surveys for activities like soft toys, tailoring, etc. As a result crowding effect was noticeable for activities like soft toys and tailoring. In Odisha and Himachal Pradesh, the NGOs after conducting a preliminary review of the potential for the activities, its market linkages potential, availability of master craftsmen, distances from the training centre to the trainees etc., the implementing agencies selected the activities. In Uttar Pradesh, although potential survey was not carried out, the activities were selected based on personal judgement of implementing agencies about products and the market conditions. The non-traditional activities, however, could not succeed on sustainable basis because of changes in market condition. In case of Bihar, potential survey was undertaken only in two REDPs out of eight REDPs selected for the study.

The activities covered under REDPs were diverse in nature and could broadly be classified as traditional art / craft, manufacturing and services sector activities. None of the NGOs undertook farm sector REDP and the EDIs arranged for activities like organic farming, nursery rising, and repair of Lift Irrigation motors. Farm based REDPs accounted for 2.9 per cent of total REDPs conducted between 2000 and 2007. Envisaged risks in self employment venture was responsible for poor progress of farm sector REDPs.

All the agencies had their own office premises and REDPs were conducted in their premises. The agencies had their own staff. Some of the agencies hired staff. However, there was hardly any correlation between manpower availability / infrastructure and success rate of

REDPs. In Andhra Pradesh EDIs as well as NGOs had their own buildings / classrooms / workshops to implement REDPs but hostels and teaching aid like OHP were with only EDIs. The programme inculcated managerial skills and ensured confidence building among the trainees. However, NGOs did not follow systematic course and conducted only skill based REDPs. In general REDPs, focus was on class room orientation (awareness creation, motivation, leadership / Entrepreneurship training). The NGOs in Uttar Pradesh had their own premises and majority (75%) of the REDPs was under taken in their premises. The infrastructure and manpower availability varied across the agencies. The course material mainly consisted of skill / technically about the activity and did not contain anything about the entrepreneurship. The study suggested for putting more emphasis on the entrepreneurship development and the course material should include properly documented success stories on REDP.

In Andhra Pradesh the NGOs conducted REDPs having duration of 8 to 12 weeks, while EDIs for 4 to 8 weeks. In Uttar Pradesh the duration of REDP ranged from 6 to 8 weeks. In Odisha duration of the REDPs ranged from 4 to 8 weeks depending on the nature of activities.

The agencies followed up with the trainees, banks and others to ensure that the trainees got loan/ financial assistance along with others hand holding services for setting up of units. Further, the implementing agencies (IAs) provided handholding and escort services to the trainees for at least two years by closely associating with the trainees. NABARD monitors the efforts of the facilitators in this respect. In Odisha the facilitators like Society You Need (SYN), Adventure etc. have provided financial support in limited scale to the trainees for establishing their own units. Market linkage for raw materials and finished produce was essentially done by the facilitators. The study in Uttar Pradesh observed absence of follow up on the part of implementing agencies in post credit linkage. Poor post training follow up is reflected in lesser success rate of REDPs. EDIs in Andhra Pradesh ensured follow up with the trainees through issue of follow up cards. Project monitoring were formed but NGOs were not regular in conducting meetings. No attempts has been made to document experiences with reference to promotional programmes. A Project Monitoring Committee (PMC) ensure proper implementation of the programme and monitor the progress of the programme. Apart from this, the REDPs were also

monitored through monitoring formats which contained data on number of trainees, profile of trainees (gender, education & social status) establishment of units with and without bank finance etc.

The study outlined that 66 per cent of total sample (793) were in the age group of 18 to 30 years, while 33 per cent in the age profile of 31-40 years. About 39.22 per cent of the total REDP trainees had studied up to High School level 35.43 per cent pursued Higher Secondary / diploma/ graduation and remaining 25.35 per cent had studied upto primary level of education. Distribution of sample trainees according to social group revealed that SC/ST trainees constituted 32.28 per cent of total sample, OBC 23.08 per cent and minority 7.57 per cent trainees under general category accounted for 37.07 per cent in different disciplines. Gender wise, female trainees accounted for 58.38 per cent of the total while it was 41.62 per cent for male. Further, the study showed that about 55.08 per cent of the sample trainees had family size ranging from 4 to 6 members and 19.42 per cent reported a family size upto 3 members. A little more than on fourths (25.50%) had a family size of 7 and above. Among the sample REDP trainees, 20.51 per cent was cultivator, 18.80 per cent agricultural labourers and 17.78 per cent artisan. Other which include service and trade represented 42.91 per cent of total. Majority of the trainees (81.08%) belonged to land less and rest 18.92 per cent were small and marginal farmers. Analysis of predevelopment income levels of the sample trainee households having primary or secondary occupation showed that 88.03 per cent reported annual income upto Rs.25000.00 indicating that they are below the poverty line. Majority of sample trainees responded that they got the information on REDP through various awareness camps (35.94%) organized by implementing agencies. Trainees also got the information from NGOs/SHGs (22.70%), news paper advertisement (15.89%) friends and relatives (14.12%) and others (11.35%).

The average annual incremental income for the selected states as a whole worked out to Rs.18663. The highest annual incremental income was observed in Andhra Pradesh (Rs.22600) as the units set up were operating at a higher scale. The level of annual incremental income in West Bengal (Rs.22,592) was also in that neighbourhood. Minimum incremental income was observed in Odisha (Rs.11,292) due to low level of operation of the units set up by the trainees. The average income of the sample trainees worked out to Rs.1555. It varied from Rs.942 to Rs.1884 across the states. The return on

investment is worked out to more than 50 per cent. This indicates reasonably high viability of the investment under REDP.

Among the total trainees, 65.62 per cent were settled new job employment while 34.38 per cent were settled with new units. The success rate with wage employment was highest (cent percent) in Chattisgarh followed by Uttar Pradesh (68.12%), Odisha (62.75%), Bihar (62.22%) and Himachal Pradesh (53.12%). The success rate was lowest in West Bengal (27.54%), while it was 37.28 per cent in Andhar Pradesh. The success rate without wage employment in West Bengal stood at 72.46 per cent, while it was 62.72 per cent in Andhra Pradesh. The success rate was less than 50 per cent in Himachal Pradesh and less then 40 per cent in case of Odisha, UP and Bihar.

The quantum of employment generated in a particular enterprise depends on nature of work and its scale of operation. On an average, 218 person days per unit were generated annually. The scale of operations of units in Andhra Pradesh was higher as compared to units in other States. The employment generation in person days per unit ranged from 136 in Bihar to 287 in Andhra Pradesh. The number of workers employed in various type of unit varied widely depending upon the scale of operations.

On an average, entrepreneurs used own/family fund of Rs.25,221 accounting for 40 per cent of the total borrowed Rs.22,700 (35%) from facilitators and the balance amount of Rs.15,133 (24%) from banks as credit. Thus, bank credit was available to the extent of less than one fourth of total outlay. Statewise, bank's share was only 5 per cent in Uttar Pradesh and 10 per cent in Bihar and Odisha. West Bengal could avail 40 per cent of total capital followed by Andhra Pradesh (38%). Agency wise, funds available from banks ranged from 5 per cent to 40 per cent while the share of SHGs varied between 25 per cent and 60 per cent.

REDP has not only rediscovered the economic potentials in the traditional art forms but also brought life to artisans. Further, REDPs mainly facilitated the rural youth and women to support the family with a supplementary income. Another advantage of REDPs was that a choice of activity was suitable to the trainees since the facilitators select the activities taking into account the market potential for the produce. Though the choice of activity and organizing the REDPs initially sounds much a supply oriented programme, the nature of

trainee, market potential and linkage and scope for earning a good income working at home or in an enterprise with good environment, make the programme demand driven.

The added advantage of REDP is that there are large varieties of activities that can be covered under the training programme. It can be organized at any place and can be designed to suit any type/kind of target group. REDPs can be designed differently from different target group and at different locations. The programme is very flexible so that it can be framed according to the need. People with no skill can be trained for simple activities like food processing, candle, chalk, agarbatti making or such activity. Youths with education and ability were trained for computer hardware, fabrication, repairing electronics and electrical goods.

The benefits of REDP inter alia include (a) preserving traditional art / craft and the products (b) reducing pressure on farming by exploring and providing employment in rural non-farm and service sector activities (c) add value to the local produce (d) generating productive employment throughout the year, (e) extent of inclusiveness in REDP in terms of coverage of beneficiaries from SC/ST and OBC categories as well as women candidates, and (f) benefits to society in terms of saving expenditure on employment guarantee scheme like National Rural Employment Guarantee Scheme.

Poor repayment performance (45% of total demand) in case of REDP trainees adversely affected the linkage between REDP and banks. About 52 per cent of trainees perceived that REDP did not focus on marketing of finished goods, 56 per cent on poor linkage between NGO, Banks and line departments, 46 per cent on inadequate follow-up and 31 per cent on no mandatory clause of setting up of units.

There was hardly any balanced approach in sanctioning of REDP giving due weight to all the districts. In some districts it has been taken up vigorously, while in other districts no REDP has been sanctioned. Such an iniquitous implementation of REDP did not do justice to the rural sector. This would lead to lopsided growth of various sub sectors.

The crowding effect for certain activities in the same area resulted in problems of marketing and thus making the units unviable. Unlike EDIs/RUDSETIs, NGOs did not make adequate efforts for generation of applications and selection of candidates for training from different villages/ mandals / localities of the districts.

The study revealed that adequate provision has not been made for raw materials so that the trainees develop their skills up to the desired extent through sufficient practice. Qualified and experienced trainers are not being appointed / contracted to provide quality training to the candidates.

NABARD widened the scope of REDPs by including select agro-based activities such as high tech agriculture, agro-industries, agro-processing, agriclinics, agro-service centres, processing of herbal/ medicinal plant etc. The agencies should include all aspects of enterprise management in the training module so that the trained person acquires required skill and competence to set up the unit independently.

Policy Issues

1. Selection of activities for imparting REDP is not based on local demands/needs and perceptions of people. Agencies, particularly, NGOs, do not go for any proper and systematic potential survey before preparing and forwarding proposals for grant support to conduct REDP. The selection should be based on the local potentials, resources availability and marketing opportunities for the products / services. There should not be any mismatch between the skills sought and skills available among the people, which might result in growth of unemployment. Therefore, REDP should be need based through some potential survey of skills available and skills sought by the local economy.
2. Selection of trainees is not proper and not based on the interest, attitude of the candidates. This resulted in drop out of candidates who are not having interest / aptitude in the proposed activity leading to low success rate in grounding of units and employment generation. A carefully designed selection process to identify and select only interested and potential youths would make the REDP a success. Special efforts need to be made by EDIs to impart technical REDPs to school drop outs / rural tribal youths.
3. There is hardly any design of a need based location specific short duration courses that would give motivational / behavioural inputs to the trainee. NGOs/VAs must design suitable training modules based on absorption level and future requirements of the candidates. Use of experiential learning, group discussion / field level experience and participation methods are an asset to the trainee for his future

settlement.

4. The duration of the programmes ranged between 4 and 8 weeks. For many activities, especially for Handicrafts like Pattachitra, Palm leaf craft and others the duration was felt very short. The duration for such programmes may be considered for at least three months.

5. The trainees who have settled with activities may be facilitated with subsequent exposure cum training programmes for 4 to 7 days to institutes, experts or enterprise of same or similar trade within as well as outside the state. The trainees can also get exposed to new design, perfection in skill and market linkage.

6. Escort/handholding/follow up services offered by various agencies differed widely. While the escort services are quite effective in case of services offered by RUDSETIs and EDIs, the same is not the case with NGOs/VAs. This must be strengthened.

7. Marketing issues of the REDP trainees may be taken up by NGO by networking with identified suitable agencies like fair trade organizations which are exclusively promoting trade/ marketing of artisans, rural entrepreneurs and have expertise in these areas. Tie up with such agencies would go a long way in addressing the issues on marketing design prices of products.

8. NABARD may arrange every year one state level work shop of the facilitators where scope for enhancing the market linkage can be established. Samples of various produce may be displayed in the workshop. Concerted efforts to create a market and market linkage for the produce may be made by all facilitators. This will benefit not only the REDP trainees but also the SHGs and micro enterprises spread throughout the states.

9. There is hardly any collaborative arrangement with good NGOs and other institutional agencies to institutionalize the process of REDPs. It is learnt that big NGOs are not coming forward because of meager amount offered as grant assistance, loopholes in the sanction and disbursement procedures (seven to 10 times stretching over two years). Thus the 'institutionalization processes of REDP requires to be invigorated. Concerted efforts need to be put to collaborate with EDIs, good and leading VAs/NGOs to ensure better success rate by conducting technical REDPs. These points need to be looked into to modify the guidelines.

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10. The REDP is based on target oriented approach without any structure or pointed focus on improving the entrepreneurial talents of rural and educated unemployment youth. Thus, the target-oriented approach should be replaced with a structured, need-based strategy with a pointed focus on improving the entrepreneurial talent of local rural and educated unemployed youth. It should lead to equality of opportunity among rural youth thus leading to a balanced growth of RNFS in all the districts.

11. Bank credit is hardly available to the trainees to start their entrepreneurship. However, after successful entrepreneurial activities, some of the trainees were issued Artisan Credit Cards later on. In such a situation, stipend would be useful to the trainees to meet the working capital requirement to some extent to make a beginning with their entrepreneurship of self employment activities. The stipend amount should be of Rs.300 per week.

12. Often the trainees lose their confidence on the entrepreneurial skill after a year or so when they feel the designs they learnt during the REDP became out dated and unable to fetch a market. Thus, a supplement training programme for 2 to 4 weeks may be arranged for the trainees after a year of the completion of the programme. This will not only provide a feed back on "where the trainees stand after a year" but also can "encourage the trainees to take up the entrepreneurial activities" and thus settlement rate of the REDPs may be increased. This may instill sustainability to the entrepreneurs / self employment activities.

13. Capacity building of the implementing agencies emerged as the most important requirement in successful implementation of EDP. It was observed that agencies with better professional and technical capability appeared to be less committed towards trainees while highly committed organization were not technically and professionally capable to implement EDPs. Thus, the capability of highly committed organizations should be enhanced through capacity building measures.

14. The study revealed that only 25 per cent of sample trainees were credit linked. With a view to facilitate the trainees to establish their enterprises or under take economic activities, on valediction of the REDP each trainee should be provided with an Artisan Credit Card of at least Rs.25000.00 credit limit.

15. Instead of undertaking REDPs, through a large number of NGOs on ad-hoc and sporadic basis a few potentially capable NGOs/ institutions may carefully be identified in each state for long-term

association with NABARD in conducting REDPs. The select institutions may be given capacity building support and long-term assurance for conducting REDP with NABARD's continued support.

16. The Commercial Banks may be suggested to take steps to set up institutes on the lines of RUDSETI in collaboration with NABARD. There is a need to revitalize insitutions such as the District Industries Centres (DICs), Industrial Training Institutes (ITIs), Rural poly-Techniques etc. and made relevant to local needs. These institutes should also identify newer trades for training taking note of the resource endowment of the region and also the emerging opportunities in a liberlized / globalized context.

17. There is hardly any well structured and systematic coordination among the project partners viz. Bankers, state/ central government officials, marketing agents at the district level. There is a need for a pro-active role by Government agencies like the DIC, banks and involvement of NGOs in mapping of potential, identifying borrowers, imparting required entrepreneurial skills and providing enabling environment for conducting REDPs.

18. It is observed from the field that the incidence of discontinuation of the activity by the girls after their marriage is more. Hence, preference may be given to married women who would continue with the activity for a longer period.

19. The agencies conducting incentive based REDPs viewed that Rs.50000 is not sufficient to impart training in case of many specialized activities such as emergency lamp making, banana fibre extraction and making utility items, engraved pictures, computer education etc. It is suggested that the ceiling of grant assisstance under the incentive based REDPs for the training component may be suitably enhanced.

20. Follow up services provided to the candidates in the post-training phase is inadequate resulting in poor performance in setting up of the units by the candidates. Intensive follow-up services have to be provided to the candidates in the post-training phase so that the trained candidates are able to pursue the activities on a sustainable basis.

21. The implementation of REDPs and its success stories are not documented. A strong database (in the lines of SBLP) on REDP, year-wise, implementing agency-wise, district-wise, activity-wise, state-wise sanction and disbursement, candidates trained, new enterprises created, wage employment generated, credit disbursed etc. has to be taken up seriously.

Chapter I

Introduction

The International Labour Organization describes entrepreneurs as people who have the ability to see and evaluate his opportunities, together with necessary resources, to take advantage of them and to initiate the appropriate action to ensure success. More specifically, ability and willingness of individuals to (a) perceive and create new economic opportunities through innovative activity (new products, new production methods, new organizational schemes and new production combinations), (b) to introduce their ideas in the market in the face of uncertainty and obstacles, (c) and whose efforts result in viable business that contributes to national economic growth and personal livelihood. Opportunities like low level of investment requirement, use of simple technology, coverage of limited market and low gestation period etc. attract the entrepreneurs and prove to be the conducive for first generation entrepreneurs.

1.2 Entrepreneurship has been visualized as one of the **strategic development** intervention to accelerate the rural development process in India. It is often said that “necessity is the mother of invention”. In rural India every day the poor men and women devise new methods and means to ease the economic burdens of their daily lives and find ways for employment. This facilitates them to earn income and make themselves available with two square meals a day. People make innovation in such a way that leads to a sustainable income flow to their households. Therefore, innovation and entrepreneurship is the key to sustainability of any enterprise / economic activity. Institutions promoting rural upliftment see entrepreneurship as a strategic development intervention to add momentum to rural prosperity in India.

1.3 Entrepreneurship has been defined **in many ways**. A Parsian banker, Richard Cantillon, introduced the term “entrepreneur” literally meaning ‘undertaker’ in the 18th century. He pointed out entrepreneur bears the risk of buying at one price and selling at another. At the turn of 19th century, the French economist, Jean Baptiste Say argued that “entrepreneur shifts economic resources out of an area of lower to higher productivity and yields”. While Say broadened the definition to include factors of production, the Australian economist Joseph Schumpeter introduced the innovation concept into entrepreneurship.

He stated (1934) that entrepreneur is one who applies “innovation” within the context of business to satisfy unfulfilled market demands (Liebenstein, 1986)¹. An entrepreneur is an innovator who implements change within the markets by carrying out of new combination. This can take the forms like (i) introduction of new goods of standard quality, (ii) evolving a novel method of production, (iii) opening up of a new market, (iv) acquisition of a new source of material supply, and (v) carrying out of the new organization in any industry.

1.4 Peter **Ducker in his classic** “Innovation and Entrepreneurship” notes that “Entrepreneurs see change as the norm and healthy. The entrepreneur always searches for change, responds to it and exploits it as an opportunity”. Howard Stevenson a leading theorist entrepreneurship at Harvard Business School suggests that “the pursuit of opportunity without regard to resources currently controlled” lies at the heart of entrepreneurship. Managers today associate entrepreneurship with terms such as innovation, flexibility, dynamism, risk, creativity and growth-orientation, while the media associates it with starting and operating new ventures. Such an approach has gained currency on account of the successes of firms like Microsoft, Cisco, Dell, McDonald’s, HCL, Infosys etc..

1.5 The **National Commission on Entrepreneurship (NCOE)** views entrepreneurs as those men and women who lead firms that are based on innovation and grow at an annual rate of 15 to 20 percent. Also known as ‘gazelles’, they innovate based on technology service process or management principles. **NCOE has listed** three categories namely aspiring entrepreneurs, lifestyle entrepreneurs and high growth entrepreneurs. **Aspiring entrepreneurs** are those who desire and plan to create new ventures but have yet made the leap. **Life time Entrepreneur** primarily intends to earn income for their families. Independence and control of their own destiny are primary reasons for going into business. The **high growth entrepreneur** intends to grow fast and become large. According to global study on entrepreneur carried out jointly by the **London Business School, the Bastion College** and the Kauffman Foundation, Entrepreneurship has been as “any attempt at new business or new venture creation, such as self employment, a new organization, or expansion of the existing business by an individual, a team of individuals or an established business.” The study reveals that the levels of entrepreneur vary across the major countries and account for significant difference of economic growth.

1.6 One of the best ways to understand the entrepreneurship is **to examine what entrepreneurs do**. They see (i) opportunity in global change, (ii) discover or create an innovation to exploit opportunity, (iii) build and grow companies, (iv) improve quality of life, (vi) explore job creation, (vii) make it globally competitive and (viii) create economic growth and wealth for reinvestment. Entrepreneurship can be practiced in new ventures and existing ones. While the principles are the same, the practice differs. The issues facing a solo entrepreneur are different from those facing an existing business. **New ventures form** the main vehicle for innovation the world over. Most of them do not take off or fizzle after great start unable to manage growth. **Very few ventures last for 10 years** or more. Entrepreneur need to understand how to innovate and most importantly how to manage. The **building blocks of entrepreneurship** are focused on markets, quick start or operation, selection of customers, emphasis on selling rather advertising, look for quick break even, focus on cash not on profit and keep growth on check

1.7 According to consulting firm Accenture, entrepreneurial behaviour is associated with a common set of characteristics, irrespective of size or nature of the organization. Some of the **entrepreneurial traits** listed in the literature are briefly covered bellow:

1.7.1 **Creativity and innovation**:- They enable new ways of thinking and doing, identifying opportunities not noticed by others creating something out of nothing.

1.7.2 **An ability to get things done**:-Successful entrepreneur start with being creative. They differ from many others in being able to translate their ability to think creatively into actions and results. They are able to marshal and deliver.

1.7.3 **Drive**:-Quite often entrepreneurial creativity challenges the existing status quo. People do not like to change the way they presently do things. Changing the way things are done, calls for will and passion. It needed grate fortitude, continued level of high morale to mollify investors and lenders and paved the way for the successful expansion and later attainment of leadership status.

1.7.4 **A focus on creating values**: - Such behavior is characterized by an endeavor to create new value. This can be created in variety of ways for the customers—better product features, better user convenience, better results, faster output or lower price.

1.7.5 **Willingness to take risk:** - All behavior, which looks to change the existing way of doing things, entails risk. The average man who is typically risk averse labels the entrepreneur as risk taking. But entrepreneur is not necessarily risk loving. What he does is to understand risk, evaluate it and act on it. The risk perception of the entrepreneur is lesser than that of most people.

1.7.6 **Strategic orientation:** - This dimension describes factors that drive the firm's formulation strategy. The entrepreneur is driven by perception of opportunity while the administrator is driven by resources controlled by him.

1.7.7 **Commitment to opportunity:** - This dimension looks at the moment from the opportunity identification to pursuit. The entrepreneur's movement is revolutionary but of short duration while the administrator's is evolutionary and of longer duration.

1.7.8 **Commitment of resources:** - The entrepreneur spreads its resource commitment across many stages and commits minimum at each stage. This gives the entrepreneur the flexibility to move in and move out of a venture.

1.7.9 **Control or resources:** - The entrepreneur doesn't need to own resources. He is happy with the ability to use it and owns and those resources which are absolutely needed.

1.7.10 **Management structure:** - An entrepreneur wants direct contact with all the principal actors and therefore prefers a flat structure with multiple informal networks.

1.8 Several writers viewed "innovation" in the form of entrepreneurship as one not of the incremental change but quantum change in the new business start-ups and the goods and services that they provide (Bygrave, 1995)², (Bygrave and Hofer, 1991)³ and (Decker, 1985)⁴ perceived entrepreneurship as "the creation of new organization, regardless of its ability to sustain itself, let alone make a profits". The notion of an individual who starts a new business venture would be sufficient for him / her to be labeled as an entrepreneur.

1.9 Based on the **area concept to entrepreneurship**, the unique blend of resources both inside and outside of agriculture puts entrepreneurship in rural areas in a different frame. This can be achieved by (i) **widening the base** of a farm business to include all

the non agricultural uses, (ii) **making major changes** in land uses or, (iii) **level of production** other than those related solely to agriculture. Thus, **a rural entrepreneur is the one, who prefers to stay in the rural area and contribute to the creation of local wealth.** However, the economic goals of an entrepreneur and the social goals of rural development are more strongly under linked in urban areas (Pertin and Gannon, 1997)⁵. For this reason entrepreneurship in rural areas is usually **community based and strong extended family linkages and relatively large impact on rural community.**

1.10 To accelerate the process of economic development in rural areas, it is necessary to increase the **supply of entrepreneur.** Thus, it builds up the critical mass of first generation entrepreneurs, who will take risks and bear the uncertainties of new venture creation. They create something from practically nothing and create value by pulling together a unique package of resources to exploit an opportunity (Pertin, 1992). By their example they will stimulate an autonomous entrepreneurial process and dynamic entrepreneurship. This will ensure continuous rural development.

1.11 **Rural Entrepreneurship** is more likely to furnish in those rural areas where the two approaches of rural development, the bottom up and top down, complement each other (Pertin,1997)⁶. Developing entrepreneurs requires a much more complex approach to rural development. It requires not only the development of local entrepreneurial capabilities but also a coherent regional / local strategy. The top down approach gains effectiveness when it is tailored to the local environment that it intends to supports. The second prerequisite for its success is that the ownership of the initiatives remains in the hands of local community. The regional development agencies that fit both criteria can contribute much to rural development through entrepreneurship.

Entrepreneurship Development

1.12 Entrepreneurship demands an enabling environment to flourish. Appropriate institutional framework leads to promotion of entrepreneurial development. Practical mechanisms for risk taking and risk sharing in early and most uncertain stages of entrepreneurial ventures and an organizational system are conducive to growing new and existing business. The rural entrepreneur in rural areas faces the

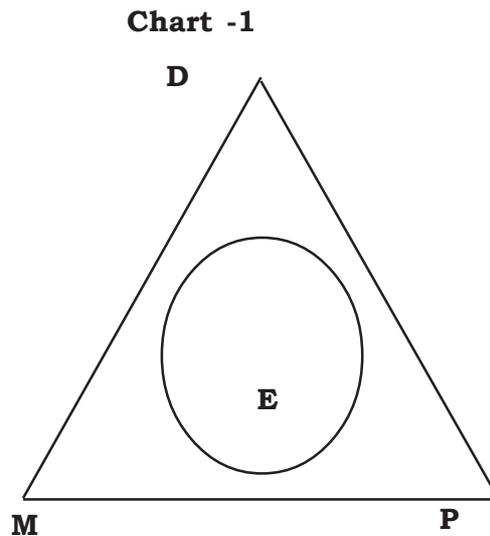
following challenges for development:

- Government policies: Licensing, taxes and tariff
- Management: In many small firms same individual is responsible for production and management
- Finance operations: The entrepreneur has to make a decision relating to each of the above functions
- Information: Hardly there is any information on prices, technology etc.
- Technology: Lack of awareness on processing technology
- Marketing: Large firms can afford transport, storage facility, advertising and product development efforts which an individual, more often cannot.
- Credit: Mostly forced to rely on personal savings, borrowing from friends, relatives and money lenders

1.13 The role of public policy is, therefore, to continually find ways to implement critical success factors for the entrepreneurial development (FAO)⁷. Studies have shown that training on rural entrepreneurship, rural innovation and artisan skills not only improved the productivity and efficiency of local farmers and artisans, but also have significant environmental and social impact by developing eco friendly appropriate solution to local problems. Rural innovations and appropriate technology are being created for viable and sustainable micro ventures.

1.14 Presently, the quantum of business and economic opportunities for economic upliftment in rural sectors are enormous. Many large corporate houses like ITC etc. have turned their attention towards village youth both as a part of their Corporate Social Responsibility (CSR). They are also marketing the product and services in the rural areas. Corporate houses have also come up with entrepreneurship institutes to inculcate entrepreneurship and innovation among the educated unemployed rural youth.

Chart 1 is a model for development of rural areas⁸.



The enterprise (E) is the centre and includes the sectors: Production (P), Marketing (M) and Development (D)

1.15 In a model created for the development of rural areas, the enterprise (E) is in the centre and includes three sectors as Production (P), Marketing (M) and Development (D). The entrepreneurship (E) is woven around Production (P), Marketing (M) and Development (D). From the production centre, products have to develop and those goods and services have to be sold. This finally rests on prices and quality. Therefore, the enterprise has to develop from marketing. The basis has to be quality development. In order to emphasize this aspect of development and to make clear that development does not automatically mean increased production (doubling and trebling of quantities), three steps of development are introduced for promotion of the enterprise. The basis for development is marketing of produced goods. Through the sale of the product, the enterprise has to stabilize financially to such an extent that a basis for future development will be build up.

1.16 Rural Entrepreneurship Development Programme (REDP) is one such programme given priority in developing economies to promote entrepreneurship as also self employment avenues in rural areas. It also provides gainful employment to surplus labour in agriculture sector as well as to landless labourers with a view to supplement their income. Problems of unemployment and underemployment are widely

prevalent in developing countries like India. The promotion of Non Farm Sector (NFS) through inculcating entrepreneurship among rural youth plays the crucial role in redressing such problems. It is viewed that even though agriculture provides maximum income to rural communities, rural development is increasingly linked to enterprise development. Since nation's economies are more and more globalised and competition is intensifying at an unprecedented pace, it is not surprising that rural entrepreneurship development is gaining its importance. It is the forces of economic change that must take place in many rural communities to survive.

Review of Literature:

1.17 The REDP is given priority to promote entrepreneurship as also self employment in rural areas particularly in the rural non farm sector. The RNFS plays a vital role in India's economic development for two reasons. Firstly, with potential for development in agriculture tapering off in the irrigated regions, the future impetus for development of the rural economy has to come from increasing agricultural productivity in the dry land areas and through the expansion of non farm sector. Secondly, generating productive and sustainable rural employment has always remained a major policy concern for India. Thirdly, rural non- farm enterprise (RNFE) should be sustainable in the long run and should produce goods of high quality so that people do not move away from the consumption in favor of alluring goods of urban manufacture. Fourthly, the enterprise should never face hindrances in terms of availability of credits for production of goods in cost effective manner. Fifthly, the traits of entrepreneurs are capable of being developed through training. Lastly, entrepreneurial capacity building programmes become another necessity for the growth and development of rural non-farm enterprises.

1.18 Further, in order to enhance the welfare of the masses in the country side, it is necessary that more productive enterprises do not merely remain in the domain of better endowed, but would be associated with the poor as well. In order to fulfill these conditions, interventionist policies by the government assume importance. It is necessary that government takes initiatives to impart skills to prospective entrepreneurs through appropriate training programmes in specific activities. Government also arranges adequate and cheap credit to meet the fixed and working capital needs of the entrepreneur.

Thus, it is essential that the benefits of training and credit be extended to encompass the poor and the disadvantaged.

1.19 The importance of non farm sector is primarily seen in terms of its contribution towards employment generation. The literature on non farm sector is scanty. Several scholars have made research in NFS in terms of growth and composition of employment both region and sub sector wise. Others have studied the nature and factors determining nonfarm employment in rural areas. Their sources of information were basically from decennial census and NSSO on employment and unemployment. A review of available literature reveals that the composition of NFS is undergoing significant changes over the years. Initially there were controversies as to the role of NFS in rural and semi urban areas. It was thought that as NFS activities are labour intensive in nature, it would give rise to enough employment in rural and semi urban areas.

1.20 Studies conducted by Papola (1986⁹,1988¹⁰) observed that NFS activities were not only labour intensive but also give rise to a shift from wage employment to self employment in rural areas. It is well recognized that agriculture development alone cannot provide a solution for alleviating poverty and unemployment (Chadha 1993¹¹). Another aspect of the growth of NFS sector is its impact on alleviation of rural poverty. The impact of poverty largely depends on nature and type of activity, skills acquired for running the unit, the technology adopted etc. Micro level studies by Epen (1996¹²) showed that some nonfarm activities like small business would help them to come out of poverty if timely credit assistance is provided.

1.21 A study by Bhattacharya and Mitra (1993¹³) suggests that manufacturing sector has not contributed significantly for employment growth despite its significant contribution to income. Its growth in employment (1.3 per cent) was less than that of even primary sector (2.0 per cent) during eighties. However, within the manufacturing sector, the organized sector grew during the eighties. So, presently it is imperative that appropriate policy initiatives are needed for sustainable growth of the rural unorganized sector.

1.22 The nature of non farm sector is also undergoing changes. Visaria and Basant (1994¹⁴) also showed that there was increasing casualisation of employment in NFS. Basant and Kumar (1994¹⁵) examined the effects of NFS in peak season operations in agriculture.

They argued that rural NFS was squeezing labour from agriculture resulting in shortage of labour during peak agricultural operations. This showcased that growth of RNFS, instead of becoming competitive, should supplement and complement the growth of agriculture.

1.23 Many other studies have identified various diversified factors influencing the growth of NFS. Mellor (1976¹⁶) showed that agricultural growth induces the growth of NFS in rural areas through consumption and input linkages. The counter argument was provided by Vaidyanathan (1986¹⁷) who considered the growth of RNFS as distress induced due to rural unemployment. Further, Unni (1994¹⁸) pointed out that ownership of land provided for an opportunity for household to release the educated young persons for NFS, while remaining old persons for agricultural sector.

1.24 Studies conducted by NABARD (Jayaraman and Badatiya et 2000¹⁹) that overall annual employment generated per person was 193.23 man days. It was higher in nonfarm (220.75) than farm (173) households. This is indicative of seasonability of employment in agriculture. Further, viability and sustainability of RNFS activities depend on the availability of forwards and backwards linkages along with enabling infrastructure. The interventions by government agencies in extension and promotional activities have significant impact on growth of RNFS (Badatiya 2002²⁰). Further, there is the need to sanction of adequate loan (both block and working capital) to deter borrowing from informal agencies at high costs by sample agencies (Badatiya 2003²¹).

1.25 A paper on “Rural Entrepreneurship Development Programme—An Impact Assessment” stated that a carefully designed selection process to identify and choose only interested and potential youth would make the REDP a success. Thus there is a need to have a proactive role by government agencies like District Industries Centre (DIC), Banks, and NGOs in mapping of potential and identifying borrowers. They will impart entrepreneurial skills and provide enabling environment for conducting REDPs²².

Chapter - II

NABARD and Rural Entrepreneurship Development Programme- An overview

National Bank for Agriculture and Rural Development (NABARD) was set up on 12 July 1982 with the mandate to achieve rural prosperity through credit and related activities. Recognizing the importance of the Rural Non-farm Sector (RNFS) in the faster economic development of rural areas, NABARD had taken a number of initiatives, both with refinance support and promotional assistance, for development of this sector. Of these, Rural Entrepreneurship Development Programme (REDP) is a major promotional initiative, which aims at developing enterprise and creating employment opportunities in rural areas.

REDP Approach

2.1 Poverty and Unemployment continue to be the twin bane of the Indian economy, more so in the rural areas. The over dependence on agriculture for employment had led to large scale unemployment, under employment and disguised employment in rural areas, resulting in heavy migration of rural poor to the urban areas. In order to check this phenomenon, there is a need to generate large number of jobs in the rural areas, especially in the decentralized Rural Non-Farm Sector (RNFS), comprising of small, tiny, cottage, village industries and rural artisans. Apart from credit and other infrastructural support, it is necessary to provide proper motivation, guidance and skill training to rural youth for taking enterprises, as most of them is first generation entrepreneurs. Rural Entrepreneurship Development Programme (REDP) is the quick and time tested route for development of entrepreneurship and consequently, establishment of rural enterprises.

Objectives

2.2 Develop entrepreneurial and activity oriented skills among the educated unemployed rural youth, by assisting Voluntary Agencies (VAs) / Non-Governmental Organizations (NGOs) / Development Agencies (DAs), with good track record, to conduct REDP. Set up small / micro-enterprises, for creation of sustainable employment and income-opportunities in rural areas, in a cost-effective manner. The agency conducting the REDP is expected to provide escort services to trainees, monitor the progress in setting up their units, at least

for 2 years and also to furnish the requisite information / feedback to NABARD.

Experimental Phase

2.3 REDPs were supported by NABARD for the last two decades, on an experimental basis, to test the following hypothesis:

- REDPs motivate the potential entrepreneurs and instill in them confidence to start new enterprises.
- REDPs provide necessary opportunity guidance so that the trainees can start appropriate enterprises for producing marketable goods and services, on a commercially viable level.
- The trained persons may be able to resolve the problems of production, management and linkages and thereby, stabilize their business faster.
- The trainees would be facilitated to avail of credit assistance from the banks and support services from the development agencies.
- The enterprises would also contribute towards enhancement of income and employment opportunities to trainees and many others, directly and indirectly.
- Creation of competent entrepreneurs, who catalyze local resources to establish and manage viable ventures in the rural areas, for financial empowerment of rural youth.

REDP has since passed the experimental stage and proved to be an effective tool in creating enterprises and job opportunities in the rural areas.

Features and Coverage

2.4 REDP comprises **3 distinct phases**, viz. Pre-training, training and post-training. **Pre-training** includes (a) detailed survey for identifying potential business activities / market, (b) publicity, awareness creation and motivational campaign (c) coordination with various agencies - especially Banks, Govt. Departments, (d) formation of Selection Committee and Project Monitoring Committee and (e) selection of trainees.

2.5 **Training** duration of the programme is normally 6-8 weeks. Usually 25-30 trainees are accommodated in a batch. **Training module** comprises of (i) Achievement Motivation Training, (ii) Opportunity Identification Guidance, (iii) Knowledge on Supporting Agencies and Schemes, (iv) Preparation of Project Reports / Profiles, (v) Management of Resources— Men, Material, Money,(vi) Marketing Aspects and (vii) Book-keeping / Accounting. In case of technical / activity based REDPs, inputs on technical aspects / skill development / appropriate technology are also given. In addition to the above, case-studies on potential activities, field visits to successful units, etc. are the part of training programme.

2.6 **Post-training** outlines (x) escort services to trainees for ensuring credit linkages for setting up units, which would be a major parameter of success rate, (y) constant follow-up / monitoring of trainees and their units for at least two years and (z) proper feed back to sponsoring agency. **Facilities required for conducting REDPs** cover (i) training venue / classrooms (own or hired), (ii) training equipment like overhead projector (OHP), slide projector, television, VCR, PCs, etc., (iii) hostel facility for trainees, (iv) trainer motivator faculty for co-coordinating programme / taking classes and (v) skilled trainer and fully equipped workshop to impart skill development programmes.

Eligible Institutions

2.7 NABARD provides promotional assistance to capable agencies with good track record and professional competence to successfully implement REDPs. The agency should satisfy the following broad criteria:

- It must be a legal entity.
- Its officials must not be office bearers of any political party / or elected members of any legislative body.
- It must have been working in rural areas, at least, for three years.
- It must have necessary professional and organizational competence to plan, execute and monitor REDPs.
- It will be highly committed to the philosophy of REDP.
- It must have exclusive trained and qualified Trainer-cum-Motivator as a regular employee.

- It must have the required minimum training infrastructure to conduct the programme effectively.
- It must have good rapport with banks, local administration / people and possess grass-root level linkage.
- It must have the potentials to be self-sustainable in conduct of REDPs.
- It must conduct REDPs in the approved manner so as to achieve good success rate.
- It must provide escort services and proper monitoring to trainees after training for 2 years.
- It must be prepared to facilitate economic diversification in rural areas.

Recent Initiatives in REDP

2.8 With a view to accelerate the process of REDP and to achieve the desired objective at a faster pace, NABARD had initiated the following steps:

2.8.1 **Corporate Goal**—NABARD has set a corporate goal of training at least one lakh unemployed rural youth over a period five years i.e. 1999-2000 to 2003-2004.

2.8.2 **Institutionalization of REDP**—In order to have a focused direction in the implementation of REDP, NABARD has forged long term collaboration with selected NGOs/REDP implementing agencies, in different states. Accordingly, 3 to 4 suitable agencies are identified from each state and a long term plan for implementation of REDP has been finalized.

2.8.3 **Technical REDPs**—With a view to ensure setting up of units as well as their trouble-free management, it has been decided to encourage technical / activity based REDPs, wherein inputs on technical skills are also imparted along with entrepreneurial inputs. Accordingly, ITIs are also identified as eligible institutions for conducting REDPs.

2.8.4 **Incentive based REDPs**—To ensure continued follow-up, monitoring and escort services to the trainees, with the aim of all

trainees establishing their own units, an incentive scheme has been evolved, whereby the REDP implementing agencies will be suitably rewarded with cash incentives, based on the number of trainees setting up their own units, preferably with bank loan.

2.8.5 Participation fees—To make sure that the trainees who join the REDP are serious candidates and shall be ensuring their total involvement in the training programme, the implementing agencies are permitted to charge a nominal fee from the trainees, in addition to the grants given by NABARD.

2.8.6 RUDSETI type of institutes—Rural Development and Self Employment Training Institute (RUDSETI) is a successful model of collaboration of an NGO and two bankers in providing training to the unemployed youth in entrepreneurship development. RUDSETI was set up in Ujjire, Karnataka in 1982 by Shri Dharmasthala Manjunatheswara Educational Trust, Syndicate Bank, Canara Bank and two Trusts promoted by Canara Bank and Syndicate Bank. The Institute has 18 units all over the country and has trained more than one lakh youth over the last two decades with a success rate of over 65 per cent. NABARD has been supporting RUDSETI type of institutions being promoted by various banks in the country.

Financial Assistance: Components

2.9 NABARD provides promotional assistance to select agencies to meet the recurring expenditure in conducting REDPs. It includes items such as conducting survey to identify potential entrepreneurial activities / market, motivational campaign, publicity, selection process, stipend or lodging and boarding, stationery, course material, salary for trainers, honorarium / travelling allowances (TA) and daily allowances (DA) to guest faculty, rent for training hall, hire charges for teaching aids, overhead cost for the agency, field visits and follow-up meetings / escort services, etc. Under institutionalization of REDP, the select institutions are also provided with need-based capacity building assistance and long-term assurance of continued financial support for conducting REDPs. Further, to ensure speedy, sanction of the grant assistance, NABARD Regional Offices have been delegated powers to sanction and release of grant assistance.

Monitoring of REDP

2.10 With a view to have a close monitoring of REDP trainees so as

to ensure good success rate and also to get the necessary feedback regarding each REDP, a set of simple monitoring formats have been introduced. The release of grant assistance to the implementing agencies is also linked to the submission of these returns.

Progress and Impact

2.11 **NABARD** extended grant assistance to over 300 VAs/NGOs to conduct REDPs and identified 38 NGOs for long - term collaboration under institutionalization programme. A total of 7,160 REDPs were assisted, till 31 March 2007, enabling training of 2, 06,571 rural youth with high degree of success rate. Further, NABARD maintained close association with most of the RUDSETI units for implementation of REDPs and supported conduct of Trainers' Training Programmes and NGO- Bankers Interface meet on REDP, in association with Entrepreneurship Development Institute of India (EDII), Ahmedabad.

Role Expectations

2.12 **REDP implementing agencies** will ensure (i) conduct of REDP qualitatively without resorting to short-cuts in any of the three phases, (ii) constitute a Project Monitoring Committee (PMC) before the commencement of the programme for proper guidance on implementation of the programme, (iii) involve local banks closely from very beginning of the programme to ensure credit linkage, (iv) facilitate escort services to the trained participants for setting up units, (v) coordinate with Govt. Departments and (vi) ensure backward and forward linkages in implementation of REDPs. Besides, the agencies will also develop (viii) project approach for linking with demand potential/ clusters / thrust areas, (ix) develop own capacity (manpower, infrastructure, institutional resource) to conduct REDPs effectively on regular basis, (x) strive to sustain entrepreneurial motivation, culture, awareness and environment, (xi) document impact, experiences and success stories for wider dissemination / demonstrative effect and submit periodical reports giving the progress and field level experiences to the sponsoring agencies.

2.12.1 **Banks** will associate with REDP implementing agencies in the selection of trainees, provide timely and adequate credit to the motivated and trained rural youth and participate actively in the Project Monitoring Committees constituted at the local level.

2.12.2 **Government and other Development Agencies** will provide due recognition and support to REDP implementing agencies to facilitate conduct of REDPs. In the process various district level key institutions viz. DIC, DRDA, KVIB, Banks, etc. shall associate closely with the programme and participate in Project Monitoring Committee (PMC). REDP strategy may be assigned due place to in the development and planning process. Government and other agencies must provide necessary linkages, especially infrastructure to the trained persons for setting up and sustaining units.

Looking Ahead

2.13 The jobless growth of mass production will have to be replaced by the job-led strategy of production by the masses. REDP has to be expanded in the years ahead for faster rural industrialization, economic diversification and employment creation. Trained and motivated youth can be ideal clientele for the banks and financial institutions for credit support. The training will also help in improving the production, productivity and competitiveness of the small/ micro-enterprises. NABARD is, therefore committed to supplement the efforts of all institutions which have a shared vision and commitment, in the development of rural entrepreneurship.

Chapter - III

Objectives and Methodology

In India more than 230 million people are engaged in agriculture sector which is saturated and has little opportunity left to employ people gainfully with limited commercialization. Further, small holdings, inadequate investment capacity, lack of innovations, low productivity, sans diversification encumber the farmer household to earn enough for their families from agriculture. Rural poor need to supplement their farm income through nonfarm activities. Development of nonfarm sector activities with product diversification and market linkage may result in increase in productivity, income generation and socio economic development of the rural poor. NABARD came forward and introduced the REDP for entrepreneurship development for rural unemployed youth. Against this background, evolution studies of REDP were conducted in seven states with a view to assess the progress of entrepreneurial development programmes and their impact on social and economic life of the rural youth. The present chapter makes an attempt to outline the objectives and methodologies.

The broad objectives of the consolidated study are given below:

1. To assess the progress REDP in selected states
2. To examine the process of organizing REDPs which include selection of agencies, role of agency in selection of activity / trainee, training duration, infrastructural support, utilization of grant, escort services etc
3. To study the Socio –economic Profile of the REDP trainees
4. To work out the Economics of REDP
5. To study the impact of REDP in terms of success / settlement rate, incremental income and employment generation
6. To study the credit linkage and its related issues
7. To identify constraints in implementation of REDP and suggest policy prescriptions

11. Methodology

3.2 The Agricultural Economists (AEs) attached to the select seven

Regional Offices (ROs) of NABARD undertook the Impact Evaluation Study on Rural Entrepreneur Development Programme of the respective states. The select 7 states include Andhra Pradesh, Bihar, Chhattisgarh, Himachal Pradesh, Odisha, Uttar Pradesh and West Bengal. The present report is the consolidation of state reports. Besides, the consolidated report supplement with data / information available through other sources. The findings of the study will facilitate fine tuning of the interventions in vogue.

(i) Selection of Districts

3.3 Based on number of REDPs conducted, number of different types of implementing agencies involved (EDI, NGOs) and success rate, etc one or two districts were selected purposively from each state for the study

3.4 In **Andhra Pradesh**, Chittoor and Srikakulam districts were selected based on the number of REDPs conducted, number of different types of implementing agencies (EDIs, NGOs/ DAS) involved, number of trainees settled. Out of 1,129 REDPs as on 31 March, 2007 the selected districts conducted highest number of REDPs (85) representing 7.53 per cent of total.

3.5 In **Bihar** as many as 247 REDPs were conducted by the end of March, 2007. Vaishali district has been selected on the basis of maximum number of REDPs (15) accounting for 6.07 per cent of total in the state.

3.6 In **Chhattisgarh** Raigarh (24) and Bilaspur (11) districts were chosen for the study as they represented highest i.e 12.18 per cent and 5.58 per cent of total (197) REDPs conducted in the state.

3.7 In **Himachal Pradesh** 4 districts Kulu, Mandi, Una and Kangra were selected. They conducted 18 REDPs constituting 40.91 per cent of total (44) REDPs were launched in all the districts of the state. Out of which Number of beneficiaries received training stood at 247.

3.8 In **Odisha** a total of 345 REDPs were completed as on 31 March, 2007 in 30 districts of the state. Two districts in coastal Odisha i.e. Khurda (34) and Puri (31), where maximum REDPs were completed, were identified for the study.

3.9 In **Uttar Pradesh** a total of 354 REDPs were conducted as on March, 2007 in 47 districts of the state. Mordabad and Mirzapur which were purposively selected, covered 15 REDPs constituting 3.24 per cent of the total.

4.10 In West **Bengal** Burdwan district has been selected on the basis of maximum conduct of 79 REDPs representing 25.32 per cent of total (312).

(ii) Selection of REDPs

3.11 The REDPs completed at least one year prior to reference year of the study (2006-07) were identified for the study. From each State, REDPs covering raw material based, skill based, service oriented activities were selected for detailed study. A total of 100 REDPs across seven states formed the sample REDPs for the study. The number of REDPs selected varied from 8 each in Bihar and Himachal Pradesh to 24 in Andhra Pradesh. The activities selected for the study across various states were 66 which implied that more than one REDP were conducted on the same activity. The number of activities varied widely among states selected for the study.

3.12 **In Andhra Pradesh** 24 REDPs from a total of 85 in two sample districts i.e. Chittoor and Srikakulam were considered for the study. They represented 28.23 per cent of total. In case of **Bihar** a sample of 8 REDPs accounting for 53.33 per cent of total (15) in Vaishali district were taken up. In **Chattisgarh**, 14 REDPs in two select districts constituting 38.99 per cent of total (36) were drawn. A sample of 8 REDPs forming 44.44 per cent of total (18) in select 4 districts was included in **Himachal Pradesh**. As per **Odisha, Uttar Pradesh and West Bengal** are concerned; samples of 15 (23.06%), 10(66.66%) and 21 (26.58%) REDPs against a total of 65, 15 and 79 respectively in select districts were taken up.

(iii) Selection of Agencies/Activities

3.13 All the agencies from the identified districts who were involved in implementation of REDPs were selected for the study. Effort was made to consider different types of activities under REDPs so that comparison could be made with respect to their performance and progress.

(vi) Selection of Trainees

3.14 Sample size varied substantially across the State in terms of number of trainees as well as type. A total of 793 trainees formed the sample for the study. In case of **Andhra Pradesh**, 112 trainees who initiated the new activity / enterprise were selected. Besides, 11 REDP trainees, who did not initiate any enterprise/activity, were also interviewed to ascertain their problems/ difficulties. In **Bihar 80** trainees were selected covering 7 activities, while **Chhattisgarh 153** trainees with 9 activities were drawn. **Himachal Pradesh** had 64 trainees having 6 activities. A sample of **80 trainees in Odisha** comprised of self employed units, wage earners as well as trainees who did not undertake any activity was selected. Besides, two or three trainees for each of the selected REDPs (neither self employed nor wage employed) were also interviewed to ascertain the reasons for not pursuing the activity. **Uttar Pradesh and West Bengal** comprised 96 and 208 trainees respectively.

(vii) Sample Size

3.15 A range of 6-8 trainees was selected from each of the sample activities. The selected seven states like Andhra Pradesh, Bihar, Chattisgarh, Himachal Pradesh, Odisha, Uttar Pradesh and West Bengal launched 2,628 REDP which counted for 37 per cent of the total programmes (7,160) supported in the country by NABARD. Out of 313 REDPs as many as 100 REDPS representing 31.30 per cent have been purposively selected. Details of districts selected, number of REDPs conducted, activities identified, and number of beneficiaries received training are given below:

Table: 3.1 Sample Design

Name of the State	No of REDPS conducted in selected state	Name of the district selected for study	No. REDPs conducted in select districts	No. of REDPs selected	Share of REDP to total in district (%)	No of activities selected	No of trainees selected
Andhra Pradesh	1,129 (15.77)	Chittoor and Srikakulam(2)	85	24	28.23	15	112
Bihar	247 (3.45)	Vaishali(1)	15	8	53.33	7	80
Chattisgarh	197 (2.75)	Bilaspur and Raigarh(2)	36	14	38.89	9	153
Himachal Pradesh	44 (0.61)	Kullu, Una, Mandi and Kangra(4)	18	8	44.44	6	64
Odisha	345(4.81)	Puri and Khurda(2)	65	15	23.07	11	80
Uttar Pradesh	354 (4.95)	Moradabad and Mirzapur(2)	15	10	66.66	8	96
West Bengal	312 (4.36)	Bardhaman (1)	79	21	26.58	10	208
Total	2,628 (36.70)	14	313	100	31.30	66	793

Note — Figures in brackets indicate percentage of REDPs conducted to each state against total REDP conducted (7,160) in India as a whole

(viii) The Reference year of the Study was 2006-07

(ix) Data Collection

3.16 The consolidated study is based on both primary and secondary data /information. The secondary data was collected from Regional Offices of NABARD (scores awarded to agencies conducting REDPs, grant amount disbursed vis-à-vis sanctioned, amount of incentive released etc), implementing agencies of REDPs from districts (activity wise performance of selected REDPs). Primary data was collected through structured questionnaire from REDP trainees. Besides collecting from agencies like EDIs, NGOs and sample REDP units, data or information was collected from 5 managers of financing bank-branches of the sample to elicit their views on REDP training and financing pattern. Discussions were also held with DIC officials regarding REDP and other linkages supports. Four sets of questionnaires were designed to collect information from (i) REDP Units, (ii) EDIs/ NGOs imparting training to REDP participants, (iii) branch Managers from financing banks and (iv) officials of DIC.

3.17 Accordingly, data was gathered from **REDP** Trainees outlining (a) socio economic profile, (b) educational qualification and (c) age of REDPs trainees, (d) effects of REDP on creation of new employment, (e) economics and financial details of new enterprises like cost of investment and recurring costs with break up and return on investments, (f) raw material supply and marketing arrangements, problems faced and suggestions and (g) impact of REDP support on income and employment. Information was also collected from EDI/ NGOs covering (i) adherence to guidelines issued by NABARD, (ii) various support services like faculty support, infrastructure facilities to trainees, course materials, escort/ hand holding services to trainees, etc. and (iii) faculty support –educational qualifications and effectiveness. Deliberations were held from **Branch Managers** of financing on (a) appraisal methodology adopted for REDP loans, (b) bank loan provided and its assessment, (c) security and margin provided, (d) documents for REDP loans, (e) support provided by banks to REDP units and (f) difficulties faced if any in financing REDP loans. Information was sought for from officials of DIC regarding (i) infrastructure created for development of RNFS, (ii) support provided, if any for REDP and (iii) views / suggestions for improvement.

3.18 Besides collecting data on these aspects, a **few candidates from ongoing REDPs** were also interviewed and information was collected on adequacy of facility available, course material on training provided etc.

(x) Data Analysis

3.19 Data collected were subjected to in-depth tabular analysis. Besides applying arithmetical / statistical tools like percentages, ratios, frequencies, averages, etc. financial ratio analysis was used for analyzing economics/ viability of new enterprises / activities. All the information / data collected pertaining to financial transactions were valued at reference year prices.

Chapter - IV

Progress of REDPs in Selected states

The present chapter elaborates the review and progress of REDPs launched by NABARD. The main objectives of REDPs are to (i) develop entrepreneurial and activity oriented skills among unemployed rural youths. The VAs/NGOs/ DAs with track record will conduct REDPs for those willing to set up small or micro units with bank credit for creation of sustainable employment and income opportunities in a cost effective manner. Thus, the programme, besides up-gradation of skills/ entrepreneurial abilities of rural youths, envisages credit support for establishment of own unit and advisory services to the upcoming entrepreneurs on managerial solutions, technical guidance, accounting practices, marketing information, motivation, institutional support mechanism.

Major Findings of REDP Study Reports

4.1 **An interim evaluation of the REDPs undertaken by NABARD during 1993-94** revealed that the programme motivated the trainees to consider self employment as a real option. The study findings, however, observed that availability of bank credit was the main constraint faced by them. Further, EDPs with emphasis on skill training/ programmes conducted by local voluntary organizations for candidates drawn from compact areas demonstrated higher success rate. Further, the REDPs conducted exclusively for women showed better results²³.

4.2 Based on the evaluation studies on REDPs and discussion with the selected voluntary agencies, **NABARD took various initiatives during 1994-95 to make REDPs more effective**. The initiatives inter alia included (i) involvement of banks right from the time of selection of trainees to the preparation of project reports, (ii) emphasis on repayment ethics, (iii) providing escort services to trained entrepreneurs by the concerned agencies, (iv) priority to women entrepreneurs, and (vi) introducing monitoring formats to be submitted by the concerned agencies. During 1996-97, the success rate of REDP by way of setting up of units was in the range of 40-65 per cent ²⁴

4.3 **Evaluation study of select REDPs conducted by Gandhi Labour Institute, Ahmadabad**, suggested the need for adoption of long term

strategy in expanding REDP, institutionalization of REDPs, rationalization of selection norms, etc. Accordingly, the policy was reoriented during the year towards rationalization of selection norms for REDP implementing institutions, conducting REDPs only through competent NGOs, emphasis on activity specific REDPs and strengthening monitoring mechanism. With a view to improving the success rate of REDPs, incentive was introduced on pilot basis in Maharashtra in collaboration with two NGOs during 1999-2000. The implementing agencies were provided financial incentive on the basis of quantum of credit made available to the entrepreneurs for setting up their own units¹. During 2000-01, the incentive scheme was extended to cover the whole country.

Corporate Strategy of NABARD

4.4 **As a corporate strategy**, NABARD decided to train one lakh potential entrepreneurs under REDPs over a period of five years from 1999-2000 to 2003-04 by institutionalization of REDPs and supporting select VAs/ NGOs and RUDSETI type of institutions. A few commercial banks (Andhra Bank, Bank of Baroda, Bank of Maharashtra, Bank of India, Canara Bank, Corporation Bank, Punjab National Bank, State Bank of India, United Bank of India and Syndicate Bank) have set up training centers either on their own or in collaboration with reputed Trusts for providing training in entrepreneurial development. NABARD has been actively involved with these institutions, sharing both training and operational expenditure.

4.5 As many as, 3,900 programmes were organized during 1999-2004 and training was provided to more than one lakh rural youths. The success rate as at end of March 2004 was 33 per cent ²⁵. REDPs have generally covered traditional activities. However, innovative training programmes such as vermi compost preparation, artificial insemination, organic farming, etc. have also been covered. Since sufficient time has elapsed on the conduct of studies on REDPs, there is a need to look in to the policy that may require some refinements.

Progress of REDPs –All India

4.6 Since introduction of REDP in 1990, NABARD supported 7,160 REDPs in 28 states and one Union Territory (UT) covering 2, 06,571 trainees as at the end of March 31, 2007 (Table 4.1). A sum of Rs 194.5 million was released up to 31March, 2007 for undertaking REDPs (Table 4.2). Across agencies, NGOs/ VAs conducted majority

of REDPs (62.5%) followed by RUDSETIs (35.1%) and EDIs (2.4%). In terms of percentage of amount releases to amount sanctioned, EDIs released higher percentage of grant (70.2%) for launching REDPs followed by NGOs/VAs (60.7%) and RUDSETIs (57.5%). Overall the per cent of amount released to amount sanctioned stood at 61 per cent.

Performance of REDPs in Selected States Vis a Vis All India

**Table 4.1: Performance of REDPs in Selected States-
Cumulative As on 31 March 2007**

(Rs in lakh)

Name of the state	Number of REDPs	Amount Sanctioned	Amount Released	No. of Persons Trained
Andhra Pradesh	1,129	5,37.52	3,73.97	29,495
Bihar	247	2,13.56	90.46	8,802
Chhattis Garh	197	1,54.52	81.43	5,690
Himachal Pradesh	44	26.55	20.95	1,222
Odisha	345	1,90.27	85.98	12,198
Uttar Pradesh	354	2,24.45	186.35	14,446
West Bengal	312	2,08.60	91.51	10,540
Total	2,628	13,67.47	9,30.65	82,393
All India	7,160	31,86.90	24,98.91	2,06,571
Share (%)	36.70	31.87	37.24	39.88

**Table 4.2 : Performance of REDPs –All India cumulative as on
31 March, 2007**

(Rs in million)

Agencies	Number of RE DPs	Amt. Sanctioned	Amt . Released	Per cent
EDII	175 (2.4)	16.06 (5.0)	11.28 (5.8)	70.24
RUDSETI	2,521 (35.1)	28.53 (9.0)	16.41 (8.4)	57.52
NGOs/ VAs	4,473 (62.5)	275.00 (86.3)	166.80 (85.8)	60.65
Total	7,160 (100)	318.69 (100.00)	194.49 (100.00)	61.03

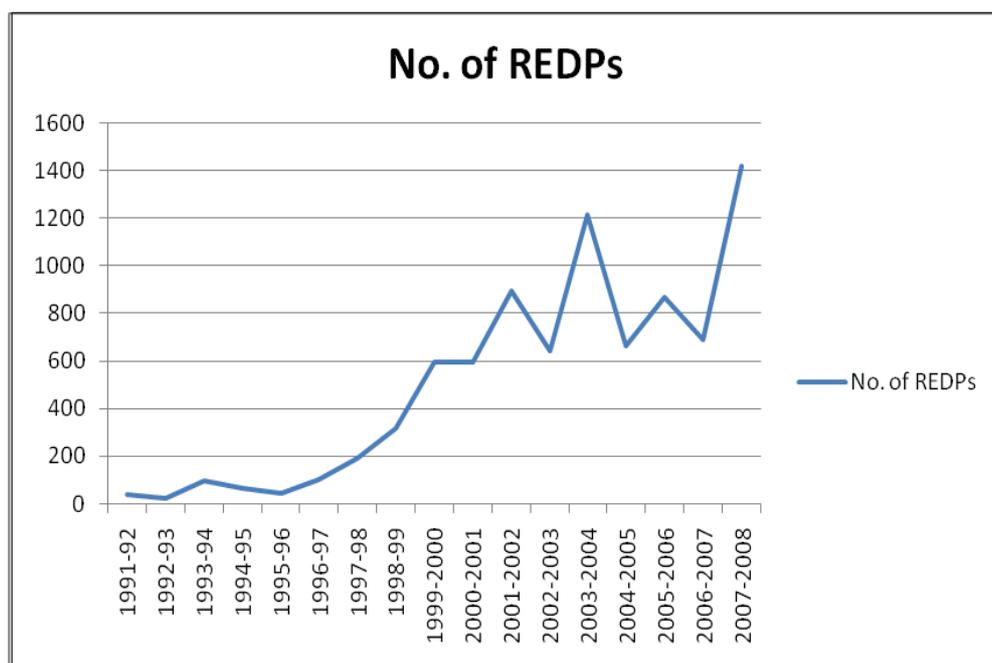
Source: Annual Report, NABARD. Note –Figures in parentheses indicate percent to total.
Source: Annual Report

4.7 On all India basis an average of 29 trainees and financial assistance of Rs 59,916 per programme have been arrived at compared to an average of 30 trainees and financial assistance of Rs 50,201 per programme for selected states. The selected states constituted 36.7 per cent of total REDPs conducted in India. They also accounted for 31.87 per cent of total amount sanctioned and 37.24 per cent of total amount disbursed (Table4.1).

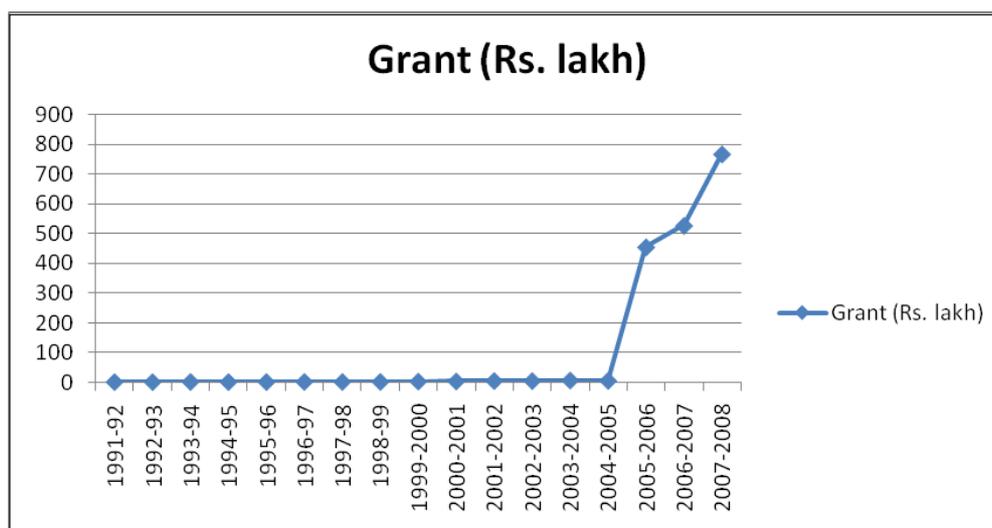
Progress of REDPs, Grant Support and Persons Trained -1990-91 to 2007-08

4.8 NABARD provides promotional grant assistance to select agencies like Voluntary Agencies (VAs)/Non Government Organizations (NGOs) / Rural Development Self Employment Training Institute (RUDSETI), etc., with good track record in conducting such programmes, to meet the expenses incurred in three distinct phases (pre training, training and post training) of the programme. Number of REDPs conducted, grant assistance provided and persons trained during 1990-91 to 2007-08 are presented in **Annexure-1**. In 1991-92 total number of REDPs conducted were 36 which increased to 1,442 (multiple of 39.5 times) in 2007-08. Year wise, conduct of REDPs were not encouraging (less than 320) up to 1998-99. It started increasing from 1999-2000 onwards. The compound annual growth rate of conduct of REDPs stood at 28.38 per cent. Grant assistance enhanced to Rs 767.61 lakh in 2007-08 from Rs 3,000 in 1991-92. In other words compound annual growth rate of grant assistance was recorded at 58.68 per cent. In 2007-08, as many as 33,148 persons were trained under REDPs in 2007-08. The Graphics showed the details.

Graphic-4.1 Number of REDPs conducted during 1990-91 to 2007-08



Graph-4.2 Grant Support during 1990-91 to 2007-08



Graph -4.3 Persons Trained during 1990-91 to 2007-08



State Wise Progress of REDPs

1. Andhra Pradesh

(a). Progresses of REDPs during 2001-02 to 2006-07

4.9 Since 1990s, as many as 1,129 REDPs have been conducted in Andhra Pradesh as on 31 March 2007. Out of which 456 REDPs were sanctioned between 2000-01 and 2006-07. These programmes were organized through 197 agencies (NGOs, VAs, and EDIs). Of the 456 REDPs, only 11.6 per cent were incentive based and the rest were non-incentive (88.4%). About 22.1 per cent of the total REDPs were technical based and rest 77.9 per cent were non-technical REDPs. During the last seven years period (2000-01 to 2006-07), while the non-incentive REDPs grew by a CAGR of 32.7 per cent, the incentive REDPs grew by a negative CAGR of (-) 5.4 per cent. However, one positive trend is that CAGR for technical REDPs stood at 50.6 per cent compared to non-technical REDPs (30.4%) as seen Table 4.3. This might be results of “institutional process of REDPs “initiated by NABARD. Details are given in table 4.3

Table 4.3 : Year Wise Progress of REDPs in Andhra Pradesh during 2000-01 to 2006-07

Year	Number of REDPs Sanctioned	Of 2		Of 2		No.of Agencies
		Incentive based	Non Incentive	Technical*	Non Technical*	
(1)	(2)	(3)	(4)	(5)	(6)	(7)
2000-01	15	-	15(100.1)	3(20.00)	12(80.0)	6
2001-02	39	-	39(100.1)	2(5.1)	37(94.9)	19
2002-03	70	15 (21.4)	55(78.6)	6(8.6)	64(91.4)	31
2003-04	82	12(14.60)	70(85.4)	15(18.3)	67(81.7)	48
2004-05	84	7(8.3)	77(91.7)	21(25.0)	63(75.0)	44
2005-06	72	7(9.7)	65(90.3)	19(26.4)	53(73.6)	31
2006-07	94	12(12.8)	82(87.2)	35(37.2)	59(62.8)	18
Total	456	53(11.6)	403(88.4)	101(22.1)	355(77.9)	197
CARG(%)	35.8	-5.4	32.7	50.6	30.4	20.1

Source : Andhra Pradesh Regional Office, NABARD, Hyderabad , Figures in parentheses indicate percentages, *REDP involving some kind of technical training, ** General REDP/ Farm Sector REDP.

(b) Agency wise Performance of REDPs as on 31 March, 2007

4.10 As many as 456 REDPs covered 11,212 trainees during the period 2000-01 to 2006-07. A sum of Rs 16.11 million was released during the same period undertaking REDPs (Table 4.4). Across the agencies, NGOs / VAs conducted majority of REDPs (67.1%) followed by EDIs (32.9%). Similarly, NGOs/ VAs were sanctioned 81.0 per cent of the total grant support as compared to 19 per cent in case of EDIs. In terms of the per cent of amount released to the amount sanctioned, NGOs were released highest percentage of grant (73.5%) for conducting REDPs as compared to EDIs (44.3%). Overall the per cent of amount released to the amount sanctioned has been reported at 67.9 per cent. RUDSETI operating in Ananthapur district of Andhra Pradesh had not been sanctioned any REDPs till the year 2006. Only during 2007-08, the RUDSETI functioning in Ananthapur and Prakashanm district has been sanctioned amount of Rs 4.579 lakh for conducting 12 REDPs. Table shows the details

Table 4.4 Agency wise performance of REDPs in Andhra Pradesh (as on 31 March 2007)
(Rs in million)

Agency-wise	Number of REDPs	Amt. Sanctioned	Amt. Released	Per cent
EDIs	150 (32.9)	4.51(19.0)	2.00(12.4)	44.3
NGOs/ Others	306(67.1)	19.20(81.0)	14.11(87.6)	73.5
Total	456(100.00)	23.71 (100.0)	16.11(100.0)	67.9

Source: Andhra Pradesh Regional Office, NABARD, Hyderabad. Note—Figure in parentheses indicates per cent to total.

(c) Year wise performance of REDPs during 2000-01 to 2006-07

4.11 An analysis of year wise progress of REDPs revealed that number of REDPs increased 15 to 94 in 2006-07 with compound annual growth rate (CAGR) of 35.8 per cent during last 7 years. While the amount sanctioned increased from Rs 9.45 lakh in 2000-01 to Rs 41.52 lakh in 2006-07, amount released went up from Rs 6.60 lakh in 2000-01 to 28.75 lakh in 2006-07 during the same period. Both amount sanctioned and amount released grew by 20 per cent respectively.

Table 4.5: Year wise performance of REDPs in Andhra Pradesh during 2000-01 to 2006-07.

(Rs in lakh)

Year	Number of REDPs	Amt. Sanctioned	Amt. Released	Per cent
2000-01	15	9.45	6.60	70.5
2001-02	39	22.35	6.58	29.4
2002-03	70	38.64	14.39	37.2
2003-04	82	41.87	31.50	75.2
2004-05	84	41.79	32.95	78.8
2005-06	72	32.00	31.00	96.9
2006-07	94	41.52	28.75	69.2
Total	456	237.10	161.06	67.9
CARG(%)	35.8	20.3	20.1	-

Source : Andhra Pradesh Regional Office, NABARD, Hyderabad

(d) Region wise Performance of REDPs during 2000 to 2007

4.12 Majority of REDPs were conducted in coastal Andhra (61%) followed by Telengana (25.4%) and Rayalseema (13.6%). Similarly in terms of the per cent of amount released to the amount sanctioned , coastal Andhra (62%) was released highest percentage of grant for conducting REDPs followed by Telengana (23.4%) and Rayalseema (14.6 %). Overall, the per cent of amount released to the amount sanctioned has been reported at 67.5 per cent. Details are depicted in table below:

Table 4.6: Region wise Performance of REDPs in Andhra Pradesh during 2000 to 2007

(Rs in lakh)

Region wise	Number of REDPs	Sanctioned	Released	Per cent
Coastal Andhra	291 (61.0)	144.72 (61.0)	99.19 (62.0)	68.5
Telengana	121 (25.4)	59.44 (25.1)	37.49 (23.4)	63.1
Rayalseema	65 (13.6)	32.59 (13.9)	23.39 (14.6)	71.0
Total	477 (100.0)	237.10 (100.0)	160.06 (100.0)	67.5

Source : Andhra Pradesh Regional Office, NABARD, Hyderabad

The reason for utilization of higher proportion of promotional funds of REDPs in coastal region of Andhra Pradesh was attributed to launching of more number of REDPs. This is because of the fact that there was a dominance of a number of training centres in terms of EDIs, and NGOs/VAs/DAs in this region.

(e) District wise Performance of REDPs

4.13 District wise analysis of REDPs during 2002-07 revealed that majority of REDP was conducted in East Godavari (13%) and Srikakulam (13%) followed by Nellore (11.5%), Ranga Reddy (9%) and Chittor (8.2%) districts. As against this, Karimnagar district had not conducted any REDPs. Similarly Vishakhapatnam, one of the most developed districts with adequate scope for RNFS, had conducted only one REDP. Districts like Adilabad (0.3%), Ananthapur (0.3%), had launched less than 1 per cent of the REDPs (477) during 2002 to 2007. The reason for such unequal distribution of REDPs across districts/ regions was because of the presence or absence of more

number of Training establishments/ training centres(RDIs,NGOs/ VAs/ DAs) across the districts.

4.14 Women trainees constituted about 65 per cent of the total candidates trained. Women trainees were high in case of skill based activities like, tailoring and garments making, zardoshi and embroidery, miscellaneous activities like, beauty parlor, etc. The skill based activities constituted the major segment (66.3%) of the total number of REDPs conducted during 2000-2007. In Andhra Pradesh, the focus was on Coastal area and lesser coverage of Telangana and Rayal Seema region.

2. Bihar

4.15 In case of Bihar, there was hardly any growth of rural nonfarm employment between 1983 and 1988. Thereafter, between 1987-88 and 1999-2002 the percentage of rural workers in RNFS declined from 19 per cent to 16 per cent. In view of the above RNFS in general and promotional programme like REDP has got lot of relevance and importance attached to the state development. Details are figured in table 4.7.

Table 4.7 Year wise Progress of REDPs in Bihar during 2003-04 to 2007-08

(Rs in thousand)

Year	Number	Amt. Sanctioned	Amt. distributed
Up to 2003-04	6	330.50	--
2004-05	26	558.50	558.50
2005-06	32	3947.79	1409.68
2006-07	40	4220.90	2067.90
2007-08	45	Nil	--
Total	149	9057.69	4036.08
Average	29.8	2264.48	1009.02

Source : Bihar Regional Office, NABARD, Patna

4.16 Since 1990 as many as 247 REDPs were conducted in Bihar as on 31 March 2007, of which 104 REDPs were sanctioned during 2000-01 to 2006-07. Though the programme was initiated in 1990 but it actually gained momentum in 2004-05. Up to March 2004 only 6

REDPs were conducted (Table 4.7). In 2004-05 number of REDPs conducted were 26 which increased to 32 and 40 in 2005-06 and 2006-07 respectively. Number of REDPs sanctioned/conducted grant assistance sanctioned/ released etc. as on 31 March, 2007 have been provided in table 4.8.

Table 4.8: Cumulative position of REDPs in Bihar as on 31 March 2007

SI No.	Particulars	Units
1	No. of REDP sanctioned	104
2	No. of REDP conducted	86
3	Grant assistance sanctioned (Rs in lakh)	100.40
4	Grants released as training component(Rs in lakh)	23.92
5	Grants released to words incentives(Rs in lakh)	17.94
6	No. of persons trained	2,510
(i)	Of which women trained	1,882(75%)
7	No. of persons set up units	920(37%)
8	Bank loan(Rs in lakh)	165.6
9	Own funds (Rs. In lakh)	15
10	No. persons wage employed	920

Source: Bihar Regional Office, NABARD, Patna

3. Chattisgarh

4.17 Since 1990s, 197 REDPs were conducted in Chattisgarh as on 31 March 2007. Out of which 130 REDPs were sanctioned between 2000-01 and 2006-07. These programmes were organized through 64 agencies (NGOs, VAs, and EDIs). Of the 130 REDPs, only 53 (40.76%) were incentive based and the rest 77 were non-incentive (59.24%). Technical REDPs constituted 66.15 per cent while non technical 33.85 per cent of the total. One positive trend is that technical REDPs started momentum from 2002-03 onwards. It stood at 6 which enhanced to 18 in 2006-07. This might be results of “institutional process of REDPs initiated” by NABARD. Details are given in table 4.9.

Table 4.9 : Year Wise Progress of REDPs in Chhattisgarh during 2000-01 to 2006-07

Year	Number of REDPs Sanctioned	Of 2		Of 2		No. of Agencies
		Incentive based	Non Incentive	Technical*	Non Technical**	
(1)	(2)	(3)	(4)	(5)	(6)	(7)
2000-01	10	0	10 (12.99)	0	10 (22.72)	3
2001-02	16	0	16 (20.78)	0	16 (36.36)	4
2002-03	20	9 (16.98)	11 (14.29)	6 (6.98)	14 (31.38)	7
2003-04	24	9 (16.98)	15 (19.48)	21 (24.42)	3 (6.82)	14
2004-05	17	18 (33.96)	8 (10.39)	17 (19.77)	0	9
2005-06	15	8 (15.1)	7 (9.09)	24 (27.90)	1 (2.72)	14
2006-07	18	12 (12.8)	10 (12.98)	18 (20.93)	0	13
Total	130	53 (100.00%)	77(100.00%).	86 (100.00)	44 (100.00)	64
Average	18.57	7.57	11.00	12.86	6.28	9.14

Source : Chhattisgarh Regional Office, NABARD, Raipur. Note—Figure in parentheses indicates percentages,

*REDP involving some kind of technical training,

** General REDP/ Farm Sector REDP.

4. Himachal Pradesh

4.18 In Himachal Pradesh REDPs were introduced in the year 1996-97. By the end of March 2007, a total of 48 REDPs were sanctioned, of which 44 REDPs were completed. These programmes could give skill and ability for self employment to 1,222 rural youths out of which 74 per cent were women. Grant assistance of Rs 26.55 lakh have been sanctioned by NABARD and from this Rs 20.96 lakh have already been disbursed for conduct of REDPs. As many as 23 facilitators were engaged for implementing the REDPs in the state. Table 4.10 shows the details.

Table 4.10: Year Wise Progress of REDPs in Himachal Pradesh during 1996-97 to 2006-07
(Rs in thousand)

Sl.No	Year	Number of REDPs		Trainees	NABARD Assistance	
		Sanctioned	Conducted		Sanctioned	Disbursed
1	1996-97	4	4	110	290.00	201.00
2	1997-98	10	10	283	664.60	594.60
3	1998-99	9	9	311	572.55	493.70
4	2000-01	5	5	155	277.50	258.50
5	2001-02	11	8	131	419.40	190.59
6	2002-03	2	2	52	123.00	99.00
7	2003-04	2	2	70	83.00	78.85
8	2004-05	4	3	80	185.00	143.60
9	2006-07	1	1	30	40.00	36.00
Total		48	44	1,222	2655.05	2095.84
Average		5.33	4.89	135.77	295.01	232.87

Source: Himachal Pradesh Regional Office, NABARD, Shimla

Note: Figures for 1999-2000 and 2005-06 were not available as such these were not included.

4.19 The progress of REDPs in Himachal Pradesh was reasonably good till 2001-02. However, it started declining. Financial contribution from NABARD also showed the same picture. Some of the REDPs could not be completed during 2001-02 and 2004-05 due to reasons like back out of facilitators and Master Crafts Men. This gap is also equally reflected in the disbursement in the grant assistance against the sanctioned amount of REDPs

5. Odisha

4.20 In Odisha REDPs was introduced in the year 1997-98. By the end of March, 2007, a total of 365 REDPs have been sanctioned out of which 345 (94.5%) have been conducted (Table 4.11). These programmes could give skill and ability for self employment to 8,328 rural youths. Out of which 96 per cent were women. Grant assistance from NABARD of Rs 176 lakh has been sanctioned of which a sum of

Rs 137 lakh (78%) has already been disbursed for conduct of REDPs in the state. As many as 183 facilitators were engaged in implementing the REDPs in the state. Year wise progress of REDPs is depicted in the table below:

Table 4.11 Year Wise Progress of REDPs in Odisha during 1998-99 to 2007-08
(Rs in thousands)

Sl.No	Year	Number of REDPs		Trainees	NABARD Assistance	
		Sanctioned	Conducted		Sanctioned	Disbursed
1	1998-99	2	2	100	2,84	1,19
2	1999-00	8	8	195	4,33	3,53
3	2000-01	5	5	115	2,74	2,34
4	2001-02	15	15	330	8,35	7,34
5	2002-03	39	38	910	23,18	20,11
6	2003-04	56	35	1,315	36,63	31,03
7	2004-05	65	62	1,464	29,33	22,60
8	2005-06	52	48	1,191	20,33	15,62
9	2006-07	54	48	1,170	21,25	14,34
10	2007-08	69	64	1,538	26,88	18,84
Total		365	345	8,322	1,75,86	1,36,91
Average		36.5	3.45	83.22	175.86	136.91

Source : Odisha Regional Office, NABARD, Bhubaneswar

4.21 REDPs in Odisha progressed in a slow space initially for four years and gained momentum only after 2002-03. Financial contribution from NABARD also kept a similar space with conduct of the programme. There was always been a shortfall of the programmes completed against the sanctioned due to back out of facilitators. This gap is also equally reflected in the disbursed and sanctioned amount of REDPs.

6. Uttar Pradesh

4.22 Since 1990s as many as 354 REDPs were sanctioned as on 31st March,2007 in Uttar Pradesh, out of which 318 REDPs were conducted with amount sanctioned of Rs 158.09 lakh (Table 4.12) and amount released of Rs. 151.28 lakh.

Table 4.12 Progress of REDPs in Uttar Pradesh as on 31 March 2007

(Rs in lakh)

No. of REDPs	Amount Sanctioned	Amount Released	Persons Covered		Units Set up		Total*
			Total	Women	Bank Loan	Own funds	
318	1,58.09	1,51.28	7,249	3,365	12,86	23,25	2,800

Source: Uttar Pradesh Regional Office, NABARD, Lucknow, *Includes trainees having taken up wage employment.

4.23 A total of 7,249 trainees were trained. Of which a total of 2,800 trainees were engaged in the activity either as self employed entrepreneur or wage earner. About 46 per cent (3,365) of the trainees covered under REDP were women. Status of various REDPs during 2002-03 to 2004-05 based on the data available from Uttar Pradesh RO is presented in table 4.13.

Table 4.13 Status of various REDPs in Uttar Pradesh during 2002-03 to 2004-05

Sl.NO	Particulars	2002-03	2003-04	2004-05	Total
1	Number of REDPs sanctioned	43	44	40	127
2	Number of REDPs implemented/ commenced during the year, including previous year's sanction, if any	43	29	44	116
3	Amount of grant assistance sanctioned during the year	20.86	20.67	19.49	61.02
4	Amount of grant assistance released during the year	14.51	15.28	20.54	50.33
5	Number of persons trained/ being trained during the year	1,048	1,085	810	2,943
6	Of which no. of women	840	444	340	1,624
7	No. of person set up their units	443	574	134	1,151
	(i) With bank loan	136	325	15	476
	(ii) Without bank loan	307	250	119	676

Source: Uttar Pradesh Regional Office, NABARD, Lucknow

7. West Bengal

4.24 312 REDPs were conducted in West Bengal as on 31 March, 2007. Out of which 79 REDPs were completed during 2001-02 to 2006-07 with sanctioned amount of Rs 45.49 lakh. Details are shown in table 4.14.

Table 4.14: Year- Wise Progress of REDPs in West Bengal during 2001-02 to 2006-07

Year	No. of REDPs completed	Amount sanctioned (Rs in lakh)	Trainees
2001-02	2	1.29	30
2002-03	3	2.03	90
2003-04	22	12.68	469
2004-05	23	13.68	625
2005-06	14	7.55	370
2006-07	15	8.26	370
Total	79	45.49	1,954

Source : West Bengal Regional Office, NABARD, Kolkata

Highest number of REDPs were sanctioned during 2004-05 (23) followed by 2003-04 (22) and 2006-07 (15). Average number of REDPs sanctioned per year stood at 13 while number of trainees per programme was 25. **Performance of REDPs in selected states during 2005-06 to 2007-08 is depicted in Annexure -2.**

Chapter - V

Process involved in Organizing REDPs

Rural Entrepreneurship Development Programme is an integral component of nonfarm development functions of NABARD conducting several such programmes across the country through the facilitators/ agencies like NGOs/ V As/ DAs/ EDIs/RUDSETIs . NABARD framed various guidelines / stipulation to be followed by these agencies. The facilitators provide the escort services to the trainees for taking up the economic activities on the strength of skills imparted during the training. These agencies take the lead in deciding the nature of the activities, selecting the trainees, arranging for the master craftsman and providing logistic support while conducting the programmes. NABARD provides necessary guidelines and support including financial grant assistance to the facilitators in undertaking the REDPs.

This chapter deals with the process involved in conduct of REDPs by the agencies .The process includes (a) selection of agencies for implementing REDPs, (b) selection of trainees, (c) adherence to terms and conditions of sanction, (d) infrastructure support, (e) post follow-up arrangements adopted by implementing agencies, (f) monitoring system in vogue, etc .

Name of the Selected Facilitators/ Agencies involved in REDPs with the Activities

State/ District	Name of the Facilitators/ Agency	Number of Activities
Andhra Pradesh (2)	EDI---(i) Andhra Bank Rural Development Trust (ABRDT), (ii)Nagavali Institute of Rural Entrepreneurship Development (NIRED) NGOs—(iii) Amudala Valasa, Youth Club of Bejjipuram, (iv) Action Rural Technology and Services (ARTS), (v) Mitra Association of Social Service (MASS), (vi) Devi Convent School of Educational Society,(vii) Chandana Mohila Mandali and (viii) Pragati Total—8 (EDIs 2 and NGOs 6)	Tailoring, Motor Rewinding, TV/ VCR Repairing, Zardosi, Cycle Repairing, Cell Phone Repairing, Computer and DTP, Plumbing, Auto Driving, Garments Making and Embroidery, Applique Works, Jute Handi Crafts,Soft Toys Making, Adda Leaf Making and Brooms Making Total 15

State/ District	Name of the Facilitators/ Agency	Number of Activities
Bihar (1)	NGOs ---(i) Ex-Servicemen's Welfare Association,(ii) Chetna Mahila Yuva Evam Bal Bikash Samity, (iii) Janjagaran Evam Punarwas Sewa Sansthan, (iv) Anjani GirajaMahila Evam Bal Bikas Samity, (v) Shivam Bihar Jan Kalyan Samity, (vi) Ram Swaroop Singh Jan Hiteshi Pustakalaya, (vii) Gangetic Youth Development Society, and (viii)Marthawara Paryavarna Vikash Total 8	Food Processing, Leather Products, oil Extraction from Medicinal and Aromatic Plants, Mush room Cultivation, Battery Making, Jute Articles, Candle Making, Banana Fiber Handicrafts, Tailoring Total-10
Chattis- garh(2)	NGOs—(i) CCED, (ii) CITCON, (iii) GSA, (iv) GUSS, (v) Mahila M, (vi) Janamitram, (vii) AES, Total 7	Food Processing, Electrical, Automobile, General REDP, Tailoring, Furniture, Computer, etc Total--8
Himachal Pradesh (4)	(i) SAVE, (ii) Ankur Welfare Association,(iii) CDPO, (iv)Mandi Sakshrata Evum Janvikas Samity , and (v) SWERA, Total-5	General REDP, Eco Tourism, Durrie Making, Soft Toys, School Dress, Bags, Cutting and Stitching Total 8
Odisha (2)	(i)Society you Need--SYN, (ii) Orissa rural and Urban Producers Association—ORUPA, (iii) Ma Durga Mahila Vikas Samity—MDMVS, (iv) Development Action And Social Services- --DASS, (v) Adventure, (vi) Life Line Odisha,(vii) Centre for Organizational Research and Development—CORD, (viii) Sri Nrusingha Dev Anchalik Yuva Parishad—SANDYP, (ix) Darbar Shaitya Sansad---DSS Total NGOs 9	Pattachitra, Toy Painting, Palm Leaf, Patch work, Dry Fish, Chalk and Agarbati,Stone Carving, Golden Grass, Milk Processing, Paper Craft,Terra Cotta, Total 11

State/ District	Name of the Facilitators/ Agency	Number of Activities
Uttar Pradesh (2)	Nav Bharat Samaj Kalyan Samity, Harpal Gram Udyog Bikas Kendra, Prathama Bank, Kumar Khadi Gramodyog Vikas Sanasthan, Ma Vindyavasini Shiksha Niketan, Adarsha Vidya Mandir, Mahila Prabodini Foundation, Vandana Mahila Vikas Evam Balwadi Kendra Total--8	Wire Basket, Food Processing, Durrie Making, Silver Foil, Zari Work, Stitching and Embroidery, Jute Bag (Fancy), Low cost Readymade Garments, Screen Printing, MCR Tiles, Total 10
West Bengal (1)	(I)Draper India Pragmatic Society--DIPS,(ii) Swami Vivekananda Vain Prichard Sanity—SVVPS, (iii) Gus Kara Uttar an Yuma Gothic—GUYG, (iii) Kalona Chamber of Commerce and Small Industry—KCCSI, (iv) South Asian Foundation of Human Initiatives—SAFHI, (v) I create Foundation, (vi) Entrepreneurship Development Institute—EDI, (vii) West Bengal Consultancy Organization Limited--WEBCON , Total--7 Grand Total 52	Embroidery and Kantha Stitch, Beautician and Health Care, Garment Making, Electronic Application, Pump Set and Tube Well Repairing, Auto mobile Repairing, Bakery, Cattle, Sheep, Goat, Management , Jam, Jelly, Sauce, Squash, Two Wheeler Repairing etc Total 21

Source –Field data, Note- Figures in brackets indicate number of districts

Procedure of Selection of Agencies-Rating System

5.2 The study observed that implementing agencies were generally registered under Societies' Registration Act and one was under RRB Act. The main vision of the agencies is to promote self-managed, self-reliant sustainable institutions of SHGs village, cluster and federation levels. Their basic objective is to empower SHGs through development. The facilitating agencies were rated according to twelve different broad parameters essential for organizing REDP. The agency has to score a minimum of 60 marks and at least 40 per cent in each parameter to qualify for availing support from NABARD for organizing REDP. The DDM of the concerned district also makes scrutiny of the

potential of the facilitating agencies for successfully organizing the REDP.

5.3 Rating system for implementing agencies for assessing its abilities for conducting REDPs is in vogue since April 2003 and is based on the parameters like (a) number of years for which organization is working, (b) types of activities undertaken, (c) maintenance of accounts, (d) financial soundness, (e) basic infrastructure and (f) manpower, etc. Besides, weightage was given to implementing agencies having their own training infrastructure, experience in organizing similar programmes, rapport with bankers and other agencies, including association with NABARD in the past. Field studies revealed that there were over estimation for parameters. Capability of agencies, financial soundness, man power, project implementation and infrastructure are required to be bi-furcated into sub parameters in order to reduce subjectivity from rating system. This makes the system more comprehensive. More weightage needs to be given to activities in which the agencies are involved and their relevance for which REDP was sanctioned.

Identification of Agencies

5.4 As many as 52 facilitating agency which were Voluntary Agency, NGO, Development Agency, EDI, Trust, etc had been identified. They had good track record and were professionally competent to implement skill imparting training activities. RUDSETIs and Banks were also associated with the conduct of REDPs which are generally dependent on the interest and organizational skill of the facilitating agencies. The facilitating agencies organized the programme and provided the escort services to the trainees after the programme. The facilitating agencies executed the programme under the aegis of financial support and guidelines of NABARD. Therefore, the success of the programme was based primarily on the effort of the facilitating agencies.

Adoption of NABARD's Norms while Sanctioning REDPs

5.5 EDIs and NGOs adopted all NABARD's norms while sanctioning REDPs. All the agencies had submitted their copy of registration certificate, articles of association/ bye laws, list of office bearers, statement of audited accounts, balance sheet, annual report etc. along with the proposal for sanction of REDP

Three Distinct Phases of REDPs

5.6 As per NABARD guidelines, REDP comprised three distinct phases, viz. Pre-training; Training and Post Training. Details of phases are:

Phase I	Identification of activity and venue, Identification of Master Craftsman, Selection of Candidates, Coordinating with Banks, Formation of Selection Committee and Formation of Project Monitoring Committee
Phase II	Duration is of 6-8 weeks, Skill up gradation, Exposure visits, Knowledge of supporting agencies and schemes, Preparation of project and maintenance of records and Management of resources
Phase III	Follow up phase is for a period of minimum 2 years, Credit linkage, and Giving extension support to trainees for setting up of units

The study revealed that all the implementing agencies conducted REDPs in select states in three phases. In the first phase the concerned NGOs / DAs in all the select-states identified activity on the basis of available information like Potential Linked Credit Plan (PLP), District Credit \ Block Plan. Once this identification part is over, the implementing agencies select the venue and the master crafts man who will impart training to the candidates.

Role of Facilitators/ Implementing Agencies in Selection of Trainees and Activity

a. Selection of Trainee

5.7 The EDIs in Andhra Pradesh conducted awareness / motivation camps in villages for prospective trainees and also circulated annual calendar of programmes among bank officials for sponsoring candidates. For Farm Sector activities, EDIs in Andhra Pradesh wrote to Government Departments to sponsor candidates. As per terms and conditions of sanctions, trainees were to be selected by a committee comprising DDM, Bank Officials, KVIC/DIC officials, representative of implementing agencies. The DIC representative did not participate in the process, except in Uttar Pradesh. Selection was done through personal interviews. Bank officials were also involved in the selection process. Special steps were taken to involve unemployed and under employed youths, and school/college dropouts. NGOs chose members of SHGs which were promoted by them (Andhra Pradesh).

5.8 As per the terms and conditions, the trainees were to be selected from the age group of 18 to 35 years of age and preference was to be given to literate people. However, from the profile of trainees it was observed that the condition of literacy was relaxed in case of REDPs conducted for SHG members (Uttar Pradesh, Odisha, Himachal Pradesh and Andhra Pradesh). In case of Odisha, the age (18 to 35 years) and minimum education criteria (Eighth standard) were relaxed for activities like dry fish processing, candle and chalk making and golden grass. Fourteen of the sample respondents did not have education up to Eighth standard and some of the trainees hailed from SHGs or intended to take up the activity in group mode. Some of the trainees of durries making, zari work/stitching and embroidery were below 18 years of age in Uttar Pradesh. In West Bengal 7 per cent of trainees in General REDP and beautician's course were in age group of 36 and above. Preference was given to literate people but majority of trainees (76%) were illiterate in case of wire based making / durries making /wearing in Uttar Pradesh. Such illiteracy had caused an obstacle in setting up of own units and managing production as well as marketing aspects themselves. The education norm was relaxed to the participants from SHGs where the activities were intended to take up in group mode.

5.9 In Odisha, the facilitators scouted for the trainees within the locality mostly in the vicinity or nearby villages of the training centre. In case of 8 REDPs, the programmes were conducted in a village from where the most of trainees were selected and in seven other REDPs the training was organized at the training center run by master crafts men of the respective trade.

b. Selection of Activity

5.10 Activities for REDPs were to be identified keeping in view the demand for the product and services in rural and semi urban areas, its scope for expansion of market, technical and economic viability. This was to be done by conducting detailed potential survey. NGOs in Andhra Pradesh took up skill oriented REDPs and EDIs resorted to technical REDPs for educated unemployed rural youths. REDPs were identified based on potential assessment and activity preference of the candidates. Criterion for selection was interest and aptitude apart from potential survey and focus was on practical orientation in technical REDP. NGOs did not undertake potential surveys for activities like soft toys, tailoring, etc. As a result crowding effect was

noticeable for activities like soft toys & tailoring. Pre training phase comprising potential surveys, creation of awareness, conducting skill test, sensitization of banks/Government Department was more vigorous in EDIs.

5.11 In Odisha and Himachal Pradesh, the NGOs after conducting a preliminary review of the potential for the activities, its market linkages potential, availability of master craftsmen, distances from the training centre to the trainees etc., the implementing agencies selected the activities. In certain cases where the trainees belonged to SHGs, the facilitators selected the need-based activities after discussion with the members of the group.

5.12 In Uttar Pradesh, although potential survey was not carried out, the activities were selected based on personal judgment of implementing agencies about products and the market conditions. Traditional as well as non-traditional activities like MCR tiles and silver foil making were selected for REDPs. The non-traditional activities, however, could not succeed on sustainable basis because of changes in market condition. Traditional activities like Durrie making and garments making were popular and had market for these product. However, traditional activities like wire basket making did not pickup due to huge capital investment requirement and demand for the products limiting to big cities and for exports.

5.13 In case of Bihar, potential survey was undertaken only in two REDPs out of eight REDPs selected for the study and no new activities were selected by the implementing agencies. Mobile repairing, videography, fluorescent bulb repairing did not find favour with the trainees.

Coverage of Activities—Diverse in Nature

5.14 The activities covered under REDPs were diverse in nature and could broadly be classified as traditional art /craft and manufacturing, service sector activities especially the photography and beauty parlours which are of emerging nature in rural areas. Sun rise sector activities included hospitality, health care, construction, etc. REDP on medicinal and aromatic plants and organic farming in Bihar reflected prospective and potential areas in agriculture.

5.15 None of the NGOs undertook farm sector REDP and the EDIs arranged for activities like organic farming, nursery raising, and repair

of Lift Irrigation motors. Farm based REDPs accounted for 2.9 per cent of total REDPs conducted between 2000 and 2007. Envisaged risks in self employment venture was responsible for poor progress of farm sector REDPs. Farmers were not prepared to leave aside their work place for long duration and attend to REDPs. Activities covered under REDPs in selected states are depicted in table 5.1.

Table 5.1: Activities Covered Under REDPs in Selected States

State	Activities under REDP
Andhra Pradesh	<p>1.Traditional Crafts—Bamboo crafts, Kalamkari painting and printing, jute handicrafts, Kondapali toys, Palm leafcrafts, Anjaraworks, ,Engraved pictures, Bana fibre extraction and hand -made items, Brass making, Sisal fibre articles making, Appliqué works , Imitation jewelry, Mementos, and shield making, Docra casting,</p> <p>2.Automobiles:--Two/three wheeler repairing, repairing and servicing of tractors, Auto/Tractor driving,</p> <p>3.Computers:--Computer education, Computer screen printing, DTP, Computer hard ware maintenance and servicing</p> <p>4.Electronics and electrical:----- Electrical and electronics repairing, motor rewind, Pumpset repairing, Television repairing, Cell phone repairing, Emergency lamp making, Reconditioning and assembling of lead acid batteries, Domestic Appliances repairing, AC and refrigerator servicing</p> <p>5.Farm based:- Nursery raising and bee keeping,</p> <p>6. Food processing:- Bakery, Food processing, Turmeric powder/ chilli powder making, Mango jelly, Fruit processing</p> <p>7. Hospitality:-Home nursing, Health care assistance, Hotel cum catering services, Rural tourism and hospitality</p> <p>8.Leather and Rexine based-Manufacturing of leather, Utility items, Rexine bag making, Chappals and shoe making, Synthetic leather bag making, Manufacturing of leather utility items</p> <p>9.Tailoring/ Garments making:- Tailoring and readymade garments, Fashion designing, Dress designing, Gents tailoring</p> <p>10.Zardoshi and Embroidery:- Machine/ hand embroidery , Zardoshi and Kashmiri works, Maggam and hand embroidery, Hand embroidery and fabric printing, Diwan cot and Decorative cloth materials, Embroidery, Patch work and Garment designing, Embroidery and Bathic printing</p> <p>11.Masonry :- Fabrication, Masonry and plumbing</p>

State	Activities under REDP
	12.Miscellaneous Activities:- Agarbati, Candle, Washing powder making, Cane furniture making, Cycle seat cover making , Design and development of caps, Sanitary nap kins making, Adda leaf plate making, Soft toys making, Broom sticks making, Beautician course and Book binding, Spiral bindings, Digital photography/ Video graphy and Lamination, Tailoring, Embroidery, Repair of appliances, Farm maintenance and servicing, Computers/traditional crafts, etc.
Bihar	Food Processing, Leather products, Jute articles, Oil extraction, Processing of medicinal and aromatic plants, Bee-keeping, Small scale industries, Lac bangles, Bamboo/Cane products, Tailoring, Embroidery, Appliqué works, Carpet making, Vermi-compost
Chhattisgarh	Food processing, Tailoring, Soft toys, Crafts, Bamboo crafts, Leaf plate making, Sisal fibre craft, Repair of domestic appliances, Fabrication, Computer education, Repair of vehicles, Low cost housing material, Soap making, Pottery, Wearing
H.Prades	Eco-tourism, Dari making, Soft toys, School dress/bags, Cutting & stitching (tailoring)
Odisha	Pattachitra, Painted wooden toys, Palm leaf engraving, Appliqué/ Patch works, Golden grass, Stone carving, Terracotta, Milk processing, Chalk and Agarbati making,
Uttar Pradesh	Wire basket and food processing, Durries making, Silver foil making, Bandage clothes, Stitching, Embroidery, Jute bag (fancy), Low cost garments, MCR tiles ,Screen printing and Bag making, etc
West Bengal	Embroidery, Kantha Stitch, Beautician and Health Care, Repair of Domestic Appliances, Pump Set Repair, Cattle , Goat, Sheep management, Food Processing, Bakery, Jam , Jelly, Repairing of two wheelers, etc.

Source: Field data

Infrastructure Support of the Selected Agencies

5.16 All the agencies had their own office premises and REDPs were conducted in their premises. The agencies had their own staff. Some of the agencies hired staff. However, there was hardly any correlation

between manpower availability / infrastructure and success rate of REDPs (Uttar Pradesh). Two EDIs and six NGOs in selected two districts of Andhra Pradesh complied with norms like working in rural area for three years. Organization should (i) be legal entity, (ii) have regular auditing of accounts, (iii) possess competence to plan, execute, monitor and (iv) have own document experienced in project implementation.

5.17 In Andhra Pradesh EDIs as well as NGOs had their own buildings/classrooms/workshops to implement REDPs but hostels and teaching aid like OHP were with only EDIs. The EDIs implementing REDPs passed through various processes of training phases which comprised of training on achievement motivation, opportunities identification, and knowledge of supporting agencies, preparation of project profiles, marketing, accountancy, etc. and the process was rigorous in case of REDPs implemented by EDIs. In technical REDPs, thrust was on practical aspects and visit to successful units. The programme inculcated managerial skills and ensured confidence building among the trainees. However, NGOs did not follow systematic course and conducted only skill based REDPs. In general REDPs, focus was on class room orientation (awareness creation, motivation, leadership/ Entrepreneurship training).

5.18 The NGOs in Uttar Pradesh had their own premises and majority (75%) of the REDPs was under taken in their premises. The infrastructure and manpower availability varied across the agencies. The course material mainly consisted of skill/technicality about the activity and did not contain anything about the entrepreneurship. The study suggested for putting more emphasis on the entrepreneurship development and the course material should include properly documented success stories on REDP.

Duration of the Programme:

5.19 In Andhra Pradesh the NGOs conducted REDPs having duration of 8 to 12 weeks, while EDIs for 4 to 8 weeks. As many as 12 REDPs had duration of 12 weeks and 9 REDPs for 8 weeks. In Uttar Pradesh the duration of REDP ranged from 6 to 8 weeks. However, the duration of REDPs on tailoring and embroidery, readymade garments need to be increased to 6-9 months as had been the case with outside agencies.

5.20 In Odisha duration of the REDPs ranged from 4 to 8 weeks depending on the nature of activities. About 76 per cent of the sample trainees have reported that the duration was not sufficient, 18 per cent opined that the duration was adequate. Majority (70 %) of the trainees have suggested that there should be subsequent training programmes on design development and product diversification after year or so of the completion of the first training programme. This will enhance the skill of the trainees, design development and the scope for income generation by them. Further, the time lag between date of application and sanction was 30 days in case of REDPs organized by EDIs and average time lag was 47 days in case of REDPs organized by NGOs.

NABARD's Grant Support for REDPs

5.21 NABARD provides grant assistance to various agencies subject to the following terms and conditions:—

- The grant assistance for conduct of the programme is released in seven installments subject to the submission of Monitoring Reports.
- Pro-rata reduction in grant assistance is made in the event of drop-out of trainees.
- Assurance of LDM is to be obtained for providing bank credit to the trained entrepreneurs.
- Items of expenditure include pre-training, training and post-training expenses. Grant assistance to be used exclusively for items of expenditure sanctioned and not for any capital expenditure.
- The agency to refund the balance amount of the grant which was either not required or could not be utilized for the programme.
- The selection committee is constituted comprising officials from banks, DIC, NABARD and NGOs.
- Trainees to be in the age group 18-35 yrs.
- The agencies to provide necessary physical facilities and faculty support for the training programmes.

- The agency arranges the follow up of the successful trainees in small groups for a period of 2 years.
- In the follow-up meetings, DDM of the concerned district to be present to review and monitor the progress.
- The agencies have to adhere to the standard syllabus prescribed by NABARD.
- The trainees to be given exposure to marketing through direct sales experience.

Utilization of Grant Assistance by Implementing Agencies

5.22 All the implementing agencies of the selected REDPs utilized grant assistances as per items of expenditure (pre training, training and post training). None of sample REDPs were sanctioned capital expenditure. In 3 to 4 cases of Uttar Pradesh, Chhattisgarh and Bihar the agencies refunded the balance amount of the grant which was neither required or nor utilized for the programme. Though the selection committee was formulated by adhering to the guidelines prescribed by NABARD, the functioning of the committee is not at all satisfactory.

5.23 The grant assistance for conduct of the programmes was released in seven installments to all implementing agencies undertaking REDPs. These agencies submitted satisfactory Monitoring Reports in advance and got the installments. In Bihar and Chhattisgarh states there was a drop-out of trainees by 10-15 per cent resulting in pro-rata reduction in grant assistance while in Uttar Pradesh, Odisha and Himachal Pradesh the drop-out rate was less than 10 percent. There are various factors responsible for such drop.

5.24 About 20 per cent of the total selected trainees opined that their predecessors faced problems of getting bank loan due to submission of many documents resulting in loss of initiatives in undergoing training. Some of the trainees (10 per cent) stated that in initial period they were hopeful of undertaking new venture. However lack of infrastructure and marketing pose threat to them.

5.25 The study further observed that in Andhra Pradesh 10 trainees (112), Uttar Pradesh 12 trainees (96) took the help of Lead Development Manager (LDM) for obtaining bank credit for the

proposed enterprises. It transpired from the field study that 8 trainees in Chhattisgarh (153) and 10 in West Bengal (208) also got the help of LDM for this purpose.

Post Training Follow up / Escort Services

5.31 By escort services, it was meant that agencies were to follow up with the trainees, banks and others to ensure that the trainees got loan/financial assistance along with others hand holding services for setting up of units. As per the guidelines, a Project Monitoring Committee (PMC) is required to meet on a quarterly basis for monitoring the progress of the REDPs and for providing guidance handholding to the trainees. Further, as a requirement of the programme, the implementing agencies (IAs) have to provide handholding and escort services to the trainees for at least two years by closely associating with the trainees. NABARD monitors the efforts of the facilitators in this respect. A set of pre-designed formats is given to the facilitating agencies at the time of sanction of the REDP and they have to periodically submit the feedback on the settlement of the trainees in the prescribed format. Twenty five per cent of the grant assistance, in fact, is released only after ensuring that the satisfactory escort services are provided to the trainees.

5.32 In Odisha, the facilitators like Society You Need (SYN), Adventure etc. have provided financial support in limited scale to the trainees for establishing their own units. Market linkage for raw materials and finished produce was essentially done by the facilitators. Agencies like Odisha Rural and Urban Producers' Association (ORUPA), Adventure, SYN etc. had their own market network and REDP trainees are linked to their network. Agencies in other states had no such collaboration with trainees. The study in Uttar Pradesh observed absence of follow up on the part of implementing agencies in post credit linkage. Misutilization of credit in the case of jute bag making was due to changing market conditions like introduction of cheaper, synthetic bags, absence of demand (fancy jute bag) and suggested the need for linking incentive with sustainability of units rather than credit linkage only. Poor post training follow-up is reflected in lesser success rate of REDPs. EDIs in Andhra Pradesh ensured follow up with the trainees through issue of follow up cards. Project monitoring committees were formed but NGOs were not regular in conducting meetings. No attempt has been made to document experiences with reference to promotional programmes.

Monitoring System for REDPs

5.33 A Project Monitoring Committee (PMC) ensures proper implementation of the programme and monitors the progress of the programme. Although, Project Implementation Monitoring Committee consisting of DDM, LDM, OIC, Bank Officials was formed, representatives of DIC and Line Departments did not attend the meetings. This affected the success of the programme in Uttar Pradesh. Apart from this, the REDPs were also monitored through monitoring formats which contained data on number of trainees, profile of trainees (gender, education & social status), establishment of units with and without bank finance, etc. Besides, the DDMs were required to submit two returns after making on site visit to the venue of REDPs. Study in Andhra Pradesh viewed that these formats were designed for technical REDPs and NGOs who were conducting skill REDPs for SHG members were critical of submitting these returns. Many NGOs did not submit quarterly reports on progress after 75% grant was released. Submission of Audited statements and PMC meeting reports were not regular. Documentation of promotional programmes was yet to begin. Poor asset maintenance at borrower level and low scale of operation at borrower level were the other usual problem of grant based programmes.

Chapter - VI

Socio Economic Profile of Sample Trainees

The socio economic profile of sample borrowers in terms of their distribution according to age, level of education, social group, gender, family size, occupational pattern, land holding size, income level, is discussed in this chapter. The perception of the REDP trainees about the sources of information on REDP and problems faced in setting up the units were also presented.

Socio Economic profile

6.1 Age wise distribution of Sample trainees—In Andhra Pradesh large proportion of sample REDPs trainees (49.1%) was in the age group of 18-25 years followed by trainees in the age group of 26-30 years (25.9%) and 30-40 years (23.2%). A mere 2 per cent of trainees was 40 years and above. This is in accordance with the major objectives of REDP which focused on developing entrepreneurial activities oriented skills among educated unemployed rural youth of 18-35 years. Of the 112 sample trainees women trainees constituted 68.8 per cent. In Bihar 35.0 per cent of total sample trainees (80) belonged to the age group of 18-25 years, followed by 33.75 per cent in the age group of 30-40 years, 26.25 per cent in the age group of 26-30 years and 5.00 per cent in the age group of above 40 years. So far Chattisgarh is concerned; majority of the sample trainees (45.10 %) was in the age group of 18-25 years while it was 41.18 per cent in the age group of 26-30 years and 11.76 per cent in the age group of 31-40 years. Only 1.96 per cent of total sample belonged to age group of 40 years and above. In case of Uttar Pradesh, not a single trainee was selected in age bracket of 18-26 years because the activity preferred by them were of skill oriented in nature like durries making, zari work, embroidery, screen printing etc. Majority of sample trainees (72.92%) was in the age group of 31-40 years followed by 27.08 per cent in the age group of 26-30 years. The details are given in table 6.1.

Table 6.1: Distribution of Sample Trainees by Age Group and State

		Age group of Trainees by states (in number)				
Sl. No	Name of the State/ Age group (Year)	18-25	26-30	31-40	Above 40	Total
1	Andhra Pradesh	55 (49.10)	29 (25.89)	26 (23.21)	2 (1.80)	112 (100.00)
2	Bihar	28 (35.00)	21 (26.25)	27 (33.75)	4 (5.00)	80 (100.00)
3	Chattisgarh	69 (45.10)	63 (41.18)	18 (11.76)	3 (1.96)	153 (100.00)
4	Uttar Pradesh	Nil	26 (27.08)	70 (72.92)	Nil	96 (100.00)
Total		152 (34.47)	139 (31.52)	141 (31.97)	9 (2.04)	*441 (100.00)

Source: Field data. * This will not add up to 793 as data of three states namely Himachal Pradesh, Odisha and West Bengal is not available. Note—Figure in parentheses indicate per cent age to total.

6.2 It transpired from the table 6.1 that out of 441 sample trainees as many as 152 sample trainees were in the age group of 18-25 years while 139 and 141 in the age groups of 26-30 and 30-40 years respectively. Only 9 sample trainees belonged to the age bracket of above 40 years. In other words slightly more than two thirds (66 %) of the sample trainees attained the age group between 18 and 30 years and less than one third (32) in the age profile of 31-40 years.

6.3 An analysis of educational status of 793 sample REDP trainees of all states indicated that a 39.22 per cent of the total had studied up to High School level. These trainees are basically school drop outs who could not pursue higher study after SSC. About 35.43 per cent pursued Higher Secondary / diploma/ graduation in different disciplines. Only 25.35 per cent of total had studied up to primary level of education. State wise level of education of the sample trainees is depicted in table 6.2.

Table 6.2: Distribution of Sample Trainees by level of Education and State

Sr. No	Name of the State	Primary (No.)	High school (No.)	Higher Secondary and above (No.)	Total (No.)
1	Andhra Pradesh	21 (18.80)	54 (48.20)	37 (33.00)	112 (100.00)
2	Bihar	29 (36.25)	39 (48.75)	12 (15.00)	80 (100.00)
3	Chhattisgarh	57 (37.30)	78 (50.90)	18 (11.80)	153 (100.00)
4	Himachal Pradesh	3 (4.69)	19 (29.69)	42 (65.62)	64 (100.00)
5	Odisha	11 (13.75)	35 (43.75)	34 (42.50)	80 (100.00)
6	Uttar Pradesh	55 (57.30)	16 (16.66)	25 (26.04)	96 (100.00)
7	West Bengal	25 (12.02)	70 (33.65)	113 (54.33)	208 (100.00)
Total		201 (25.35)	311 (39.22)	281 (35.43)	793 (100.00)

Source: Field data. Note—Figure in parentheses indicate per cent age to total

6.4 State wise data brought out the fact that 50.90 per cent of the total trainees in Chattisgarh studied High school level followed by 48.75 per cent in Bihar, 48.20 in Andhra Pradesh, 43.75 per cent in Odisha and 33.65 per cent in West Bengal. Himachal Pradesh accounted for 29.69 per cent and Uttar Pradesh 16.66 per cent.

6.5 Distribution of sample trainees according to social group revealed that SC/ ST trainees constituted 32.28 per cent of total sample, OBC 23.08 per cent and minority 7.57 per cent Trainees under general category accounted for 37.07 per cent. Details are exhibited in table 6.3.

Table 6.3: Distribution of Sample Trainees by Social Groups

SI No	Name of the State	General (No)	OBC (No.)	SC/ST (No.)	Minority (No)	Total (No)
1	Andhra Pradesh	29 (25.90)	71 (63.40)	12 (10.70)	-	112 (100.00)
2	Bihar	23 (28.75)	17 (21.25)	40 (50.00)	-	80 (100.00)
3	Chhattisgarh	32 (20.92)	39 (25.49)	82 (53.59)	-	153(100.00)
4	Himachal Pradesh	30 (46.87)	15 (23.44)	19 (29.69)	-	64 (100.00)
5	Odisha	27 (33.75)	18 (22.50)	35 (43.75)	-	80 (100.00)
6	Uttar Pradesh	9 (9.37)	9 (9.38)	36 (37.50)	42 (43.75)	96 (100.00)
7	West Bengal	144 (69.23)	14 (6.73)	32 (15.39)	18 (8.65)	208 (100.00)
Total		294 (37.07)	183 (23.08)	256 (32.28)	60 (7.57)	793 (100.00)

Source; Field data

6.6 State wise there was a wide variation of coverage of SC/ ST trainees to total. It was highest (53.59%) in Chattisgarh followed by Bihar (50.00%), Odisha (43.75%) and Uttar Pradesh (37.50 %). The share of SC/ST trainees to total in Andhra Pradesh, Himachal Pradesh and West Bengal was 10.70 per cent, 29.69 per cent and 15.39 per cent respectively. This recalls the fact there is an urgent need to motivate the SC/ ST groups so that they can associate with this programme.

6.7 **Gender wise distribution of sample trainees** showcased that of the total 793 trainees female trainees accounted for 58.38 per cent while it was 41.62 per cent for male. Details are shown in table 6.4.

Table 6.4: Distribution of Sample Trainees by Gender

Sl. No	Name of the State	Male	Female	Total
1	Andhra Pradesh	35 (31.35)	77 (68.75)	112 (100.00)
2	Bihar	24 (30.00)	56 (70.00)	80 (100.00)
3	Chhattisgarh	119 (77.75)	34 (22.25)	153 (100.00)
4	Himachal Pradesh	17 (26.57)	47 (73.43)	64 (100.00)
5	Odisha	28 (34.50)	52 (65.50)	80 (100.00)
6	Uttar Pradesh	32 (33.33)	64 (66.67)	96 (100.00)
7	West Bengal	75 (35.75)	133 (64.25)	208 (100.00)
Total		330 (41.62)	463 (58.32)	793 (100.00)

Source: Field data. Note—Figure in parentheses indicate per cent age to total

6.8 State wise analysis of data revealed that there is a wide variation in the share of female trainees. Except Chattisgarh, the per cent age of female trainees ranged from 64.25 per cent to 73.43 per cent. It is reported that in the state of Chattisgarh the REDP is yet to popularize among the female population. The implementing agencies will have to take proper care in this regard.

6.9 **Analysis of sample households according to their size of family** is made on the basis of data available for three states and is presented in Table 6.5. About 55.08 per cent of the sample trainees had family size ranging from 4 to 6 members and 19.42 per cent reported a family size up to 3 members. A little more than one fourths (25.50%) had a family size of 7 and above.

Table 6.5: Distribution of Sample Trainees by Size of Family

Sl.No	Name of the State	Size of the Family (in Number)			Total
		Upto 3	4-6	7 and above	
1	Andhra Pradesh	24 (21.42)	83 (74.11)	5 (4.47)	112 (100.00)
2	Bihar	10 (12.50)	65 (81.25)	5 (6.25)	80 (100.00)
3	Chhattisgarh	33 (21.56)	42 (22.47)	78 (50.97)	153 (100.00)
Total		67 (19.42)	190 (55.08)	88 (25.50)	*345 (100.00)

Source: Field data. Note—Figure in parentheses indicates percentage to total. * This will not add up to 793 as data of four states namely Himachal Pradesh, Odisha, Uttar Pradesh and West Bengal were not readily available.

6.10 Size of the family across the three states revealed that in Bihar 81.25 per cent of the sample households had a family size ranging from 4-6 in number while it was 74.11 per cent in Andhra Pradesh and 22.47 per cent in Chattisgarh. Family size of the sample households up to 3 members was almost equal (22 %) in Andhra Pradesh and Chattisgarh. It was 12.50 per cent in case of Bihar. Thus, the study observed that Chattisgarh had a bigger family size (7 and above) compared to other two states.

6.11 **Occupational distribution of sample households** of the select states is displayed in table 6.6.

Table 6.6: Distribution of Sample Trainees by Occupational Pattern

Sl No	Name of the State	Cultivator	Agricultural Labourer	Artisan	Others@	Total
1	Andhra Pradesh	10 (8.93)	30 (26.78)	14 (12.50)	58 (51.29)	112 (100.00)
2	Bihar	21 (26.25)	14 (17.50)	5 (6.25)	40 (50.00)	80 (100.00)
3	Chhattisgarh	21 (13.73)	24 (15.69)	24 (15.69)	84 (54.90)	153 (100.00)
4	Himachal Pradesh	10 (15.63)	8 (12.50)	15 (23.44)	31 (48.43)	64 (100.00)
5	Odisha	23 (28.75)	16 (20.00)	21 (26.25)	20 (25.00)	80 (100.00)
6	Uttar Pradesh	35 (36.45)	18 (18.76)	25 (26.04)	18 (18.75)	96 (100.00)
Total		120 (20.51)	110 (18.80)	104(17.78)	251(42.91)	*585(100.00)

Source: Field data. Note—Figure in parentheses indicates per cent age to total. * This will not add up to 793 as data in respect of the state of West Bengal was not readily available. @Includes service and trade.

Among the sample REDP trainees (585), 20.51 per cent was cultivator, 18.80 per cent agricultural labourer and 17.78 per cent artisan. Others which include service and trade represented 42.91 per cent of total. State wise statistics observed that cultivators accounted for 36.45 per cent in Uttar Pradesh followed by Odisha (28.75%), and Bihar (26.25%). It was 15.63 per cent in Himachal Pradesh, 13.73 per cent in Chattisgarh and 8.93 per cent in Andhra Pradesh. Others (Service and Trade) constituted 50.00 per cent and above of the total samples in three states such as Andhra Pradesh, Bihar and Chattisgarh. Himachal Pradesh formed a little less than (48.43 per cent) half of the total sample.

6.12 Land holding status of Sample trainees revealed that out of 793 sample trainees, majority of them (81.08%) belonged to land less and the rest 18.92 per cent were small and marginal farmers (Table 6.7)

Table 6.7: Distribution of Sample Trainees by land holding status

Sl. No	Name of the State	Land Holding Size (in Number)		Total
		Land less	Small/marginal farmers	
1	Andhra Pradesh	103 (92.00)	9 (8.00)	112 (100.00)
2	Bihar	70 (87.50)	10 (12.50)	80 (100.00)
3	Chhattisgarh	125 (81.70)	28 (18.38)	153 (100.00)
4	Himachal Pradesh	47 (73.44)	17 (26.56)	64 (100.00)
5	Odisha	72 (90.00)	8 (10.00)	80 (100.00)
6	Uttar Pradesh	81 (84.38)	15 (15.62)	96 (100.00)
7	West Bengal	145 (69.71)	63 (30.29)	208 (100.00)
	Total	643 (81.08)	150 (18.92)	793 (100.00)

6.12 Across the states the share of land less households varied widely. It was highest at 92 per cent in Andhra Pradesh followed by Odisha (90 %), Bihar (87.50%), Uttar Pradesh (84.38 %), and Chhattisgarh (81.70%). Himachal Pradesh and West Bengal constituted 73.44 per cent and 69.71 per cent respectively.

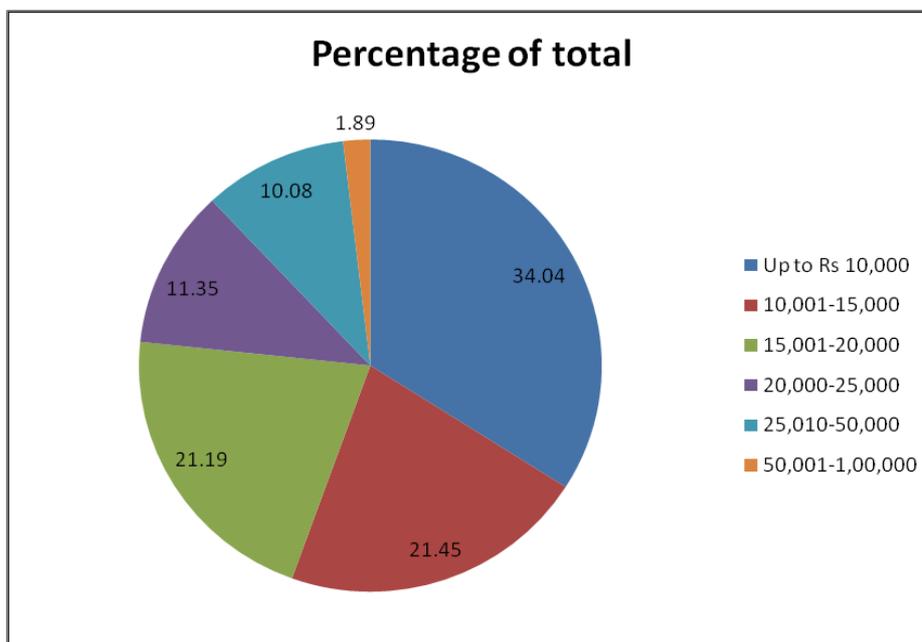
6.13 An analysis of predevelopment income levels of the sample trainee households having primary or secondary occupation showed that 88.03 per cent reported annual income upto Rs 25,000.00 indicating that they are below the poverty line (Table 6.8)

Table 6.8: Frequency Distribution of Sample Trainees by pre development Income Level

Annual Income (in Rs)	Sample REDP Trainees	Percentage of total
Up to Rs 10,000	270	34.04
10,001-15,000	170	21.45
15,001-20,000	168	21.19
20,000-25,000	90	11.35
25,010-50,000	80	10.08
50,001-1,00,000	15	1.89
Total	793	100.00

Source: Field data

Details are shown in the chart



Graphic-6.1

Perception of Trainees on REDP

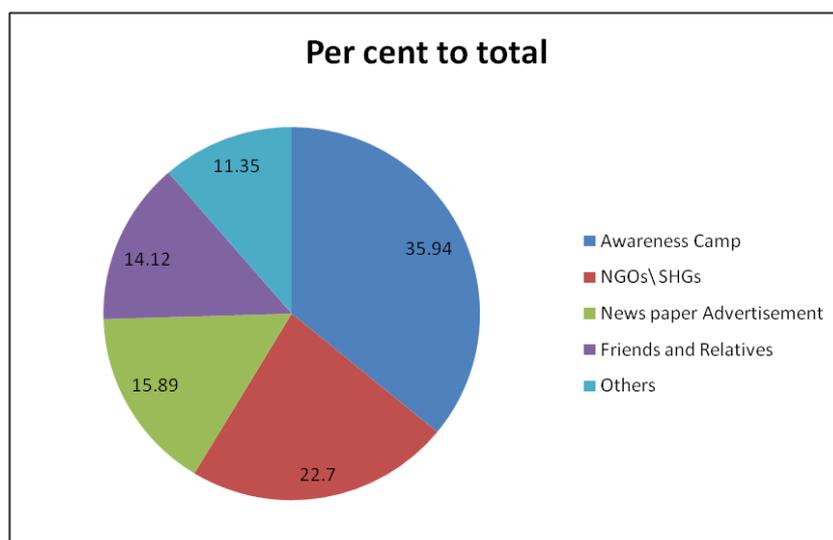
6.14 During the field study, sample REDP participants reported their views on the source of information about the REDP training, type of training received by them, assistance in setting up the unit and the problem faced by them in raising funds for starting their new enterprise were collected. The responses of the sample REDP trainees about **sources of information** on the training have been presented in Table 6.9.

Table 6.9: Sources of Information of Sample Trainees

Sources of Information	No of Trainees	Per cent to total
Awareness Camp	285	35.94
NGOs\ SHGs	180	22.70
News paper Advertisement	126	15.89
Friends and Relatives	112	14.12
Others	90	11.35
Total	793	100.00

Source: Field data

6.15 Majority of sample trainees responded that they got the information on REDP through various awareness camps (35.94%) organized by implementing agencies. Trainees also got the information from NGOs / SHGs (22.70%), news paper advertisement (15.89%), friends and relatives (14.12%) and others (11.35%). District level government agencies like the DIC, Bankers are expected to play an important role of the extension, ie, in promotional activities, in sponsoring candidates for REDP training. However, no trainee reported receiving any information from these agencies. Details are presented in the graph 6.2.



Graphic 6.2

Problems in Setting up or Running Units

6.17 Only 98 sample trainees accounting for 12.36 per cent of total reported facing problems in setting / running units (Table 6.10). Across the agencies, the highest proportion of trainees by NGOs (14.68%) reporting problems, while the same was 8.15 per cent in case trainees from EDIs. The problems highlighted by the sample borrowers were lack of working capital, non availability of adequate raw materials, inadequate income generations etc.

Table 6.10 Problems faced by Trainees in Setting up/ Running units

Agencies	Trainees	Trainees face problems in setting up/ running units	Nature of Problems		
			1	2	3
EDIs	282	23 (8.15)	0.0	100.00	0.00
NGOs	511	75 (14.68)	46.28	45.25	7.65
Total	793	98 (12.36)	37.50	50.00	12.55

Source: Field data, Note: 1—Lack of working capital, 2— Non availability of adequate raw materials, 3— Inadequate income generations etc.

Chapter - VII

Costs and Benefits of REDP Investments

Assessment of costs and benefits of a programme reflects its success rate. This also throws light on the process of execution of the same and brings out the scope of improvement. In this perspective this chapter makes an attempt to assess costs and benefits on the basis of primary data collected from the sample trainees.

Costs of REDPs

7.1 Organizing a REDP involves a lot of exercises at the facilitators' end as well as in NABARD both at the regional office and also at the head office. Besides, the participants and the master craftsmen (MCM) also put their time and efforts. It is only the response of the trainees during and after the programme that makes a REDP successful. The facilitators provide necessary market and credit linkages and other escort services after the programme.

7.2 NABARD bears all the cost eligible under sponsorship of REDP and gives the entire amount as grant assistance unless the facilitators offer its contribution. The MCM got remuneration for the efforts and the amount towards the salary/honorarium might be more than the opportunity cost otherwise the MCM would not have accepted the offer. The trainees were almost unemployed and the income per training was very negligible for 80 per cent of the beneficiaries. Further, the average pre development income of the trainees was estimated at Rs 272 per month and the trainees were given a stipend of Rs 250-300 per month apart from raw materials and tools. Therefore, the opportunity cost of the trainees was negligible.

In such a situation, the opportunity cost of the trainees or master craftsman was not additionally considered for the cost of the programme.

7.3 NABARD sanctions grant assistance taking into account all probable expenses for organizing a REDP. Due considerations were given to the nature, pattern and the amount of expenditure while assessing the funds requirement by facilitators for conducting the programmes. In many cases the amount of grant assistance sanctioned by NABARD was lower than that of the agency sought for. The reasons were: the agencies usually over estimate the requirement of capital expenditure and hence prune/slash down the duration of

the programme from the proposed to a desired level and avoid unnecessary capital expenditure for organizing the programme. Precisely, the cost of the intervention funded by NABARD formed the capital cost.

Benefits of REDPs

7.4 The immediate benefits of REDP are the scope of employment and income created among the rural youth especially among the women. The income generation in most cases was consistent throughout the year unlike that from the farm operation or seasonal activities. No doubt these trainees acquire skill and put the diligent effort for taking up entrepreneurial activities. It is difficult to assess the ecstasy among the beneficiaries and estimate economic returns the trainees would get during their lifetime in the form of skill and knowledge acquired through REDPs. Some of the trainees could pass on the skills to their family members, neighbors, relatives and friends etc. It could have a multiplier effect in knowledge dissemination as also in income generation. The benefits are definitely more than the income generated by the trainees from economic activities adopted after the training programmes.

The income was substantial for many families as most of the REDP beneficiaries come from economically weaker sections and whatever income generated from the entrepreneurial activities, was forming a significant portion of the family income. However, for quantification of immediate benefits of the REDPs, the average income earned by the trainees from the activities adopted after the training was considered as the indicator. The incremental income accruing to the sample trainees was the benefit. The average cost incurred per REDP worked out to Rs.63, 054 including administrative cost of NABARD @ 20%. With the success rate of 58 per cent (including wage employment), average number of trainees trained per REDP (27) and the incremental income of Rs.18, 663 accrued to the sample trainees, the benefit from REDP was worked out. The following assumptions were made while working out the cash flow:

1. The number of years' skill to be actively pursued is 10.
2. Expenditure incurred on training during the first year and the investments on the activity is also completed during the same year. Therefore, no accrual of benefit as at the end of first year is assumed.

3. The full potential benefit accrues from the second year and onwards.

Incremental Income Generation of the Selected States

7.5 The average annual incremental income of the sample trainees engaged in the activity due to REDP was assessed on the basis of the present level of income of the trainees from the activity either as self employed entrepreneur or wage earners and the level of income before undergoing training. The income included all the sample trainees irrespective of their status (wage earners/entrepreneurs). The average annual incremental income worked out to Rs.18, 663. The highest annual incremental income was observed in Andhra Pradesh (Rs.22, 600) as the units set up were operating at a higher scale. The level of annual incremental income in West Bengal (Rs.22, 592) was also in that neighborhood. Minimum gain was observed in Odisha (Rs.11, 292) due to low level operation of the units set up by the trainees. The average monthly income of the sample trainees worked out to Rs 1,555. It varied from Rs 942 to Rs 1,884 across the states.

Table 7.1 : Average Annual / Monthly Incremental Income per Trainee of Selected States

Sr. No.	State	Average Incremental Income (Rs)	
		Annual	Monthly
1	Andhra Pradesh	22,600	1,884
2	Bihar	18,240	1,520
3	Chhattisgarh	18,110	1,509
4	Himachal Pradesh	13,224	1,102
5	Odisha	11,292	942
6	Uttar Pradesh	16,560	1,380
7	West Bengal	22,592	1,858
	Over all	18,663	1,555

Source—Field data

State Wise Analysis of Incremental Income

7.6 **Activity-wise analysis of level of incremental income in Andhra Pradesh observed** that trainees engaged in auto driving experienced the highest rise in their incremental income (1177%) followed by computer education (855%), photography (759%), cell phone repairing (531%), etc. Trainees engaged in soft toys making (145%) experienced lowest changes in incremental income followed by appliqué works (198%), broomstick making (231%), jute handicrafts (239%), etc.)

Table: 7.2 Activity wise Average Annual / Monthly Incremental Income of REDP Trainees in AP

No.	Activity / Enterprises	Pre- Training (Rs)	Post -Training (Rs)	Incremental income (Rs)	% increase
I	Household Enterprises	3,533(294)	13,877 (1,156)	10,344 (462)	292.7
2	Applique Works	4,800(400)	14,290 (1,190)	9,590 (790)	199.7
3	Zardosi & embroidery	3,200(267)	16,085 (1,340)	12,885 (1,073)	402.7
4	Tailoring	2,600(217)	11,257 (938)	8,659 (721)	333.0
II	Repair/Service Enterprises	7,688(641)	55,744 (4,645)	48,056 (4,004)	625.1
5	Cycle repairing	6,000(500)	34,100 (2,842)	28,100 (2,342)	468.3
6	Cell phone repairing	7,200(600)	45,450 (3,792)	38,250 (3,192)	531.3
7	Computer Education	5,500(458)	52,500 (4, 375)	47,000 (3,917)	854.5
8	Motor rewinding	9,200 (767)	31,960 (2,663)	22,760 (1,896)	247.4
9	Plumbing	4,500 (3750)	27,750(2,344)	23,250 (1,967)	516.7
10	Photography	12,800(1,067)	1,09,950 (9,162)	97,150 (8,095)	759.0
11	TV/VCR repairing	7,900(650)	36,944 (3,079)	29,044 (2,429)	367.6
12	Auto driving	8,400 (700)	1,07,298 (8,942)	98,898 (8,242)	1177.4
III	Manufacturing Enterprises	4,275 (356)	13,673 (1,139)	9,398 (783)	219.8
13	Adda leaf plate making	3,700 (308)	15,015 (1,251)	11,317 (943)	305.8
14	Broomstick making	3,500 (292)	11,570 (964)	8,070 (672)	230.6
15	Jute handicrafts	3,200 (276)	10,845 (904)	7,645 (636)	238.9
16	Soft toy making	6,700(588)	17,260 (1,438)	10,570 (850)	157.6
	Overall	5,165 (430)	27,765 (2,331)	22,600 (1884)	437.5

Source: Field data Note- Figures in parentheses indicate monthly figure

7.7 Activity wise average annual/ monthly incremental income of REDP Trainees in **Chhattisgarh** (Table 7.3) revealed that average annual and monthly incremental income in low cost building material stood at Rs 32, 400 and Rs 2,743 respectively followed by fabrication unit (Rs 30, 200 / Rs 2,555), Haller, Aatta Chakki (Rs 24,200 / Rs 2,017), wooden furniture (Rs 24,000 / Rs 2,000) and photography/ videography (Rs 16,000 / Rs 1,833) . Details are shown below:-

Table: 7.3 Activity wise Average Annual/ Monthly Incremental Income of REDP Trainees in Chhattisgarh

Activity/ Enterprise/ unit	Pre training (Rs)	Post training (Rs)	Incremental income (Rs)	% increase
Low cost building material	6,200 (517)	38,600 (3260)	32,400 (2743)	522.59
Fabrication	5600 (467)	35,800 (3022)	30,200 (2555)	539.28
Repairing domestic appliances	4,300 (358)	19,800 (1650)	15,500 (1292)	360.46
DTPcomputer/ screen printing	6,900 (575)	17,500 (1458)	10,600 (883)	153.63
Garment / Soft toys / tailoring	2,400 (200)	18,500 (1542)	16,100 (1342)	670.83
Wooden furniture	3,500 (292)	27,500 (2292)	24,000 (2000)	68.57
Photographv/ideograph	3,900 (325)	25,900 (2158)	22,000 (1833)	564.10
Haller, Aatta Chakki	4,600 (383)	28,800 (2400)	24,200 (2017)	526.09
Overall	5,646 (471)	23,756 (1980)	18,110 (1509)	320.58

Source: Field data. Note- Figures in parentheses indicate monthly figure

7.8 The average monthly incremental income of REDP trainee worked out to Rs 942 **in Odisha**. It, however, varied across the activities in the state. Pattachitra recorded highest monthly incremental income of Rs 2, 326 followed toy painting (Rs1,980), golden grass (Rs 1,440), and Palm leaf (Rs 1,300). Milk processing earned lowest incremental income per month at Rs 100 .Table 7.4 brings out the details—

Table: 7.4 Activity wise Annual/Monthly Income of REDP Trainees in Odisha

Name of REDP	Pre training (Rs)	Post Training (Rs)	Incremental Income (Rs)	% increase
Pattachitra	2,400 (200)	17,760 (1,480)	15,360 (1,280)	640.00
Toy Painting	1,920 (1,160)	25,680 (2,140)	25,680(1,980)	1237.00
Pattachitra	1,914 (162)	29,856 (2,488)	27,876 (2,326)	1435.80
Palm Leaf	3,600 (300)	19,200 (1,600)	15,600 (1,300)	433.33
Patchwork	1,800(150)	14,004 (1,167)	12,204 (1,017)	578.00
Dry Fish	36,000 (3,000)	36,000 (3,000)	0	-
Chalk and Agarbati	0	2,280 (190)	2,2280(190)	-
Stone Carving	0	15,480 (1,290)	15,480 (1,290)	-
Golden Grass	0	17,280 (1,440)	17,280 (1,440)	-
Patchwork	240 (20)	6,720 (560)	6,480 (540)	2700.00
Golden Grass	0	10,560 (880)	10,560 (880)	-
Milk Processing	0	12,000 (100)	12,000 (100)	-
Paper craft	0	7,680 (640)	7,680 (640)	-
Terracotta	0	0	0	-
Golden Grass	2,304 (192)	7,104 (592)	4,800 (400)	208.33
Total	3,264 (272)	14,566 (1,213)	11,292 (941)	345.96

Source: Field data, Note- Figures in parentheses indicate monthly incremental income

7.9 The average net incremental income per month worked out to Rs.1, 472 and Rs.1,018 in the case of **Moradabad and Mirzapur districts of Uttar Pradesh**, respectively. The highest gain in income was observed to be in the case of bandage cloth (Rs.2, 450) as all the units were running on well, followed by bag making/screen printing (Rs.2, 070). Minimum gain was observed in the case of readymade garments (Rs.308), followed by durrie weaving (Rs.675) as the trainees were either wage earners or involved in the activity at a very low scale.

Table: 7.5 Activity-wise Annual/Monthly Incremental incomes of REDP Trainees in UP (Rs)

Sr. No.	Activity/ Enterprise	Pre- Training	Post Training	Net incremental. Income	% change
1	Wire basket	9,648 (805)	27,780 (2,315)	18,132 (1,511)	187.94
2	Food processing	4,124 (344)	11,280 (940)	7,151 (596)	1354.55
3	Durrie making	7,247 (604)	26,640 (2,220)	19,392 (1,616)	252.50
4	Zari work	-	9,204 (767)	9,204 (767)	-
5	Bandaz cloth	27,240 (2,270)	56,640 (4,720)	29,400 (2,450)	107.93
	Subtotal of Moradabad	10,340 (862)	28,020 (2,335)	17,664 (1,472)	107.93
6	Readymade garments	-	3,696 (308)	3,696 (308)	-
7	Durrie Weaving	8,100 (675)	16,200 (1,350)	8,100 (675)	-
8	Bag making / screen printing	2,400 (200)	27,240 (2,270)	24,840 (2,070)	1035.00
9	MCR Tiles	1,260 (105)	10,848 (904)	9,588 (799)	13.14
10	Low cost Readymade Garments	3,330 (275)	18,000 (1,500)	14,700 (1,225)	456.37
11	Fancy bag making	2,400 (200)	11,340 (945)	8,940 (745)	372.50
	Subtotal of Mirzapur	3,120 (260)	15,336 (1,278)	12,216 (1,018)	391.54
	Overall	6,132 (511)	20,616 (1,718)	14,484 (1,207)	236.20

Source: Field data

Returns on Investment on REDPs

7.10 With an overall capital cost at Rs.63, 054, net average incremental income at Rs.18, 663 and skills to be pursued actively for 10 years, the returns on investment is worked out to more than 50 per cent in five states. This indicates reasonably high viability of the investments under REDP. Details are shown in table 7.6.

Table 7.6 Average Cost, Average No. of Trainees, Success Rate, Incremental Income and Financial Rate of Return on REDPs

Sr. No.	State	Av. Cost of REDP	Av. no. of trainee	Success rate	Incremental Income	FRR
1	Andhra Pradesh	48,998	23	37	22,600	22%
2	Bihar	54,596	30	35	18,240	>50%
3	Chhattisgarh	77,664	30	45	18,110	>50%
4	Himachal Pradesh	46,319	31	80	13,224	35.25
5	Odisha	64,290	20	80	11,292	>50%
6	Uttar Pradesh	54,365	28	49	16,560	>50%
7	West Bengal	64,618	28	66	22,592	>50%
Overall		63,054	27	58	18,663	>50%

Source-Field data

Chapter - VIII

Impact of REDP

The present chapter makes an attempt to assess the impact of REDP training. The impact of REDPs is measured in terms of (i) the number of new enterprises created by REDP trainees, (ii) the creation of new enterprises with and without wage employment, (iii) annual employment generation, (iv) annual incremental income and (v) attainment of success rate. Thus, the impact of REDP is ascertained on the basis of changes in income and employment as a result of creation of new enterprises. The economics of REDPs is assessed with particular reference to costs and benefits of REDP. Cost includes expenditure incurred per trainee by agencies imparting REDPs, while benefits are taken into account as addition to value of produce and net surplus generated annually. The emphasis of the analysis was on major activities and agencies of the selected districts. Attempts were also made to estimate the Financial Rate of Return (FRR) of the Entrepreneurship Development Programme keeping in view NABARD's financial contribution on the expenditure side and average net incremental income on income side.

Impact of REDP

1. Enterprises set up with and without Wage Employment

As mentioned earlier, 793 sample REDP trainees were selected from 1000 REDPs during the survey. Out of which information is available from 701 trainees. Among the 701 trainees, 460 trainees constituting 65.62 per cent were settled new job employment while 241 accounting for 34.38 percent were settled with new units. Details are displayed in table 8.1.

1.1. Settlement or Success Rate with and without Wage Employment

8.1 State-wise, the ratio of candidates trained to candidates settled with and without wage employment indicating the success rate of REDP showed a mixed result. The success rate with wage employment was highest (cent percent) in Chattisgarh followed by Uttar Pradesh (68.12%), Odisha (62.75%), Bihar (62.22%) and Himachal Pradesh (53.12%). The success rate was lowest in West Bengal (27.54%), while it was 37.28 per cent in Andhra Pradesh.

Table 8.1 State-wise Number of Enterprises set up with and without Wage Employment

Sl. No	State	Number of Enterprises Established		
		With wage Employment	Without wage Employment	Total
1	Andhra Pradesh	41 (37.28)	69 (62.72)	110 (100)
2	Bihar	28 (62.22)	17 (37.78)	45 (100)
3	Chattisgarh	137 (100.00)	0	137 (100)
4	Himachal Pradesh	51 (53.12)	45 (46.88)	96 (100)
5	Odisha	64 (62.75)	38 (37.25)	102 (100)
6	Uttar Pradesh	47 (68.12)	22 (31.88)	69 (100)
7	West Bengal	92 (27.54)	50 (72.46)	142 (100)
Total		460 (65.52)	241 (34.38)	701 * (100)

Source – Field Data, Figures in bracket indicate percentage to total.

* Does not tally with total of 793 as the data in respect of 91 candidates were not readily available.

8.2 The success rate without wage employment in West Bengal stood at 72.46 per cent, while it was 62.72 per cent in Andhra Pradesh. The success rate was less than 40 per cent in case of Odisha, Uttar Pradesh and Bihar, while it was less than 50 per cent in Himachal Pradesh.

Table 8.2 State-wise Success Rate with and without Wage Employment (%)

Sr. No.	State	Success rate of setting up of enterprises		
		With wage Employment	Without wage Employment	Over all
1	Andhra Pradesh	37	61	49
2	Bihar	35	21	28
3	Chattisgarh	-	45	45
4	Himachal Pradesh	80	70	75
5	Odisha	80	47	64
6	Uttar Pradesh	49	23	36
7	West Bengal	44	24	34
Total		58	34	46

(a) Andhra Pradesh

8.4 In **Andhra Pradesh** a total of 338 trainees constituting 60.6 per cent of the total candidates trained (558) were settled with creation new self-employed enterprises as also with new job employment. Activity-wise REDP showed a mixed result among both technical and non-technical general/skill based REDPs. The success rate was highest for TV assembling and repairing (76.3%), followed by jute handicrafts (71.0%), fashion designing (70.0%) adda leaf plate making (66.7%), etc. The success rate was low for appliqué works 40.0 per cent; while it was 45 per cent in case of DTP and Photography and 46.66 per cent in domestic appliances repairing works etc. The analysis implied that more thrust might be put on conducting REDP on those activities under which the settlement rate was high keeping in view its need and potentiality in the district/region.

Table: 8.3 Success Rate in Andhra Pradesh by Activity

No.	Activity	No. Trained	No. Settled	Success rate
1	Jute Handicrafts	100	71	71.00
2	Tailoring & Garment Making	50	30	60.00
3	Computer Education	25	16	64.00
4	Applique work	50	20	40.00
5	Adda Leaf Plate Making	30	20	66.76
6	Broom Stick Making	30	18	63.33
7	Hand and Machine Embroidery	30	19	63.33
8	Soft Toys Making	50	31	62.00
9	Domestic Appliances Repairing Works	60	28	46.66
10	Fashion Designing	40	28	70.00
11	TV Assembling and Repairing	38	29	76.32
12	House Wiring / Repairing	15	7	46.66
13	Machine Embroidery	20	12	60.00
14	Computer DTP	20	9	45.00
	Total	558	338	60.57

Source: Field data

8.5 The success rate with and without wage employment worked out to 35 and 21.2 per cent respectively in Bihar. All the units were set up with bank loan. The success rate varied across activities. Absence of ground work prior to launching of the programme and absence of escort services, inadequate training, etc lead to failure of REDP on Banana Handicrafts and tailoring.

Table: 8.4 Success Rate in Bihar by Activity

Activity	Success rate with wage employment (%)	Success rate without wage employment (%)
Medicinal and Aromatic Plants	50	20
Battery Making	60	40
Banana Handicraft	Nil	Nil
Jute articles	100	30
Tailoring and Garments	100	20
Tailoring	Nil	Nil
Food Processing	80	30
Leather Products	60	30
Over all	35	21.25

Source: Field data,

8.6 **The overall success rate of REDP in Uttar Pradesh worked out to 23.28 per cent.** However, success rate including wage employment worked out to 48.66 per cent. Wide variation in success rate across different activities was observed. The success rate (excluding wage employed) varied from 6.25 per cent in food processing to 70.00 per cent in bandage clothes. Other activities which performed well in terms of success rate included durries making (61%), low cost readymade garments items (52%), screen printing and jute bag making (43%). The activities which performed below expectation were wire basket, fancy jute bag making, stitching and embroidery, etc. REDP on **silver foil making** succeeded initially, however, at the time of field visit, it was observed that none of the units was functional due to changing market conditions like increase in prices of silver, non-cooperation by middlemen, etc.

Table: 8.5 Success Rate in Uttar Pradesh by Activity

Sl No	Activity	No Trained	No Settled	Success rate
1	Mirza Pur Wire Basket	14	1	7.14
2	Food Processing	16	1	6.25
3	Durrie making	31	19	61.25
4	Silver foil	56	-	-
5	Zari work	30	-	-
6	Bandage cloth	30	21	70.00
Sub Total		117	42	35.89
7	Moradabad Durrie making	25	-	-
8	Stitching and Embroidery	25	6	24.00
9	Jute bag(Fancy)	25	5	20.00
10	Low cost readymade garments	25	13	52.00
11	Screen Printing	28	12	42.85
12	MCR tiles	30	-	-
Sub total		158	36	22.78
Grand Total		335	78	23.28

Source Field data

8.7 **Out of six hundred REDP trainees in Bardhaman**, 142 units were set up of which 21 were with bank loan and 121 took up wage employment. Further, 135 were self employed and 85 were engaged in other activities and 66 were unemployed. No information was available for 51 trainees. The success rate with and without wage employment was 44 and 23 per cent only. Substantial variation was observed across the activity.

Table: 8.6 Success Rate in West Bengal by Activity

Activity	Success rate with wage employment (%)	Success rate without wage employment (%)
Embroidery	Break up not available	Break up not available
Beautician	Break up not available	Break up not available
Over all	44	23

Source: Field data

Reasons for not Undertaking Activities

8.8 **With a view to ascertain the reasons for not pursuing** the activity in which they were trained, 30 trainees in Uttar Pradesh and 11 trainees in Andhra Pradesh were interviewed. In UP, the reasons inter alia included marriage and changes in market conditions and 27 per cent respondents each reported the said reason for not undertaking the activity. About 17 per cent each reported to had not undertaken the activity due to inadequate skills and migration. In case of Andhra Pradesh, the problems as reported by the respondents were mostly of social than economic in nature.

(iii) New Enterprises

8.9 A total of 241 trainees accounting for 30.39% of 791 sample trainees had numbered to 106 which settled with self employment new enterprises. Household industry constituted major share (43.98%) followed by repairing and service enterprises (94) and manufacturing industry (41). Table 8.7 illustrates the details.

8.10 House-holding industry includes appliqué works, zardosi and embroidery, tailoring, weaving, patta chitra; while Repairing & Services Enterprises cover cycle repairing, domestic appliances, repairing works, house wiring, photography, TV/VCR repairing, auto driving etc. Manufacturing industry takes into account adda leaf plate making, broom stick making, jute manufacturing, soft toy making, food processing, leather product, milk processing etc.

Table 8.7 Self Employment in New Enterprises initiated by sample trainees in Selected States

Sl. no	New Enterprises by REDP Trainees	Name of the State with number of trainees						
		AP	Bihar	HP	Odisha	UP	WB	TOTAL
1.	Household industry	25 (23.58)	8 (7.56)	20 (18.86)	20 (18.86)	8 (7.56)	25 (23.58)	106 (100)
2	Repair and Service Enterprises	30 (31.91)	6 (6.38)	18 (19.15)	10 (10.64)	10 (10.64)	20 (21.28)	94 (100)
3	Manufacturing Industry	14 (34.15)	3 (7.30)	7 (17.08)	8 (19.51)	4 (9.76)	5 (12.20)	41 (100)
Total		69 (28.63)	17 (7.05)	45 (18.67)	38 (15.77)	22 (9.13)	50 (20.75)	241 (100)

Source- Field data. Figures in parentheses indicate percentage to row total

Impact of REDPs

I. Employment Generation

8.11 The quantum of employment generated in a particular enterprise depends on nature of work and its scale of operation. On an average, 218 person days per unit were generated annually. The scale of operations of units in Andhra Pradesh was higher as compared to units in other States. The employment generation in person days per unit ranged from 136 in Bihar to 287 in Andhra Pradesh. The number of workers employed in various type of unit varied widely depending upon the scale of operations.

Table 8.8: Average Annual Employment Generation per Unit in selected states

Sr. No.	State	Employment Generation (person days) per unit
1	Andhra Pradesh	287
2	Bihar	136
3	Chhattisgarh	186
4	Himachal Pradesh	205
5	Odisha	180
6	Uttar Pradesh	200
7	West Bengal	261
Total		218

Source: Field data

11. Employment Generation by State and Activity

8.12 Person days generated per unit in Andhra Pradesh ranged from a low of 180 days (soft toys making and zardosi and embroidery) to a high of 672 (TV/VCR repairing). Classifying the units in terms of intensity of labour employment (person days of employment generated per Rs.100 of capital investment) reported that labour intensity was more for adda leaf plate making, broomstick making, and jute handicraft units (10.0) as these units required very less of capital investment and more of working capital to run the enterprise. These units were followed by appliqué works (8.4), tailoring (5.3), plumbing (5.0), zardosi and embroidery (4.0), soft toys making units (3.6), etc. Lowest labour intensity was reported by auto driving and computer education units (0.2), followed by photography (0.3), cell phone repairing (0.7), motor rewinding (0.8), etc.)

Table: 8.9 Employment Generation by New Enterprises of REDP Trainees in Andhra Pradesh

No	New Enterprises	Trainees	Cost of Invest ment(Col)	Work ers/Unit	P.days/ Worker	P.days/ Unit	Emp./Rs. 100 of Col
I	Household Enterprises	55	4291	1.1	217	238	5.6
1	Applique Works	21	2500	1.0	210	210	8.4
2	Zardosi & embroidery	12	4500	1.0	180	180	4.0
3	Tailoring	22	5872	1.2	260	312	5.3
II	Repair/Service Enterprises	25	90922	1.4	304	427	0.5
4	Cycle repairing	1	50000	2.0	300	600	1.2
5	Cell phone repairing	4	73000	1.5	320	480	0.7
6	Computer Education	3	200000	1.0	325	325	0.2
7	Motor rewinding	4	33750	1.0	270	270	0.8
8	House wiring	1	5000	1.0	250	250	5.0
9	Photography	2	155000	1.5	330	495	0.3
10	TV/VCR repairing	8	60625	2.1	320	672	1.1
11	Auto driving	2	150000	1.0	320	320	0.2
III	Manufacturing Enterprises	25	2750	1.0	196	196	7.1
12	Adda leaf plate making	6	2000	1.0	200	200	10.0
13	Broomstick making	5	2000	1.0	205	205	10.3
14	Jute handicrafts	8	2000	1.0	200	200	10.0
15	Soft toy making	6	5000	1.0	180	180	3.6
	Overall	105	96129	1.2	239	287	4.4

Source: Field data

8.13 The impact of grant assistance on employment generation in Chattisgarh was uneven across the activity, scale of operation etc. At the aggregate level, average employment days per annum works out to be 186, whereas average cost of creating one employment calculated at Rs 4,395.00. Details are exhibited in in table 8.10.

Table: 8.10 Activity wise Annual Employment Generation in Chhattisgarh

Particulars	No. of Persons Employed	Av. Emp.Days per Annum	Person Days (Recurring)	Av.cost of Creating one Employment (in Rs)
Low cost building material	28	122	3,416	19,643
Fabrication	34	195	6,630	10,294
Repairing domestic appliances	14	295	4,130	4,286
DTP computer/screen Printing	70	118	8,260	1,429
Garment / Soft toys / tailoring	18	240	4,320	5,000
Wooden furniture	6	265	1,590	41,667
Photography/videograp	12	208	2,496	16,667
Haller, Aatta Chakki	11	210	2,310	13,636
Overall	112	186	2,2692	14,344

Source: Field data

8.14 Repairing of electronics constituted highest percentage (80.82%) on the basis of 365 days in a year followed by Wooden furniture (72.60 %), Garment / Soft toys / tailoring (65.75%), low cost building material (65.59%), Haller, Aatta Chakki (57.51%), fabrication (53.42%) etc. DTP computer / screen printing represented lowest percentage at 32.33 per cent. Table below gives the detail:

8.15 In the predevelopment period, 5 sample trainees, those selected from the REDP on dry fish processing **in Odisha**, had their own enterprises or business activities, while others were not having any enterprise of their own. There was little scope in the villages for any kind of entrepreneurial activities. Firstly, the rural women were not having any skill or even idea of value addition. Secondly, there was absolutely no linkage with market in the remote areas, where from

Table: 8.11 Activity wise Percentage of Employment Days on the Basis of 365 Days in Chhattisgarh

Particulars	Average Employment days per Annum	% age of employment days on basis at 365 days
Low cost building material	122	65.59
Fabrication	195	53.42
Repairing domestic appliances	295	80.82
DTP computer / screen printing	118	32.33
Garment / Soft toys / tailoring	240	65.75
Wooden furniture	265	72.60
Photography/videograp	208	56.98
Haller, Aatta Chakki	210	57.51
Overall	186	50.95

the REDP beneficiaries hailed. In the absence of any skill the only employment opportunity existing in the rural areas was agricultural labour, that too for about 50-60 days in a year. Therefore, in the pre development period only 5 (6%) out of 80 trainees were fully employed in their professional family occupation of fisheries and 26 (33%) "Others" were partially employed in agricultural and allied operations. As many as 49 (61 %) of the sample beneficiaries were fully unemployed before REDPs. The REDPs could gainfully employ 64 (80%) trainees in the activities they were trained for and 7 were engaged in other activities , while 9 trainees have not take up any economic activity (Table 8.12) .Out of them 41 (45 %) were fully employed and 23 (29%) were partially employed . The REDPs reduced the pre training unemployment situation of 49 trainees to 9 in the post training period where as the full employment situation of the trainees had gone up from 5 to 41.Seven (7) trainees resorted to other activities after the training programme as they could not take up the trained activities on a commercial scale (Table8.12).

Table: 8.12 Activity wise Employment Generation of REDP Trainees in Odisha

Name of REDP	Pre development			Post development			Other Activities
	Nil	Partial	Fully	Nil	Partial	Fully	
Pattachitra	3	2	-	-	-	5	-
Toy painting	-	5	-	-	-	5	-
Pattachitra	4	4	-	-	-	8	-
Palm leaf	-	5	-	-	-	5	-
Patch work	2	4	-	-	-	6	-
Dry fish	-	-	5	-	-	-	5
Chalk and Agarbati	5	-	-	-	5	-	-
Stone carving	5	-	-	-	4	1	-
Golden grass	5	-	-	-	-	5	-
Patch work	4	1	-	-	4	1	-
Golden grass	5	-	-	-	3	2	-
Milk processing	5	-	-	3	-	-	2
Paper craft	5	-	-	-	5	-	-
Terracotta	5	-	-	5	-	-	-
Golden grass	1	5	-	1	2	3	-
Total	49	26	5	9	23	41	7

8.16 After the training programmes under REDP as many as 47 (59%) could establish their own enterprises (Table 8.13). Further, 17 (21%) "Other trainees" could employ themselves with the enterprises established by the Master Crafts man of the trade. Out of the 80 sample trainees, 64 (80 %) were settled and a major part of their income was coming from the activity they were trained in. Moreover, the activities they adopted were of their own choice and they could do it with interest and self esteem.

Table: 8.13 Own Entrepreneurial Activities among Sample Trainees in Odisha

Name of REDP	Pre Dev.	Post Dev.	Name of REDP	Pre Dev	Post Dev
Pattachitra	-	1	Golden grass	-	5
Toy painting	-	5	Patch work	-	5
Pattachitra	-	2	Golden grass	-	5
Palm leaf	-	3	Milk processing	-	-
Patch work	-	4	Paper craft	-	5
Dry fish	5	5	Terracotta	-	-
Chalk and Agarbati	-	-	Golden grass	-	5
Stone carving	-	2	Total	5	47

Source: Field data

8.17 An assessment on net gain in employment in **Uttar Pradesh** was worked out on the basis of the average person days per annum before training vis-à-vis after training under each activity and is presented in Table 8.14. The average gain in employment worked out to 93 person days per annum in case of Moradabad district and 134 person days in a year in case of Mirzapur district. Comparatively low gain in Moradabad was on account of high level of employment during pre training period. The overall gain in employment worked out to 117 person days per annum..

Table 8.14 Activity-wise Annual Employment Generation in Uttar Pradesh
(Person days/annum)

Sr. No.	Particulars	Employment		Net gain in Employment
		Before Training	After Training	
	Moradabad			
1	Wire basket	134	202	68
2	Food processing	92	177	85
3	Durrie making	150	292	142
4	Zari work	-	99	99

Sr. No.	Particulars	Employment		Net gain in Employment
		Before Training	After Training	
5	Bandaz cloth	183	236	53
	Total	112	205	93
	Mirzapur			
6	Readymade garments	-	82	82
7	Durrie Weaving	180	262	82
8	Bag making / screen printing	65	282	217
9	MCR Tiles	60	266	166
10	Low cost Readymade Garments	47	167	134
11	Fancy bag making	20	120	100
	Total	68	198	134
	Overall	84	200	117

Source: Field data

8.18 The higher gain was observed in activities like bag making / screen printing (217 per son days), MCR tiles (166 per son days) and low cost readymade garments (134 per son days), even though these activities were low in income generation. These may be attributed to low level of employment during pre training period.

Chapter - IX

Credit Support and Related Issues

This chapter deliberates on capital and credit support for establishment of enterprises. Generally low capital intensive activities are considered for REDP training programme so that trainees can easily adopt them. Lack of capital does discourage the trainees to take up the activities in economic scale. Low initiation of capital requirements also facilitates the trainees to establish their entrepreneurial activities. In most cases funds are incurred by the trainees for procurement of raw materials and equipments etc for the activities. Table 9.1 gives an account of capital invested by entrepreneur to start up their economic activities.

Table 9.1 Capital and Sources of Funds

Nature of capital support for starting activities	Amount in Rupees	
1.Raw materials	No break up available	
2.Equipments and others		
3.Total	63,054	
Sources of funds	Absolute(Rs)	In Per cent (%)
1. Stipends	Negligible	
2.Own/Family	25,221	(40)
3. Bank	15,133	(24)
4. Facilitators (NGOs, SHGs, Das, EDIs etc.)	22,700	(36)
Total	63,054	(100)

Source; Field data. Note—Figures in brackets indicate percentage to column total

9.2 On an average, an amount of Rs 63,050 has been estimated as the total cost of undertaking the activity. Out of which entrepreneur used own/family fund of Rs 25,221 accounting for 40 per cent of the total, borrowed Rs 22,700 (36 %) from facilitators and the balance amount of Rs 15,133 (24%) from banks as credit. Thus, bank credit was available less than one fourth of total outlay.

Sources of Investments of Selected States

9.3 The investments on REDP according to states and their sources of funds have been presented in Table 9.2. The average investment cost on enterprises by states varied depending upon the nature of activity, location etc.. It was highest at Rs.77, 664 in Chattisgarh followed by West Bengal (Rs.64,618), Odisha (Rs.64,290), Bihar (Rs.54,596), Uttar Pradesh (Rs.54,363), Andhra Pradesh (Rs.48,998). The investment/capital cost is lowest at Rs.46, 319 in Himachal Pradesh (Table 9.2).

9.4 As regards sources of funds, bank's share was only 5 per cent in Uttar Pradesh and 10 per cent each in Bihar and Odisha. West Bengal could avail 40 per cent of total capital followed by Andhra Pradesh (38%). State wise, funds available from banks ranged 5 per cent to 40 percent while the share of SHGs varied between 25 per cent and 60 per cent. Table 9.2 gives the details.

Table 9.2 Sources of funds in Selected States

State	Capital Cost (Rs.)	Sources of Funds (%)		
		Bank	SHGs	Own and relatives
Andhra Pradesh	48,998	38	24	38
Bihar	54,596	10	30	60
Chattisgarh	77,664	-	-	-
Himachal Pradesh	46,319	30	50	20
Odisha	64,290	10	60	30
Uttar Pradesh	54,363	5	25	70
West Bengal	64,618	40	30	30
Total	63,054	24	36	40

Source; Field data

State wise Units Supported by Bank and Owned Funds in Andhra Pradesh

9.5 Out of 558 trainees as many as 338 trainees accounting for 60.57 per cent of total established their units. Among 338 units, 108 units (32 %) sat up with the help of bank finance, 164(49%) with own funds

and the remaining 66 (19%) as wage employed. Units settled with bank finance were (i) tailoring and garment making, (ii) domestic appliances repairing works, (iii) fashion designing, (iv) jute handicrafts, (v) hand and machine embroidery, (vi) computer DTP etc..(Table 9.3).

Table : 9.3 Activity wise sources of funds with reference to Settled units in Andhra Pradesh

No.	Activity	No. Settled	Units with bank finance	Units with owned funds	Wage Employed
1	Jute Handicrafts	71	19	34	18
2	Tailoring and Garment Making	30	30	-	-
3	Computer Education	16	-	-	16
4	Applique work	20	5	15	-
5	Adda Leaf Plate Making	20	-	20	-
6	Broom Stick Making	18	-	18	-
7	Hand and Machine Embroidery	19	12	7	-
8	Soft Toys Making	31	-	31	-
9	Domestic Appliances Repairing Works	28	18	10	-
10	Fashion Designing	28	15	8	5
11	TV Assembling and Repairing	29	3	7	19
12	House Wiring / Repairing	7	-	7	-
13	Machine Embroidery	12	2	2	8
14	Computer DTP	9	4	5	-
	Total	338	108	164	66

Source: Field data

9.6 State wise analysis of units financed by bank **support in Uttar Pradesh** revealed that 78 units were set up representing 23.2 per cent of total (335) units. Out of 78 units only 42 units could avail bank finance and established the units while 36 units established at their own funds.

Table: 9.4 Activity wise sources of funds with reference to Settled units in Uttar Pradesh

Sl no	Activity	No Settled	Units with bank finance	Units with owned funds
1	Mirza Pur			
	Wire Basket	1	1	-
2	Food Processing	1	1	
3	Durrie making	19	19	-
4	Bandage cloth	21	15	6
Sub Total		117	36	6
	Moradabad			
5	Stitching and Embroidery	6	-	6
6	Jute bag(Fancy)	5	2	3
7	Low cost readymade garments	13	4	9
8	Screen Printing	12	-	12
Sub total		36	6	30
Grand Total		78	42	36

Source: Field data

9.7 Activity wise analysis showed that durrie making (19), bandage cloth (15), Jute bag (2), low cost readymade garments (4), Food processing (1), wire basket (1) etc.

Credit related Aspects of REDPs

9.8 **Andhra Pradesh**—Bank financed needy trainees of technical REDPs organized by EDIs through Swarojgar Credit Card (SCC) and also under PMRY. Trainees of tailoring and garments making were financed through SHGs. On selective basis, individual credit was provided depending upon placement of security, aptitude of borrowers and confidence of the banks with NGOs who arranged for REDPs. Trainees also obtained loans from NGOs.

9.9 **Chhattisgarh**—The beneficiaries were organized in groups and were availing credit facilities from internal lending. In addition to this, additional credit needs, if any, were being met from banks. In case of REDPs organized at Raigarh, the banks had financed the units by way of issue of Swarojgar Credit Cards (SCCs) and the same was

distributed on the penultimate day of training. For REDPs in Bilaspur district, it was observed that the banks have financed the units under KVIC/KVIB scheme. Further, it may be mentioned that the banks may resort to bulk lending or group lending to NGOs who in turn could support trained beneficiaries for effective forward and backward linkage activities.

9.10 Odisha—In odisha, the focus was on less capital intensive activities and the requirement of working as well as block capital varied from Rs.500 for stone carving/ palm leaf to Rs.2, 300 for toys making units. Capital requirements were met through stipend. Only eight of the 80 respondents under study availed loans through credit institutions. These eight trainees were provided rural artisan credit card with a limit of Rs.6, 000 each. Since the trainees did not form SHGs, their linkages with banks were absent, excepting chalk and agarbati making units.

9.11 Uttar Pradesh —Of the 96 trainees under study in Uttar Pradesh, 48 availed institutional credit and average loan size worked out to Rs.16, 035. Across the activities, the loan size varied form Rs.7, 000 for fancy jute bag making to Rs.31, 500 in case of bandage cloth. Of the 48 trainees linked to banks, 14 counts were NPAs. The latter was attributed to inadequate income and lack of proper follow up by banks/implementing agencies, especially in case of low cost garments.

Institutionalization of REDPs

9.12 With a view to making discernible impact on generation of sustainable income and employment in rural areas, NABARD prepared a strategy for institutionalization of REDP. Under institutionalization process of REDPs, long term collaboration is being forged with identified leading EDIs/Vas/NGOs to achieve the corporate goal on well as better success rate by technical REDPs. In Andhra Pradesh, NABARD initiated process of institutionalization of REDP with a long-term collaboration with Andhra Bank Rural Development Trust (ABRDT) for conducting REDPs in 2002-03. Settlement rate of ABRDT was 68 per cent as against 25 per cent for NGOs. Some of the reasons for low success rate in case of NGOs were focus on SHG members and skill oriented REDPs rather than technical REDPs organized by EDIs. However, EDIs were focusing on coastal Andhra only because of their location. EDIs had taken up technical REDPs like, motor rewinding, cell phone repairing, cycle repairing, and computers DTP

solely for educated unemployed rural youth. Similarly NGOs/VAs had taken up skill oriented General REDPs like, adda leaf plates making, soft toys making, broomsticks making, jute handicrafts, appliqué works, etc. for SHG members.

9.13 While the EDIs selected prospective rural entrepreneurs who were educated and unemployed in the age group of 18 - 35 years, NGOs/VAs selected candidates with basic motivation for enterprise and minimum necessary educational qualification, particularly women from various SHGs. EDIs generated applications through awareness/motivation camps in villages, prepared annual calendar of programmes to circulate among bank branches for sponsoring candidates.

9.14 EDIs had well-structured buildings with classrooms, workshops, hostels, etc. for undertaking training under REDP. These institutes were fully equipped to conduct multi channel training programmes. As against this, sample NGOs did not have adequate infrastructural facilities to run REDPs.

9.15 All the agencies followed the norms as prescribed for pre training, training and post training phases of REDP. However, all the three phases were not systematized for NGOs, as is the case with EDIs. The duration of the programme ranged from four weeks (adda leaf plate making,) to 12 weeks (soft toys making, appliqué works, tailoring and garments making) in case of non-technical REDPs, where as for technical REDPs, it was mostly eight weeks (domestic appliances repairing, cell phone repairing, etc.).

9.16 Escort services with regard to motivational support, arrangement of bank finance, consultancy support, marketing exposure and support, networking/ contacts, etc. differ widely between EDIs and NGOs. While, EDIs had a major role in arranging bank loan/ financial support, assisting in getting the subsidy available in the Govt. depts. etc., NGOs follow up with bankers for SHG linkage.

9.17 The study revealed that farm based REDPs constituted only 2.9 per cent of total REDPs during the period 2000-2007. It was also observed that no NGOs had taken up any farm sector REDPs. EDIs, i.e., NIREN and ABIRD had conducted programmes under farm sector activities like organic farming, nursery raising and repairs and maintenance of LI motors, etc.

Adequacy of Cost

9.18 NABARD provides promotional assistance, maximum up to Rs. 75,000.00 for a programme, to select agencies to meet recurring expenditures in conducting REDPs. In 60 per cent of total REDPs, the amount of grant assistance sanctioned by NABARD were lower than amount proposed by the agency. The reasons were (i) overestimation of the requirement of expenditure, (ii) decreasing the duration of the programme and (iii) plugging unnecessary capital expenditure for organizing the programme, etc. On the other hand, the amount of grant assistance availed by the facilitator was lower than the amount sanctioned in majority of the cases (50%) across states as the agencies in most cases had not claimed the final installments. The expenditure incurred on the other hand was more than the grant assistance in some of the REDPs.

9.19 Grant support was extended for meeting pre-training, training and post-training expenses. Highest proportion of grant was sanctioned for training expenses (80% in West Bengal, 66% in Chattisgarh). In the context of incentive based system, the study in Uttar Pradesh has suggested that in addition to loan size, sustainability of unit need to be considered as absence of follow-up on the part of NGOs in post credit linkage lead to misuse of credit facility, closure of units because of changes in market conditions, etc.

9.20 Study in Andhra Pradesh revealed that the amount of Rs.50, 000 for incentive based REDPs on emergency lamp making, banana fibre extraction and computer education was inadequate, especially to meet cost of instructors and computer hire charges. In Uttar Pradesh, average amount per REDP disbursed (Rs.45,304) was close to sanctioned amount (Rs.47,183) as there was a tendency among the implementing agencies to manage the programme within the sanctioned amount although they viewed that remuneration for guest faculty can be increased to enable hiring of specialists. The average cost per REDP varied across the States (Table 9.5) mainly on account of activity selected for the REDP. The average cost per REDP and per trainee worked out Rs.52, 545 and Rs.1, 913 respectively.

Table 9.5: Average Cost per REDP and per Trainee in Different States

State	Average Cost (Rs)	
	REDP	Trainee
Andhra Pradesh	40,832	1,775
Bihar	45,813	1,527
Chattisgarh	64,720	2,140
Himachal Pradesh	38,599	1,250
Odisha	53,575	2,679
Uttar Pradesh	53,848	1,949
West Bengal	45,304	1,618
Over all	52,545	1,913

Availability of Bank Credit by Agency

9.21 Among the sample REDP trainees (793), all reported having received one or other types of post training assistance. Two hundred and two borrowers (202) accounting for 25.50 per cent of total had availed bank loan for setting up of their units. All of them reported that they got the support from their agencies for facilitating bank finance. As many 417 borrowers representing 52.58 per cent of total sample reported that they had received technical support. Guidance to set up units was also received by 520 samples accounting for 65.45 per cent of the total

Table 9.6: Units with loan and Support Services by Agencies

No	Agencies	Sample Trainees	Units with Bank Loan	Support Services	
				Technical Support	Guidance to set up units
1	EDIs	282 (35.56)	152 (53.90)	189 (67.07)	170 (60.28)
2	NGOs/ VAs	511 (64.44)	50 (9.79)	228 (44.62)	350 (68.83)
		793 (100.00)	202 (25.50)	417(52.58)	520 (65.45)

Source: Field data

9.22 Across the agency, support system of EDIs was good as about 67.07 per cent and 60.28 per cent reported having received technical support as also guidance to set up units. This emphasizes the need

for gearing up the support system as also extension mechanism of EDIs and NGOs/VAs for setting up more units by REDP trainees. The potential entrepreneur needs to be given the proper technical and other guidance necessary for successfully setting up / running the units. Banks also need to extend support services to trainees and should sponsor candidates for REDPs.

Credit Linkage

9.23 One of the important aspects of post-training follow-up is linking the trainees with the sources of institutional finance for meeting their credit requirement. The data on state-wise performance of implementing agencies (IAs) in credit linkage is presented in Table 9.7. The percentage of trainees credit linked ranged from 23 per cent in West Bengal to 47 per cent in Bihar. About 32 per cent of the trainees were credit linked after training.

Table 9.7: Credit Linkage

Sr. No.	State	Credit Linkage (%)
1	Andhra Pradesh	31
2	Bihar	47
3	Chhattisgarh	44
4	Himachal Pradesh	27
5	Odisha	0
6	Uttar Pradesh	37
7	West Bengal	23
	Total	32

9.24 Bankers perceived that credit linkages to the trainees are based on certain parameters like, activity chosen for training, inclination for creation of new self-employment enterprise, etc. Bankers perceived that the REDP by EDIs had helped the trainees in acquiring skills in product/design development. For all technical REDPs conducted by these institutes, banks had financed the interested trainees/units by way of issue of Swarajgar Credit Cards (SCCs), as also under other Govt. programmes like, PMRY. The banks resorted to bulk lending or group lending to NGOs who in turn could support trained beneficiaries for effective forward and backward linkage. The trainee SHG members were also organized into activity based groups (ABGs) and was availing credit facilities from internal lending as also from MACS located by NGOs.

Chapter - X

Summary and Conclusion

The present study is a consolidation of "Rural Entrepreneurship Development Programme (REDP)" Reports of seven states viz. Andhra Pradesh, Bihar, Chattisgarh, Himachal Pradesh, Odisha, Uttar Pradesh and West Bengal. The studies were conducted by the Agricultural Economists/officers with economics background. The main thrust of the consolidated report was to focus the constraints and suggest remedial measures which will help in policy formation.

REDP Programmes have come up as an efficient instrument in creating income and employment opportunities for the rural youth, especially the women in rural and semi urban areas. The Executive Development Programmes (EDPs) are the medium for the value addition to the resources and reviving the vanishing arts and crafts in the selected states. The programme not only rediscovered the economic potentials in the traditional art forms but also brought life to artisans. Further, the teeming millions who otherwise would have migrated to other areas in search of a livelihood by giving an opportunity explore a living through an alternative or supportive occupation.

REDPs mainly facilitated the rural youth and women to support the family with a supplementary income. In many cases, the income generated by the beneficiary trainees was not handsome but it was adequate to extend the helping hand to the family. Taking into account all the samples as a whole, the average monthly incremental income of the sample trainees was Rs 1,555. Across the states it varied from Rs 942 in Odisha to Rs 1,884 in Andhra Pradesh. This was enough to rise above the poverty line. In rural India, almost all the economically backward families were dependent on agricultural wage and yield from agriculture of the small and marginal land holdings. This income (Rs 941) of one or two earning members of a family is never adequate to feed for the entire year. This is because of the fact that agriculture is seasonal operation and can provide employment for a person up to 60 to 70 days in year. In such a situation, a supplementary income from a non earning member of the family or during the lean period of the year is definitely a good support.

The rural youth due to various obvious and unknown reasons fails to get proper education that is required to fetch him or her descent

job. Without proper skill or vocation, one cannot take up any business or entrepreneurial activities. It is also not easy to move out to urban places and get a job there. If one does not have any skill or vocation under such situation the EDPs create a scope for these less educated unskilled rural youth to take up a job or self employment activity. Many trainees took up the entrepreneurial activities in which they were trained under REDP as the prime activity. Income from these activities was much more than what they were earning previously or what they would have earned from any other activity.

Another advantage of REDPs was that a choice of activity was suitable to the trainees since the facilitators select the activities taking into account the market potential for the produce. The participants are identified from the target group and from those who are really inclined to learn the skill and utilize it commercially are only selected for trainees. Though the choice of activity and organizing the EDPs initially sounds much of a supply oriented programme, the nature of trainee, market potential and linkage and scope for earning a good income working at home or in an enterprise with good environment, make the programme demand driven. This is reflected by the acceptance to the programme and skill by the participants. A majority (80%) utilize the knowledge for a full time or part time generating activity. Even if one does not utilize the skill for a commercial purpose or in establishing an enterprise after the training programme, one feels elated that she/he could learn a skill which is very useful in his or her life. The programme instills confidence among the trainees if at all necessary they can utilize the skill for an earning.

The added advantage of REDP is that there are large varieties of activities that can be covered under the training programme. It can be organized at any place and can be designed to suit any type/kind of target group. REDPs can be designed differently from different target groups and at different locations. The programme is very flexible so that it can be framed according to the need. People with no skill can be trained for simple activities like food processing, candle, chalk, agarbatti making or such activity. Youths with education and ability were trained for computer hardware, fabrication, repairing electronics and electrical goods.

The benefits of REDP inter alia include (a) preserving traditional art / craft and the products, (b) reducing pressure on farming by exploring

and providing employment in rural non-farm and service sector activities, (c) add value to the local produce, (d) generating productive employment throughout the year, (e) extent of inclusiveness in REDP in terms of coverage of beneficiaries from SC/ST and OBC categories as well as women candidates, and (e) benefits to society in terms of saving expenditure on employment guarantee scheme like National Rural Employment Guarantee Scheme

Most of the REDP activities are low investment-requirement-enterprises. Except a few activities like fabrication etc the capital requirement for establishing an enterprise for the activity after training was almost nil. That is why without credit or other financial support the trainee could take up some micro entrepreneurial activities. Of course often the requirement of working capital and opportunity cost restrict the size of the trainee.

Poor repayment performance (45 % of total demand) in case of REDP trainees adversely affected the linkage between REDP and banks. About 52 per cent of trainees perceived that REDP did not focus on marketing of finished goods, 56 per cent on poor linkage between NGO, Banks and line departments, 46 per cent on inadequate follow-up and 31 per cent on no mandatory clause of setting up of units.

There was hardly any balanced approach in sanctioning of REDP giving due weight to all the districts. While in some districts it has been taken up vigorously (Srikakulam, Chittoor, East Godavari, etc.), in some districts no REDP has been sanctioned since 2002 (Karimnagar). Such an iniquitous implementation of REDP did not give due justice to the rural sector. In economic terminology, this would lead to lopsided growth of various sub sectors/ indigenous unorganized activities, which finally would result in lopsided growth among regions and local communities.

The crowding effect for certain activities in the same area resulted in problems of marketing and thus making the units unviable. Unlike EDIs/RUDSETIs, NGOs did not make adequate efforts for generation of applications and selection of candidates for training from different villages/mandals/localities of the districts.

The study revealed that adequate provision has not been made for raw materials so that the trainees develop their skills up to the desired extent through sufficient practice. Besides, for all technical REDPs,

certain agencies do not provide small tool kits and reading material, nor do they arrange for field visits and guest lecturers so that the candidates derive maximum benefits under the programmes. Qualified and experienced trainers are not being appointed /contracted to provide quality training to the candidates

NABARD widened the scope of REDPs by including select agro-based activities such as high tech agriculture, agro-industries, agro-processing, agriclincs, agro-service centres, processing of herbal/medicinal plant etc. The agencies should include all aspects of enterprise management in the training module so that the trained person acquires required skill and competence to set up the unit independently.

Policy Issues

1. Selection of activities for imparting REDP is not based on local demands/needs and perceptions of people. Agencies, particularly, NGOs, do not go for any proper and systematic potential survey before preparing and forwarding proposals for grant support to conduct REDP. The selection should be based on the local potentials, resources availability and marketing opportunities for the products/services. There should not be any mismatch between the skills sought and skills available among the people, which might result in growth of unemployment. Therefore, REDP should be need based through some potential survey of skills available and skills sought by the local economy.
2. Selection of trainees is not proper and not based on the interest, attitude of the candidates. This resulted in drop out of candidates who are not having interest /aptitude in the proposed activity leading to low success rate in grounding of units and employment generation. A carefully designed selection process to identify and select only interested and potential youths taking into account their interest and aptitude would make the REDP a success.
3. Special efforts need to be made by EDIs to impart technical REDPs to school drop outs/ rural tribal youths. When REDPs are sanctioned to EDIs/RUDSETIs in bunch (say, 10 REDPs a year) a specific number of REDPs may be earmarked for school drop outs and rural tribal youths.

4. Training module is prepared by certain agencies excluding general aspects like preparation of project, accounting, opportunity, identification, motivation, management, marketing, etc. Further, agencies do not go for scanning of the local environment before designing the programme. There is no designing of a need based location specific short duration courses that would give motivational / behavioural inputs to the trainee.

5. As NGOs mostly conducted skill based non-technical REDPs, there was no formal/ systematic course module-giving due thrust on motivational/ behavioural inputs. In view of this NGOs/VAs must design suitable training modules based on absorption level and future requirements of the candidates. Use of experiential learning, group discussion/ field level experience and participation methods are an asset to the trainee for his future settlement.

6. The duration of the programmes ranged between 4 and 8 weeks. For many activities, especially for Handicrafts like Pattachitra, Palm leaf craft, and others the duration was felt very short. In states like Odisha , Himachal Pradesh, Uttar Pradesh etc majority of REDPs (70 %) are handicrafts based. Duration of training is inadequate .As a result the trainee lacks in confidence and does not encourage to take up any entrepreneurial activity. The duration for such programmes may be considered for at least four months. Thus, the duration of REDPs may be revised upword to 20 weeks.

7. The trainees who have settled with activities may be facilitated with subsequent exposure cum training programmes for 4 to 7 days to institutes, experts or enterprise of same or similar trade within as well as outside the state. This may inspire the trainees to take up their own enterprises more vigorously. The trainees can also get exposed to new designs, perfection in skill and market linkage. Often the individual entrepreneur found unsuitable for larger market because of economics of scale. For example if an entrepreneur gets an order for bulk supply within a short period, she or he may not be able to produce even he is offered a better price. In such a situation the exposure visit may introduce them to a group of similar crafts men who can form a cluster and can meet larger orders in time. This can also open up wider market linkage to the entrepreneurs,

8. Escort/handholding/follow up services offered by various agencies differed widely. While the escort services are quite effective in case of

services offered by RUDSETIs and EDIs, the same is not the case with NGOs/VAs. However, it should have been the other way round as NGOs/VAs have the local feel/presence. Both EDIs/NGOs do not give much thought to marketing potentials, which ultimately decides the success of the programmes.

9. Marketing issues of the REDP trainees may be taken up by NGOs by networking with identified suitable agencies like fair trade organizations, which are exclusively promoting trade/marketing of artisans, rural entrepreneurs and have expertise in these areas. Tie up with such agencies would go a long way in addressing the issues on marketing, design, prices of products.

10. To strengthen the process NABARD may arrange every year one state level workshop of the facilitators where scope for enhancing the market linkage can be established. Samples of various produce may be displayed in the workshop. Concerted efforts to create a market and market linkage for the produce may be made by all facilitators. This will benefit not only the REDP trainees but also the SHGs and micro enterprises spread throughout the states.

11. 'Institutionalization of REDP' has to be taken up vigorously by forging long-term collaboration with identified EDIs/VAs/NGOs to achieve the corporate goal to train at least one-lakh potential entrepreneurs in rural areas as well as to ensure better success rate by conducting technical REDPs. However, in Andhra Pradesh, Andhra Bank Rural Development Trust (ABRDT) is the only agency with which there is a long-term collaboration since 2002 to conduct REDPs on a sharing basis. Like-wise in UP, HP, Bihar, Chattisgarh and Orissa REDPs are being implemented by different NGOs on a temporary basis.

12. There is no collaborative arrangement with good NGOs and other institutional agencies to institutionalize the process of REDPs. It is learnt that big NGOs are not coming forward because of meager amount offered as grant assistance, loopholes in the sanction and disbursement procedures (seven to 10 times stretching over two years). Thus, the 'institutionalization processes of REDP' requires to be invigorated. Concerted efforts need to be put to collaborate with EDIs, good and leading VAs/NGOs to ensure better success rate by conducting technical REDPs. These points need to be looked into to modify the guidelines.

13. Although many implementing agencies conducted numerous REDPs on different activities and create lakhs of employment, and income opportunities among rural unemployed youth, the presence study reveals that the REDP, in the strict sense of the term didn't give any entrepreneurial orientation to rural people. Mostly it is based on target oriented approach without any structure or pointed focus on improving the entrepreneurial talents of rural and educated unemployment youth. Thus, the target-oriented approach as it is based presently should be replaced with a structured, need-based strategy with a pointed focus on improving the entrepreneurial talent of local rural and educated unemployed youth. It should lead to equality of opportunity among rural youths thus leading to a balanced growth of RNFS in all the districts.

14. The trainees under the study attached more importance to learn the skill/ process of the activities than stipend. Stipend was not a major attraction for many but it is an encouragement for all. After the training programme some trainees used the stipend to purchase raw materials and started their entrepreneurship. Bank credit is hardly available to the trainees to start their entrepreneurship. However, after successful entrepreneurial activities, some of the trainees were issued Artisan Credit Cards later on. In such a situation, stipend would be useful to the trainees to meet the working capital requirement to some extent to make a beginning with their entrepreneurship of self employment activities. The stipend amount should be of Rs 300 per week.

15. Often the trainees lose their confidence on the entrepreneurial skill after a year or so when they feel the designs they learnt during the REDP became out dated and unable to fetch a market. With the minimum skill given to the trainee in REDP, the trainees were unable to graduate on their own to innovate new ideas and designs. The trainees definitely need support for graduating. Thus, a supplement training programme for 2 to 4 weeks may be arranged for the trainees after a year of the completion of the programme. This will not only provide a feed back on "where the trainees stand after a year' but also can "encourage the trainees to take up the entrepreneurial activities" and thus settlement rate of the REDPs may be increased. This may instill sustainability to the entrepreneurs / self employment activities.

16. The implementing agency involved in conduct of REDPs varied significantly in terms of objectives, approach, competence, etc.

Capacity building of the implementing agencies emerged as the most important requirement in successful implementation of EDP. It was observed that agencies with better professional and technical capability appeared to be less committed towards trainees while highly committed organizations were not technically and professionally capable to implement EDPs. The capability of highly committed organizations should be enhanced through capacity building measures.

17. Financial support is essential in order to venture the micro enterprises a long way to growth path. Under the Medium Small Micro Enterprise (MSME) development programme ample stresses is provided to enhance the institutional credit flow to micro enterprises. Unfortunately, the credit linkage was very poor in respect of the REDP beneficiaries. The study revealed that only 25 per cent of sample trainees were credit linked. With a view to facilitate the trainees to establish their enterprises or undertake economic activities, on valediction of the REDP each trainee should be provided with an Artisan Credit Card of at least Rs. 25,000.00 credit limit.

18. Instead of undertaking REDPs through a large number of NGOs on ad-hoc and sporadic basis a few potentially capable NGOs / institutions may carefully be identified in each state for long-term association with NABARD in conducting REDPs. The select institutions may be given capacity building support and long-term assurance for conducting REDP with NABARD's continued support.

19. The commercial Banks may be suggested to take further steps to set up institutes on the lines of RUDSETI in collaboration with NABARD. Apart from EDIs, NABARD should strengthen tie up with Govt. run polytechnics / ITIs to conduct REDPs in those areas where no EDIs are present.

20. The District Industries Centres (DICs), Industrial Training Institutes (ITIs), Rural Poly-Techniques, etc. may be revitalized in this regard and made relevant to local needs. These institutes should also identify newer trades for training taking note of the resource endowment of the region and also the emerging opportunities in a liberalized / globalized context.

21. There is hardly any well structured and systematic coordination among the entire project partners viz. bankers, state/central government officials at the district level, marketing agents. These leads

to poor success rates as such the uncoordinated effort adds to the failure of a new venture. Although effort was to involve DIC in every stage of implementation of REDPs, their actual involvement was restricted to delivery of talks as Guest Faculty. The cooperation of DIC was crucial as it was expected to enable new entrepreneurs to take advantage of its forward and backward linkage support system.

22. There is a need for a pro-active role by Government agencies like the DIC, banks and involvement of NGOs in mapping of potential, identifying borrowers, imparting required entrepreneurial skills and providing enabling environment for conducting REDPs.

23. It is observed from the field that the incidence of discontinuation of the activity by the girls after their marriage is more. Hence, preference may be given to married women who would continue with the activity for a longer period.

24. The agencies conducting incentive based REDPs viewed that Rs.50000 is not sufficient to impart training in case of many specialized activities such as emergency lamp making, banana fibre extraction and making utility items, engraved pictures, computer education, etc. In computer training, hire charges for computer form the major part of the expenditure. The salary of a good instructor itself comes to around Rs.7, 000 to Rs.9, 000 per month in these activities. Agencies revealed that this amount is not sufficient to impart training in cases of many specialized activities. It is suggested that the ceiling of grant assistance under the incentive based REDPs for the training component may be suitably enhanced.

25. Follow up services provided to the candidates in the post-training phase are inadequate resulting in poor performance in setting up of the units by the candidates. Intensive follow-up services have to be provided to the candidates in the post-training phase so that the trained candidates are able to pursue the activities on a sustainable basis.

26. The implementation of REDPs and its success stories are not documented. A strong database (in the lines of SBLP) on REDP- year-wise, implementing agency-wise district-wise, activity-wise, State wise, sanctions and disbursements, candidates trained, new enterprises created, wage employment generated credit disbursed, etc. has to be taken up seriously in this regard as also to create an awareness among rural youth and implementing agencies.

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Annexure 1: Number of REDPs, grant support and persons trained during 1990-91 to 2007-08

Year	No. of REDPs	Grant (Rs. lakh)	Av. grant per REDP (Rs)	Persons Trained	Av. person trained Per REDP
1991-92	36	0.3	Negl	—	—
1992-93	21	0.18	857	—	—
1993-94	94	0.66	702	—	—
1994-95	64	0.45	703	—	—
1995-96	40	0.37	925	—	—
1996-97	98	0.85	863	—	—
1997-98	191	0.83	434	5,000	26
1998-99	317	1.04	328	5,257	17
1999-2000	594	2.01	338	17,569	30
2000-2001	597	2.37	395	17,827	30
2001-2002	894	3.84	425	23,087	26
2002-2003	642	3.67	576	13,854	22
2003-2004	1,216	5.63	463	31,319	26
2004-2005	666	4.36	654	13,382	20
2005-2006	871	454.39	52,168	26,130	30
2006-2007	688	526.95	76,591	20,648	30
2007-2008	1,422	767.61	53,981	33,148	23
Compound Annual Growth Rate (%)	28.38	58.68	----	---	---

Source: Annual Reports of NABARD

Annexure 2 : Performance of REDPs in Selected States during 2005-06 to 2007-08

(Rs lakh)

State	2005-06				2006-07				2007-08			
	REDPs	Amt sanctioned	Amt released	No. of persons trained	REDPs	Amt sanctioned	Amt released	No. of persons trained	REDPs	Amt sanctioned	Amt released	No. of persons trained
Andhra Pradesh	75	33.51	31.05	2250	91	44.62	34.35	2040	116	44.43	18.16	2180
Bihar	41	41.32	16.44	1230	40	47.26	24.55	1170	80	53.7	28.23	2622
Chhattisgarh	47	40.06	17.87	1410	19	17.05	10.12	475	42	32.32	16.27	1135
Odisha	52	19.62	14.28	1560	42	21.22	4.64	807	69	39.66	6.73	1668
Uttar Pradesh	64	26.73	24.68	1920	54	32.74	32.98	2436	89	36.27	29.81	2980
West Bengal	50	24.12	20.76	1500	25	30.16	421	1425	75	51.79	12.49	2005
Total	912	484.78	391.80	27360	732	552.56	278.12	21455	1422	767.61	369.93	331.48