

GOVERNMENT OF INDIA
MINISTRY OF RURAL DEVELOPMENT
DEPARTMENT OF RURAL DEVELOPMENT

LOK SABHA
UNSTARRED QUESTION NO. 3006
ANSWERED ON 22/03/2022

ENTREPRENEURIAL CULTURE IN RURAL INDIA

3006. DR. VISHNU PRASAD M.K.:

Will the Minister of RURAL DEVELOPMENT be pleased to state:

- (a) the steps taken by the Government to boost entrepreneurial culture in rural areas of the country;
- (b) the steps taken by the Government to support developments in agriculture and allied sectors in rural areas as there is tremendous scope for innovation and development;
- (c) whether the Government proposes a study to analyze the impact of such schemes/policies in boosting Gross Domestic Product (GDP) in rural areas as well as increasing employment generation; and
- (d) if so, the details thereof?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF RURAL DEVELOPMENT
(SADHVI NIRANJAN JYOTI)

(a) The Ministry of Rural Development is implementing Start-up Village Entrepreneurship Programme (SVEP) as a sub-scheme under Deendayal Antyodaya Yojana–National Rural Livelihoods Mission (DAY-NRLM) with the objective to help the rural poor to set-up enterprises at the village level in non-agricultural sectors. The beneficiaries of the project are from the Self Help Group (SHG) eco-system of DAY-NRLM. The operational unit of the project is Block. A maximum of 2,400 enterprises can be supported in one Block with the approved funds. It supports existing enterprises as well as setting up of new enterprises. Besides helping the rural entrepreneurs to access finance, a cadre of Community Resource Persons- Enterprise Promotion (CRP-EP) is also promoted to provide business support services to enterprises. The maximum budget for one Block under SVEP is Rs. 597.76 lakhs. The project duration is for a period of 4 years from the date of DPR approval. A total of 1,92,715 enterprises across 23 States/UTs have been supported so far.

Further, to boost the Entrepreneurial culture in India, 588 Rural Self Employment Training Institutes (RSETIs) are functioning across the country extending skill and entrepreneurship development training programmes to rural un-employed youth to facilitate them to employ themselves by commencing self-employment units/activities. This Ministry is reimbursing cost of training imparted by the RSETIs to the rural youth through the State Rural Livelihoods Missions (SRLMs).

The Ministry of Skill Development and Entrepreneurship (MSDE) is implementing Pradhan Mantri-YUVA (Pilot) to create an enabling ecosystem for entrepreneurship development through entrepreneurship education and training across the country. The scheme has the coverage of 10 States and 2 Union Territories, i.e., Assam, Bihar, Kerala, Maharashtra, Meghalaya, Tamil Nadu, Telangana, Uttar Pradesh, Uttarakhand, West Bengal, Delhi and Puducherry.

Further, MSDE is also implementing entrepreneurship development in 6 Holy cities to catalyze entrepreneurial activities in Holy cities by supporting existing enterprises to scale-up and to tap potential entrepreneurs for mentoring and hand-holding support for setting-up enterprises. The temple towns include Puri (Odisha), Varanasi (Uttar Pradesh), Haridwar (Uttarakhand), Kollur (Karnataka), Pandharpur (Maharashtra) and Bodh Gaya (Bihar).

(b) For development of group entrepreneurship in rural areas in agriculture and allied sector, the Ministry under DAY-NRLM facilitates promotion of women owned Producers Collectives, i.e., Producers Enterprises/Farmer Producers Organisations and Producers Groups to support women farmer members to access better market for their produce through interventions like aggregation, value addition & marketing. The idea is to develop a complete business model to provide primary producers with end-to-end solutions from creating producer organizations to building marketing linkages.

In addition, to build the technical expertise, so as to support development of projects for promotion of large size Producer Enterprises, the Ministry has established one Section 8 Company “Foundation for Development of Rural Value Chain (FDRVC)” with the support of TATA Trusts. It supports the State units of DAY-NRLM to develop and implement value chain projects through promotion of large sized Producer Enterprises.

So far, 183 Producer Enterprises and 1.26 lakh Producer Groups have been supported under DAY-NRLM.

(c) & (d) The mid-term review of the SVEP was done during 2018-19 by Quality Council of India (QCI); the key findings are as follows:

- i. 82% of entrepreneurs across the blocks reported being from SC, ST and OBC categories.
- ii. 75% of the enterprises were owned and managed by women.
- iii. 57% of the total household income is through the enterprises promoted under SVEP.
- iv. Average gross income of the entrepreneurs is higher than the aspirational income stated by them from the enterprise at the time of starting the enterprise.
- v. Around 96% of the entrepreneurs reported an enhancement in savings.
- vi. 70% of the entrepreneurs interviewed reported that taking loans from Community Enterprise Fund (CEF) was easy.
