CHAPTER - 4

ENTREPRENEURSHIP DEVELOPMENT PROMOTING AGENCIES

4.1 Promoting entrepreneurship in India

Experts confirm, in an endeavour to achieve this mark, tapping the potential of the unemployed and exploring opportunities in the employment market, so that each and every person plays a crucial role in contributing towards the growth of the Indian economy is necessary. With several organisations understanding the importance of entrepreneurs and the ways in which they can create jobs for the unemployed, thus paving the way for an enriching economy, they are partnering with several expert bodies such as institutes, financial firms, etc. to foster all kinds of entrepreneurship.

Partners in growth

India has almost 300 million youth, but only 100 million jobs. Therefore, the country faces a 200 million employment gap. And Amy Christen, Vice President, Corporate Affairs & General Manager, Networking Academy Operations, Cisco Systems, Inc. believes that this gap can be bridged through self-employment and entrepreneurship-driven employment.

"We strongly believe in the entrepreneurial spirit of India's youth. In order to support entrepreneurship, the right framework, funding and mentoring needs to be provided. Entrepreneurs and small businesses are always most vulnerable in times of crisis when funding becomes dearer and difficult to come by. While others may put their efforts on hold during this economic crisis, it should be India Inc's organisations' corporate social responsibility to continue to fulfill their vision and commitment to this effort.

She also adds that the financial crisis has created opportunities for start-ups. "There are good people available who are more willing to join start-ups; salaries are more reasonable and therefore within the reach of smaller companies; and young people, having learned that jobs in large companies are not necessarily "safe", may be more inclined to start off on their own," Christen adds. Hence structuring programmes to maximise the chances of success
among young entrepreneurs and ensuring that entrepreneurs have strong mentoring and training to succeed in their business ventures, is vital.

Cisco, in a quest to achieve just that has collaborated with Small Industries Development Bank of India (SIDBI) and Tiruchirappalli Regional Engineering College- Science and Technology Entrepreneurs Park (TREC-STEP), a science and technology Entrepreneurs Park to promote information and communications technology (ICT) entrepreneurship and innovation in the country.

In this endeavour, SIDBI will finance small ICT businesses in India which will be run by current and/or former Cisco Networking Academy students, Cisco will subsidise the interest repayment and guarantee fees on the loans and TREC-STEP will provide customised training and mentoring to participants in the pilot. The new entrepreneurship pilot program will initially involve ten ICT businesses in Tamil Nadu. "With job opportunities only available to approximately one-third of India's youth, entrepreneurship development is a critical part of the country's future.

And such partnerships aim to nurture innovative thinking in small enterprises and support them with the financial resources to transform those ideas. Such programmes aim to foster an entrepreneurial environment that helps small businesses contribute to India's overall economic development," said Rakesh Rewari, Deputy Managing Director, SIDBI.

**Entrepreneurship Development Promoting Agencies** In India the Ministry of Small Scale industries is the administrative ministry for all matters related to small scale and village industries. It design and implements policies and programmes through its field organisations and attached offices for promotion and growth of small industries. The policy measures include the setting up of a network of institutions to render assistance and to provide a comprehensive range of services and common facilities for budding entrepreneurs. These entrepreneurship promoting institutions can be broadly classified as central level institutions/agencies, state level institutions/agencies, non government organisations, industry associations and research and development laboratories. Researcher attempted to study the various promotional measures undertaken by these institutions as detailed below.
Associated Chamber of Commerce and Industry of India (ASSOCHAM) ASSOCHAM initiated its endeavour of value creation for Indian industry in 1920. Having in its fold more than 300 Chambers and Trade Associations, and serving more than 2 lakh members from all over India. It has witnessed upswings as well as upheavals of Indian Economy, and contributed significantly by playing a catalytic role in shaping up the Trade, Commerce and Industrial environment of the country. Today, ASSOCHAM has emerged as the fountainhead of Knowledge for Indian industry, which is all set to redefine the dynamics of growth and development in the technology driven cyber age of ‘Knowledge Based Economy’.

Confederation of Indian Industry (CII) The Confederation of Indian Industry (CII) works to create and sustain an environment conducive to the growth of industry in India, partnering industry and government alike through advisory and consultative processes. CII is a non-government, not-for-profit, industry led and industry managed organisation, playing a proactive role in India's development process. Founded over 114 years ago, it is India's premier business association, with a direct membership of over 7500 organisations from the private as well as public sectors, including SMEs

Functions:

- To identify and strengthen industry's role in the economic development of the country
- To act as a catalyst in bringing about the growth and development of Indian Industry
- To reinforce industry's commitment to society
- To provide up-to-date information and data to industry and government
- To create awareness and support industry's efforts on quality, environment, energy management, and consumer protection
- To identify and address the special needs of the small sector

The Council of Scientific & Industrial Research (CSIR) It is the premier industrial R&D organization in India was constituted in 1942. It is an autonomous body registered under the Registration of Societies Act of 1860. CSIR aims to provide industrial competitiveness,
social welfare, strong S&T base for strategic sectors and advancement of fundamental knowledge.

**Entrepreneurship Development Institute of India (EDII)** Institute is engaged in Entrepreneurship Education, Research & Training. The Entrepreneurship Development Institute of India (EDI), an autonomous body and not-for-profit institution, set up in 1983, is sponsored by apex financial institutions, namely the IDBI Bank Ltd, IFCI Ltd, ICICI Ltd and State Bank of India (SBI). The Institute is registered under the Societies Registration Act 1860 and the Public Trust Act 1950. The Government of Gujarat pledged twenty-three acres of land on which stands the majestic and sprawling EDI campus.

**Federation of Indian Chambers of Commerce and Industry (FICCI)** FICCI is the rallying point for free enterprises in India. It has empowered Indian businesses, in the changing times, to shore up their competitiveness and enhance their global reach. With a nationwide membership of over 1500 corporates and over 500 chambers of commerce and business associations, FICCI espouses the shared vision of Indian businesses and speaks directly and indirectly for over 2,50,000 business units. It has an expanding direct membership of enterprises drawn from large, medium, small and tiny segments of manufacturing, distributive trade and services. FICCI maintains the lead as the proactive business solution provider through research, interactions at the highest political level and global networking. In the knowledge-driven globalized economy, FICCI stands for quality, competitiveness, transparency, accountability and business-government-civil society partnership to spread ethics-based business practices and to enhance the quality of life of the common people

**Housing and Urban Development Corporation (HUDCO)** The Housing and Urban Development Corporation Ltd. (HUDCO) was incorporated on April 25, 1970 under the Companies Act 1956, as a fully owned enterprise of the Government of India. HUDCO focuses on the social aspect of housing and utility infrastructure provision. Preferential allocation of resources to the socially disadvantaged.

**OBJECTIVES:**

- To provide long term finance for construction of houses for residential purposes or finance or undertake housing and urban development programmes in the country.
- To finance or undertake, wholly or partly, the setting up of new or satellite town.
To subscribe to the debentures and bonds to be issued by the State Housing (and or Urban Development) Boards, Improvement Trusts, Development Authorities etc., specifically for the purpose of financing housing and urban development programmes.

To finance or undertake the setting up of industrial enterprises of building material.

To administer the moneys received, from time to time, from the Government of India and other sources as grants or otherwise for the purposes of financing or undertaking housing and urban development programmes in the country.

To promote, establish, assist, collaborate and provide consultancy services for the projects of designing and planning of works relating to Housing and Urban Development programmes in India and abroad.

National Productivity Council (NPC) NPC aims at propagating productivity as an evolving concept, which includes attention to special issues, and concerns relating to quality, environment, energy, integrated rural and community development, women workers etc.

Objectives: NPC is aiming to promote the cause of productivity in industry, agriculture, service, infrastructure and other sectors of the economy. It aims to help in achieving sustained all round development in India, leading to enhancement of quality of life of people in general. The concept of productivity as perceived by NPC encompasses not only a more efficient use of resources, but also of quality, environmental protection and integrated economic and social development. NPC aims at promoting these as a part of its objectives and activities.

Khadi and Village Industries Commission (KVIC) Objectives:

Functions: Some of the major functions of KVIC are...
1. The KVIC is charged with the planning, promotion, organisation and implementation of programs for the development of Khadi and other village industries in the rural areas in coordination with other agencies engaged in rural development wherever necessary.
2. Its functions also comprise building up of a reserve of raw materials and implements for supply to producers, creation of common service facilities for processing of raw materials as semi-finished goods and provisions of facilities for marketing of KVI products apart from
organisation of training of artisans engaged in these industries and encouragement of co-operative efforts amongst them. To promote the sale and marketing of khadi and/or products of village industries or handicrafts, the KVIC may forge linkages with established marketing agencies wherever feasible and necessary.

3. The KVIC is also charged with the responsibility of encouraging and promoting research in the production techniques and equipment employed in the Khadi and Village Industries sector and providing facilities for the study of the problems relating to it, including the use of non-conventional energy and electric power with a view to increasing productivity, eliminating drudgery and otherwise enhancing their competitive capacity and arranging for dissemination of salient results obtained from such research.

4. Further, the KVIC is entrusted with the task of providing financial assistance to institutions and individuals for development and operation of Khadi and village industries and guiding them through supply of designs, prototypes and other technical information.

5. The KVIC may also undertake directly or through other agencies studies concerning the problems of Khadi and/or village industries besides research or establishing pilot projects for the development of Khadi and village industries.

**National Bank for Agricultural and Rural Development (NABARD)**

NABARD is set up as an apex Development Bank with a mandate for facilitating credit flow for promotion and development of agriculture, small-scale industries, cottage and village industries, handicrafts and other rural crafts. It also has the mandate to support all other allied economic activities in rural areas, promote integrated and sustainable rural development and secure prosperity of rural areas.

**Functions:**

1. The National Bank will be an apex organisation in respect of all matters relating to policy, planning operational aspects in the field of credit for promotion of Agriculture, Small Scale Industries, Cottage and Village Industries, Handicrafts and other rural crafts and other allied economic activities in rural areas.

2. The Bank will serve as a refinancing institution for institutional credit such as long-term, short-term for the promotion of activities in the rural areas.
3. The Bank will also provide direct lending to any institution as may approved by the Central Government.

**Major Activities**

1. Preparing of Potential Linked Credit Plans for identification of exploitable potentials under agriculture and other activities available for development through bank credit.

2. Refinancing banks for extending loans for investment and production purpose in rural areas.

3. Providing loans to State Government/Non Government Organizations (NGOs)/Panchayati Raj Institutions (PRIs) for developing rural infrastructure.

4. Supporting credit innovations of Non Government Organizations (NGOs) and other non-formal agencies.

5. Extending formal banking services to the unreached rural poor by evolving a supplementary credit delivery strategy in a cost effective manner by promoting Self Help Groups (SHGs)

**National Institute for Entrepreneurship and small Business Development (NIESBUD)**

The National Institute for Entrepreneurship and small Business Development (NIESBUD) was established in 1983 by the Ministry of Industry (now Ministry of Small Scale Industries), Govt. of India, as an apex body for coordinating and overseeing the activities of various institutions/ agencies engaged in Entrepreneurship Development Particularly in the area of small industry and small business. The Institute which is registered as a society under Govt. of India Societies Act (XXI of 1860) started functioning from 6th July, 1983.

**Functions:**

- To evolve standardised materials and processes for selection, training, support and sustenance of entrepreneurs, potential and existing.

- To help/support and affiliate institutions/organisations in carrying out training and other entrepreneurship development related activities.
To serve as an apex national level resource institute for accelerating the process of entrepreneurship development ensuring its impact across the country and among all strata of the society.

To provide vital information and support to trainers, promoters and entrepreneurs by organising research and documentation relevant to entrepreneurship development.

To train trainers, promoters and consultants in various areas of entrepreneurship development.

To provide national/international forums for interaction and exchange of experiences helpful for policy formulation and modification at various levels.

To offer consultancy nationally/internationally for promotion of entrepreneurship and small business development.

**Schemes and Activities:** Evolving effective training strategies and methodology

- Standardising model syllabi for training various target groups
- Formulating scientific selection procedure
- Developing training aids, manuals and tools
- Facilitating and supporting Central / State/ Other agencies in organising entrepreneurship development programmes
- Conducting training programmes for promoters, trainers and entrepreneurs

**National Small Industries Corporation Ltd. (NSIC):** National Small Industries Corporation Ltd. (NSIC), an ISO 9001 certified company, since its establishment in 1955, has been working to fulfil its mission of promoting, aiding and fostering the growth of small scale industries and industry related small scale services/business enterprises in the country. Over a period of five decades of transition, growth and development, NSIC has proved its strength within the country and abroad by promoting modernization, up-gradation of technology, quality consciousness, strengthening linkages with large medium enterprises and enhancing exports - projects and products from small industries. NSIC operates through 9 Zonal Offices, 33 Branch Offices, 14 Sub Offices, 10 NSIC Business Development Extension Offices, 5 Technical services Centres, 3 Extension Centres and 2
Software Technology Parks supported by a team of over 500 professionals spread across the country. To manage operations in African countries, NSIC operates from its office in Johannesburg. NSIC carries forward its mission to assist small enterprises with a set of specially tailored schemes designed to put them in a competitive and advantageous position. The schemes comprise of facilitating marketing support, credit support, technology support and other support services. NSIC carries forward its mission to assist small enterprises with a set of specially tailored schemes designed to put them in a competitive and advantageous position. The schemes comprise of facilitating marketing support, credit support, technology support and other support services.

- Exhibitions and Technology Fairs
- Buyer-Seller meets
- Export of Products and Projects
- Credit Support:
  - Financing for Marketing Activities (Short term) Finance through syndication with Banks
  - Performance and Credit Rating Scheme
- Technology Support
  1. Advising on application of new techniques
  2. Material testing facilities through accredited laboratories

**PHD Chamber of Commerce and Industry (PHDCCI)** PHD Chamber of Commerce and Industry, established in 1905, is a proactive and dynamic multi-State apex organisation working at the grass-root level and with strong national and international linkages. The Chamber acts as a catalyst in the promotion of industry, trade and entrepreneurship. PHD Chamber, through its research-based policy advocacy role, positively impacts the economic growth and development of the nation. **Geographic Spread:** PHD Chamber’s geographical span covers the 10 States of Chhattisgarh, Delhi, Haryana, Himachal Pradesh, Jammu & Kashmir, Madhya Pradesh, Punjab, Rajasthan, Uttar Pradesh, Uttarakhand and the Union Territory of Chandigarh. Its headquarters are in New Delhi.

**Activities**
Seminars, Conferences, Workshops

Networking Opportunities

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Advisory Services to Business

**Small Industries Development Bank of India (SIDBI)** SIDBI was established on April 2, 1990. The Charter establishing it, The Small Industries Development Bank of India Act, 1989 envisaged SIDBI to be "the principal financial institution for the promotion, financing and development of industry in the small scale sector and to co-ordinate the functions of the institutions engaged in the promotion and financing or developing industry in the small scale sector. The business domain of SIDBI consists of small scale industrial units, which contribute significantly to the national economy in terms of production, employment and exports. SIDBI's assistance flows to the transport, health care and tourism sectors and also to the professional and self-employed persons setting up small-sized professional ventures.

Schemes of SIDBI:
- Direct Finance Schemes
- Bills Finance Scheme
- Refinance scheme
- International Finance schemes
- Micro Credit
- Promotional and Developmental

**2.3.20. Small Industries Development Organisation (SIDO)** Small Industries Development Organisation (SIDO) an apex body at Central level for formulating policy for the development of Small Scale Industries in the country, is headed by the Additional Secretary & Development Commissioner (Small Scale Industries) under Ministry of Small Scale Industries Govt. of India.

Functions:
- Advising the Govt. in policy matters concerning small scale sector.
- Providing techno-economic and managerial consultancy, common facilities and extension services.
- Providing facilities for technology up-gradation, modernization quality improvement & infrastructure.
• Human resources development through training and skill up-gradation.
• Maintaining close liaison and vital linkage with the Central Ministries, Planning Commission, Financial Institutions, State Govts. & similar other developmental organizations/agencies related to the promotion and development of SSI Sector.

Small Scale Industries (SSI) The responsibility of promotion and development of small scale industries (SSI) lies primarily with the State/Union Territory (UT) Governments. However, in recognition of the role of this sector in both creation of wealth and widespread employment and of the need for country-wide framework of policies and measures to facilitate its promotion and development, the Government of India has always supplemented the efforts of the States and UTs in several ways. Over the years, the Central Government has thus formulated policy packages and implemented a number of schemes and programmes, to mainly provide infrastructural, technological, credit, marketing and entrepreneurial development support to the SSI sector. Office of Development Commissioner operates a number of schemes for the MSME sector, these are:-

Micro & Small Enterprises Cluster Development Programme (MSE-CDP) Scheme for Capacity Building

☐ Credit Linked Capital Subsidy Scheme for Technology Up-gradation

☐ Credit Guarantee Scheme

☐ Participation in the International Exhibitions/ Fairs

☐ Purchase and Price Preference Policy

Technical Consultancy Organisations (TCO) It provide a complete package of consultancy services at reasonable rates to small and medium enterprises, individual entrepreneurs, Government Departments and agencies, various state level institutions, commercial banks and other institutions in their task relating to industrial development and financing. The performance of TCOs is somewhat mixed. While some TCOs are performing well and are self-sustaining; there are others which are facing operational and financial problems. All India Financial Institutions in collaboration with state level financial/development institutions and commercial banks established a network of Technical
Consultancy Organisations (TCOs) during the seventies and eighties to cater to the consultancy needs of the small and medium industries and new entrepreneurs. At present, there are 17 TCOs operating in various states; some of them covering more than one state.

**Functions:**

- Preparation of project profiles and feasibility studies
- Undertaking industrial potential surveys
- Identification of potential entrepreneurs and providing them technical and management assistance
- Undertaking market research and surveys for specific products,
- Undertaking energy audit and energy conservation assignments,
- Project supervision and where necessary rendering technical and administrative assistance,
- Undertaking export consultancy for export-oriented projects based on modern technology
- During the period of 1996-2011, a total of 128 EDPs covering 3608 participants were conducted by the NITCON in the state of Punjab. North India Technical Consultancy Organisation Ltd. (NITCON), Chandigarh, covered approx. 16% of the EDPs in the state.

**District Industries Center (D.I.C.)**

Its one of the main institution working for the development of entrepreneurship in the state.

**Functions:**

- To work as a facilitator for overall Industrial development of the District.
- Help to establish Micro, Small &Medium Scale Industries
- To Implement various schemes like P.M.E.G.P., Seed Money & D.I.C. loan for unemployed educated people for self employment.
- Helping in registration formalities
- To Organize Entrepreneurship development Programs for unemployed youths for skill up gradation.
Small Industry Service Institutes (SISIs) Branch Offices

Twenty-eight Small Industries Service Institutes and thirty branch SISIs are operational throughout the country. Apart from conducting EDPs, the main functions performed by the SISIs are to facilitate interface between the Central and State Governments, extension of Technical Support Services and Consultancy Services, Dissemination of Economic Information, Export Promotion and Liaison Activities and Ancillary Development.

The 22 districts of Punjab are catered by SISIs branch office at Ludhiana. Out of the 839 EDPs conducted in the state, SISI conducted 127 EDPs providing training to 3677 participants. In terms of percentage, the branch office of SISI covered 12.6% of the EDPs covered under the target area of the study. The focus of EDPs conducted by SISIs has gradually shifted from General EDPs to need-based Product-Specific EDPs. SISI had no follow up and support system for the participants who had attended the EDPs due to resource constraints.

Science and Technology Entrepreneurs Parks (STEPs)

Science Parks were originally developed in America as far back as 1948 for meeting the needs of entrepreneurial minded academics. In the U.K., the Science Parks were established in 1971. By 1990, there were 39 Science Parks with over 1000 companies employing nearly 15,000 people. Germany, France Ireland, Australia, Singapore and Japan were the other developed countries to establish such Science Parks. During the same period, India also felt the need to establish Science Parks for industrial and technological development to take the benefits of fast changing era of innovation and technical development. By early 90’s, some of these STEPs became operational - the one at Ludhiana with Guru Nanak Dev Engineering College as the parent institution. Ludhiana Park has been engaged in imparting training and it has conducted 45 EDPs and trained 1620 participants during the period covered by the study (1996 to 2011).

Banks
Banks are playing a major role in the promotion of entrepreneurship in the state. They provide the training as well as guide about the finance part and arrange the money to set up the units. NABARD has conducted maximum no. of EDPs under REDPs in the state. The main agencies engaged for organizing were NGOs, Technical Institutes, TCOs. Table 4.1 and Chart 4.1 provide the category wise details of EDPs conducted during the period.

Table 4.1 Year wise Details of EDPs Conducted and Beneficiaries

<table>
<thead>
<tr>
<th>Year</th>
<th>No. of EDPs Conducted</th>
<th>No. of Beneficiaries</th>
</tr>
</thead>
<tbody>
<tr>
<td>2000</td>
<td>25</td>
<td>670</td>
</tr>
<tr>
<td>2001</td>
<td>42</td>
<td>1102</td>
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<td>2002</td>
<td>51</td>
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<td>2003</td>
<td>61</td>
<td>1900</td>
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<tr>
<td>2004</td>
<td>67</td>
<td>1850</td>
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<td>2005</td>
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<td>2006</td>
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<td>1980</td>
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<td>2009</td>
<td>77</td>
<td>2450</td>
</tr>
<tr>
<td>2010</td>
<td>59</td>
<td>1750</td>
</tr>
<tr>
<td>2011</td>
<td>61</td>
<td>1910</td>
</tr>
<tr>
<td>TOTAL</td>
<td>712</td>
<td>20682</td>
</tr>
</tbody>
</table>

Source:- compiled from the data provided by the various agencies
Chart No. 4.1

Yearwise Detail of Beneficiaries

Detail of beneficiaries
Beneficiaries are minimum in the year 2000 and maximum 2009. There feels a need of consistency as per the training part is concerned as a number of EDPs conducted.

**46 YEAR-WISE NUMBER OF EDPs CONDUCTED**

The number of beneficiaries have also increased with each passing year. Maximum number of EDPs were organized during the year 2009, when 75 EDPs were conducted. During the years, 2003 onwards the number of EDPs went on increasing. There is a increasing trend after 2006. The number of EDPs conducted during the year 2008-09 are maximum.

During visits to / interactions with the key functionaries, it was observed that the focus for EDPs is gradually shifting to product-specific/ skill programmes or science and technology related ones. The General EDPs were sponsored by Development Banks, whereas Science & Technology EDPs were sponsored by National Science and Technology Entrepreneurship Development Board (NSTEDB), The majority of product-specific EDPs were conducted by Small Industries Service Institutes (SISIs), and were sponsored by Development Commissioner Ministry of Small Scale Industries and Agro and Rural Industries. The Women EDPs were sponsored by Small Industries Development Bank of India (SIDBI) and National Bank for Agriculture and Rural Development (NABARD). The focus of NABARD programmes have been mainly limited to rural areas in non farm sector.
<table>
<thead>
<tr>
<th>Area</th>
<th>No. of EDPs</th>
<th>No. of Beneficiaries</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sangrur</td>
<td>42</td>
<td>1450</td>
</tr>
<tr>
<td><strong>Ludhiana</strong></td>
<td>65</td>
<td>1910</td>
</tr>
<tr>
<td>Patiala</td>
<td>42</td>
<td>1176</td>
</tr>
<tr>
<td>Mansa</td>
<td>20</td>
<td>390</td>
</tr>
<tr>
<td>Mukatsar</td>
<td>16</td>
<td>504</td>
</tr>
<tr>
<td><strong>Ferozpur</strong></td>
<td>64</td>
<td>1556</td>
</tr>
<tr>
<td><strong>Moga</strong></td>
<td>32</td>
<td>810</td>
</tr>
<tr>
<td>Barnala</td>
<td>12</td>
<td>362</td>
</tr>
<tr>
<td>Mohali</td>
<td>35</td>
<td>1250</td>
</tr>
<tr>
<td>Roopnagar</td>
<td>19</td>
<td>650</td>
</tr>
<tr>
<td>Faridkot</td>
<td>19</td>
<td>501</td>
</tr>
<tr>
<td>Bathinda</td>
<td>35</td>
<td>1371</td>
</tr>
<tr>
<td>Fatehgarh Sahib</td>
<td>14</td>
<td>421</td>
</tr>
<tr>
<td>Kapurthla</td>
<td>30</td>
<td>950</td>
</tr>
<tr>
<td><strong>Jalandhar</strong></td>
<td>61</td>
<td>1580</td>
</tr>
<tr>
<td>Hoshiarpur</td>
<td>50</td>
<td>1502</td>
</tr>
<tr>
<td>Shaheed Bhagat Singh Nagar</td>
<td>24</td>
<td>850</td>
</tr>
<tr>
<td><strong>Amritsar</strong></td>
<td>82</td>
<td>1902</td>
</tr>
<tr>
<td>Pathankot</td>
<td>12</td>
<td>335</td>
</tr>
<tr>
<td>TarnTaran</td>
<td>16</td>
<td>512</td>
</tr>
<tr>
<td>Gurdaspur</td>
<td>22</td>
<td>700</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>712</td>
<td>20682</td>
</tr>
</tbody>
</table>

- compiled from the data provided by the various agencies
Chart 4.2
Area wise Details of Beneficiaries - Punjab 2000 -2011

Areawise Details of Beneficiaries
Areawise Details of Beneficiaries 2000-2011

Chart 4.3

- Sangrur
- Ludhiana
- Patiala
- mansa
- Mukatsar
- Ferozpur
- Moga
- Barnala
- Mohali
- Roopnagar
- Faridkot
- Bathinda
- Fatehgarh sahib
- Kapurthala
- Jalandhar
- Hoshiarpur
- SBS
- Amritsar
- Pathankot
- Taranaran
- Gurdaspur
4.7 Area Wise Details of Beneficiaries

A total of 65 EDPs were conducted in the District Ludhiana in the 11 year period. The EDPs conducted in Ludhiana are the highest in Malwa area of Punjab. A total of 1910 beneficiaries were imparted training during this period. The details are shown in the table 4.4. The fact of organizing significant courses in Ludhiana, Amritsar and Jalandhar was discussed. It was pointed out that a number of factors favour the number.

The main offices of sponsoring agencies and the agencies conducting are located in Ludhiana city, which include STEP, Guru Nanak Dev Engineering College, SISI, NITCON. The visits to various industrial units are easy to arrange. Coordination and Organization at local venue result in a lot of time and resource saving.

The resource persons from Industry and university frequently participate. The motivational aspect gets multiplied with the presence of renowned entrepreneur.

A total of 78 EDPs were conducted in the District Amritsar in the 11 year period, which represent an average of just above 7 EDPs conducted every year. The EDPs conducted in Ludhiana are not only the highest in Majha area of Punjab, but also in selected target. A total of 1902 beneficiaries were imparted training during this period. Average 27 beneficiaries were trained in each EDP.

A significant number of EDPs were conducted in Jalandhar. 56 EDPs were conducted, and 1580 candidates were trained. Jalandhar is considered as the home to sports goods industry, leather goods, hand tools industry. Many of the EDPs were conducted in the industrial area with focus of EDPs on product specific and skill based EDPs.

39 EDPs were conducted in Bathinda District and 1371 candidates were trained. In Mohali a good no. of EDPs have been conducted and 1250 were trained. If we try to find out the comparative in these districts a very clear conclusion can not be withdrawn. It seems that publicity and trade also plays a role also.

Year wise and District wise EDPs Conducted

Table 4.5 and Chart 4.9 provide the details of EDPs conducted yearwise in the different districts.
Table 4.3  
Area wise EDPs & Beneficiaries – Five Districts Punjab (2000-2011)

<table>
<thead>
<tr>
<th>Area</th>
<th>No. of EDPs</th>
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<tbody>
<tr>
<td>Ludhiana</td>
<td>65</td>
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<td>1902</td>
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<tr>
<td>TOTAL</td>
<td>304</td>
<td>7758</td>
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</table>
Area wise No. Of EDPs Conducted in Five Districts
2000-2011

Ludhiana 65
Ferozpur 64
Moga 32
Jalandhar 61
Amritsar 82
Chart 4.5
Area wise Details of Beneficiaries – Five Districts Punjab (2000 -2011)
### Table 4.4 Year wise Details of EDPs

<table>
<thead>
<tr>
<th>Year</th>
<th>Ludhiana EDPs</th>
<th>Ferozpur EDPs</th>
<th>Moga EDPs</th>
<th>Jalandhar EDPs</th>
<th>Amritsar EDPs</th>
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<tbody>
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<td>2000</td>
<td>5</td>
<td>2</td>
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<td>4</td>
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<td><strong>65</strong></td>
<td><strong>64</strong></td>
<td><strong>32</strong></td>
<td><strong>61</strong></td>
<td><strong>82</strong></td>
</tr>
</tbody>
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VALUATION OF ENTREPRENEURSHIP DEVELOPMENT PROGRAMMES

The 1991 economic liberalization in India revolutionized businesses completely. It led India to a growth trajectory that transformed India from a struggling economy to one of the best economies in the world. It has also spawned a host of entrepreneurs, big and small, who have created value and generated millions of jobs. An NSSO report says that 254 out of every 1000 Indians are self-employed, a respectable average globally.

An inspiring story of entrepreneurial success is that of Dhirubhai Ambani – Founder of Reliance Industries. His first foray into entrepreneurship was as a student, selling fried snacks to pilgrims, who were on their way to Mount Girnar in Gujarat. At 16, he left for Yemen working as a lowly gas pump attendant. He returned with Rs. 50,000 to start a textile trading company and built one of India’s biggest corporate houses. The Reliance Group contributes nearly 3% of India’s GDP.

Another inspiring story for Women Entrepreneurs is that of Kiran Mazumdar Shaw, who started Biocon in her garage with just Rs. 10,000. The company now employs 6400+ people and has a turnover of Rs. 2,148 crores. Infosys, the world’s leading IT company was started with Rs. 10,000, reportedly obtained after pledging his wife - Sudha Murthy’s gold ornaments. Infosys has over 1,51,151 employees with Rs 9,616 crores in turnover for June 2012 Quarter. For all aspiring Entrepreneurs who cite lack of capital as the primary reason for not starting a Business should understand that apart from start-up capital, mentorship, teamwork and focus are the key elements to growing a Business.

TiE –

The Indus Entrepreneurs
**TiE** is the world’s largest non-profit organization for entrepreneurs. It started in 1992, by a group of Silicon Valley entrepreneurs, leaders and professionals who hail from the Indus area. It has 61 chapters in 17 countries, with 17 chapters across India. Entrepreneurs linking up with TiE can tap into a network of 2,500+ well-knowledgeable entrepreneurs and business executives. Currently it has 11,000+ aspiring entrepreneurs as members. TiE is estimated to have fostered an economic wealth of more than $200 billion and has also influenced the economic liberalization in Pakistan and India.

The **National Entrepreneurship Network** began in 2003, co-founded by IIM Ahmedabad, Institute of Bioinformatics and Applied Biotechnology, Bangalore, IIT Bombay, SP Jain Institute of Management & Research, Mumbai and BITS, Pilani, in collaboration with the Wadhwani Foundation. It now has over 70,000 members in 30 cities, and partners 470+ top-level institutes in India. The founding goal was to incubate entrepreneurs for job creation to fuel India’s economic growth.

NEN helps entrepreneurs by education; mentor and expert support; access to funds; and educational material. It has collaborated with universities and academic institutions by following a partnership model that nurtures entrepreneurship in campus. NEN also runs the largest entrepreneurship-awareness campaign - Entrepreneurship Week India. Since 2003, 326 start ups have been launched, and 3000 future entrepreneurs have been created.

**Entrepreneurship Development Institute of India (EDII)**

The Entrepreneurship Development Institute of India runs the oldest Entrepreneurship Development Program in the country. This is an autonomous institute, started in 1983 by four prominent financial institutions, IDBI Bank, IFCI, ICICI Bank and State Bank of India (SBI), on land provided by the Gujarat government. The institute has further built 12 other entrepreneurial development centers in the state. It has also promoted entrepreneurship in a large variety of
educational institutions and B-schools across India, by developing courses for entrepreneurs. EDI has also developed UGCs curriculum on entrepreneurship.

**Selection Procedure for Entrepreneurship Development Programme Trainees**

An entrepreneurship development programmes consists of the following three phases:

1. Pre-training Phase
2. Training Phase
3. Post-training Phase These are discussed in turn:

1. Pre-training Phase:
   a. Selection of entrepreneurs
   b. Arrangement of infrastructure
   c. Tie-up of Guest Faculty for the training purposes
   d. Arrangement for the inauguration of the programme
   e. Selection of necessary tools and techniques to select the suitable entrepreneurs
   f. Formation of Selection Committee for selecting trainees
   g. Arrangement of publicity media and campaigning for the programme
   h. Development of application form
   i. Finalisation of training syllabus

Selection of the trainees is the most vital component in an entrepreneurship development programme (EDP).

- Finding out the social-economic / educational background of the candidates; and
Personal interviews.

Subsequently, efforts were made, based on experiences gained to improve the selection procedure for EDP trainees.

1. Analysis of the application
2. Psychological tests;
3. Group activity
4. Personal interview

The candidates can be categorized into the following three categories based on their scores:

a. Blind Risk-takers (BR);
b. Calculated and Moderate Risk-takers; and
c. Low Risk-takers (LR)

Evidences indicate that it is the second category of candidates i.e., calculated and moderate risk-takers as potential entrepreneurs.

The average score in respect of each aspect is computed and the respondents are categorized as:

1. Above Average;
2. Average; and
3. Below Average.

Personal Interview:

The personal interview is conducted to assess the knowledge, interest, and skill required by the candidates. The interviewers score for each of the above mentioned aspects. Finally, scores given to all candidates are averaged.
Finally, scores given to the candidates on various dimensions and selection is made.

ii) INPUTS

The major focus of the Entrepreneurship Development Programmes (EDPs) is to create awareness about the enabling environment as well as to bring forth sensitivity among the participants in the ever changing business environment. The training inputs are required to be targeted at harnessing the achievement motivational traits, reorienting attitudes, sharpening skills, and enhancing the technical knowledge and imbibe the quality of application of concepts. As each individual is possessing different sets of personality traits and it is very complex to find out his or her potential. It requires a trained human behaviorist to carry out this comprehensive exercise.

It is observed that training package was not reviewed periodically and not also tailor-made to suit each individual trainee. The Heterogeneity in training groups was one of major hindering factor in this respect. In many cases, the trained behaviorist was also not available or engaged for the EDPs. However, core inputs like achievement motivation and sharpening of managerial skills were given by all the training organisations.

The inputs covered by the organisations conducting EDPs can be broadly classified into three categories:

- Motivational inputs;
- Managerial inputs
- Functional inputs; and
- Educational inputs

The trainees were provided with a glimpse of business laws, information about working capital requirements, term loans, feasibility study and preparation of reports,

For educational purposes, one to two industry visits were arranged by the organizations. The organizations invariably covered the topics of marketing.
Table 4.4

TRAINING INPUTS IN EDPs

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Training Inputs</th>
<th>No. of Organisations considering Critical</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Managerial Skills</td>
<td>12</td>
</tr>
<tr>
<td>2</td>
<td>Motivation/ Achievement Motivation</td>
<td>12</td>
</tr>
<tr>
<td>3</td>
<td>Business Environment</td>
<td>7</td>
</tr>
<tr>
<td>4</td>
<td>Scouting for project ideas</td>
<td>8</td>
</tr>
<tr>
<td>5</td>
<td>Market Survey</td>
<td>9</td>
</tr>
<tr>
<td>6</td>
<td>Market and Demand Analysis</td>
<td>9</td>
</tr>
<tr>
<td>7</td>
<td>Marketing Techniques</td>
<td>6</td>
</tr>
<tr>
<td>8</td>
<td>Technical Viability of Project</td>
<td>4</td>
</tr>
<tr>
<td>9</td>
<td>Preparation of Feasibility Reports</td>
<td>6</td>
</tr>
<tr>
<td>10</td>
<td>Financial Viability</td>
<td>7</td>
</tr>
<tr>
<td>11</td>
<td>Knowledge on Business/ tax laws</td>
<td>5</td>
</tr>
<tr>
<td>12</td>
<td>Entrepreneurship support system</td>
<td>9</td>
</tr>
<tr>
<td>13</td>
<td>Visits to industrial units</td>
<td>5</td>
</tr>
<tr>
<td>14</td>
<td>Working capital requirements</td>
<td>7</td>
</tr>
<tr>
<td>15</td>
<td>Product Selection</td>
<td>9</td>
</tr>
<tr>
<td>16</td>
<td>Leadership Traits</td>
<td>4</td>
</tr>
<tr>
<td>17</td>
<td>Case studies of successful entrepreneurs</td>
<td>3</td>
</tr>
<tr>
<td>18</td>
<td>Motivational videos</td>
<td>2</td>
</tr>
</tbody>
</table>

Source: compiled from data collected from organisations
Chart 4.7

Training Inputs in EDPs

- Managerial Skills
- Motivation/Achievement Motivation
- Business Environment
- Scouting for project ideas
- Market Survey
- Market and Demand Analysis
- Marketing Techniques
- Technical Viability of Project
- Preparation of Feasibility Reports
- Financial Viability
- Knowledge on Business/tax laws
- Entrepreneurship support system
- Visits to industrial units
- Working capital requirements
- Product Selection
- Leadership Traits
- Case studies of successful entrepreneurs
- Motivational videos

No. of Organisations considering Critical
Importance of the success of EDPs

1. Creation of Employment Opportunities: Unemployment is one of the most important problems confronting developing and underdevelopment countries, EDP’s enable prospective entrepreneurs in the setting up of their own units, thus enabling them to get self employment. With the setting up of more and more units by entrepreneurs, both on small and large scale, numerous job opportunities are created for the others.

Entrepreneur in this way get an opportunity to lead an independent and honorable life and at the same time they enable others in getting gainful employment. Several schemes like Nehru Rozgar Yojna, National Rural Employment Programme (NREP), Integrated Rural Development Programme (IRDP) etc. have been initiated by the government, of India in this direction. The thrust of all these schemes is to eliminate poverty and generate gainful employment opportunities for the unemployed. Thus entrepreneur can play an effective role in reducing the problem of unemployment.

2. Capital Formation: It is not possible to set up an enterprise without adequate funds. Entrepreneur as an organizer of factors of production employs his own as well as borrowed resources for the setting up of his enterprise. Entrepreneur mobilizes idle savings of the public and put them to productive use. In this way he helps in capital formation which is so essential for the industrial and economic development of a country. Various development banks like ICICI, IFCI, IDBI; SFCs, SIDCs take initiative in promoting entrepreneurship through assistance to various agencies involved in EDP and by providing financial assistance to new entrepreneurs.

3. Balanced Regional Development: Small scale units can be set up in industrially backward and remote areas with limited financial resources. Successful EDP’s assist in accelerating the pace of industrialization in the backward areas and reduce the concentration of economic power in the hands of a few, Entrepreneurs
feel like taking advantage of the various concessions and subsidies offered by the state and central government. Success story of entrepreneurs set right example for others to follow and this accelerates the pace of industrialization in the backward areas. Setting up of more units leads to more development of backward areas and balanced regional development.

4. Use of Local Resources: In the absence of any initiative local resources are likely to remain unutilized. Proper use of these resources can result in the progress or development of the area and that too at lower cost. Alert entrepreneurs seize the opportunity and exploit it in the best interests of the area and industry. Effective EDPs can help in the proper use of local resources by providing guidance, assistance, education and training to the prospective entrepreneurs.

5. Improvement in per Capital Income: Entrepreneurs are always on the look out for opportunities. They explore and exploit the opportunities. Entrepreneurs take lead in organizing various factors of production by putting them into productive use through the setting up of enterprises. More enterprises will lead to more production, employment and generation of wealth in the form of goods and services. It will result in the increase in the overall productivity and per capita income in the country. EDPs play a positive role in the setting of more units and thus help in generation of more employment and income.

6. Improvement in the Standard of Living: Entrepreneurs by adopting latest innovations help in the production of wide variety of goods & services. By making efficient use of the resources, they start producing more of better quality and that too at lower costs. This enable them to ensure easy availability of better quality products at lower prices to the consumers which result in the improvement in the standard of living of the people. EDPs provide the necessary support to entrepreneurs by educating them about the latest innovations and market trends.

7. Economic Independence: Entrepreneurs enable a country to produce wide variety of better quality goods & services and that too at competitive prices. They develop substitutes of the goods being imported and thus prevent over-dependence on foreign countries and at the same time help in the saving of precious foreign
exchange. Through sale of their surplus products in foreign market entrepreneurs enable a country to earn foreign exchange, which is so essential for meeting developmental needs of the economy. Export promotion and import substitution thus help in promoting economic independence of the economy.

8. Preventing Industrial Slums: Industrially developed areas are faced with problem of industrial slums, which result in over burdening of civic amenities and adverse impact on the health of people. Dispersal of industries can help in the overcoming of this grave problem. EDPs can help in preventing spread of industrial slums by providing various incentives, subsidies and infrastructural support to entrepreneurs for setting up their enterprises in industrially backward areas. This will also help in reducing pollution and overtaxing of civic amenities.

9. Reducing Social Tension: Unemployment amongst the young and educated people is emerging as the major cause of social unrest. People are bound to feel frustrated if they fail to get gainful employment after completion of their education. EDPs can help in channelizing the talent of this section of society in the right direction by providing proper guidance, training and assistance for setting up their enterprises. This results in generation of self employment and prevention of social tension, unrest etc.

10. Facilitating Overall Development: An entrepreneur acts as a catalytic agent for change which results in chain reaction. With the setting up of an enterprise the process of industrialization is set in motion. This unit will generate demand for various types of inputs required by it and there will be so many other units which will require the output of this unit. This leads to overall development of an area due to increase in demand and setting up of more and more units there.