

# Chapter 6

## The Group Entrepreneurship Approach and a Case Study from Nagaland

The training methodology for grooming individuals into successful entrepreneurs has improved a great deal over time. It is being used successfully the world over; of course, with certain regional or group-specific variations. On the other hand, there were many unorganized, sometimes informal, groups of artisans, tribal people, and so on for whom group training was the best way to train them in entrepreneurship. However, the task of addressing large groups at a time and turning them into entrepreneurs was a challenge to the training methodologies for entrepreneurship development. This meant developing the whole group as an entrepreneur instead of grooming a few of them as individual entrepreneurs who, in the long run, would find it difficult to sustain their enterprises because of many reasons. The EDI took the lead in developing a training model for promoting groups of individuals as entrepreneurs through a Group Entrepreneurship Development Programme (GEDP). This chapter describes the EDI's experi-

ences in developing a Group Entrepreneurship (GE) Model. The experiment took place in Nagaland.

### 6.1 . Background

The experiences of the EDI and many other organizations have successfully demonstrated that (i) latent entrepreneurial potential (the desire to do better and urge to make a break) is widespread among the rural and urban poor and underprivileged; and (ii) this potential could be developed/strengthened among the rural poor with the help of a well-designed, comprehensive training package consisting of knowledge, skills, and attitude; a package known as EDP.

#### 6.1.1 Group Entrepreneurship (GE)

As mentioned in Chapter 3, efforts to promote GE are associated with the seminal work of Bogaert and Das (1989). Important questions have, however, been raised about the efficacy and sustainability of this

approach. It has been argued that the approach has a likelihood of leading to a dependency syndrome wherein the group becomes perennially dependent on the sponsoring organization. If the organization were to withdraw, the group might collapse. Besides the conceptual issues related to entrepreneurship, it was also not clear what the legal form of the group would be? How would the profits be shared? What would be the process of transferring organizational and managerial skills from the NGO to the group members? Finally, what would be the time frame envisaged for this kind of transition?

## 6.2 Alternative Approach: Finding the Answers

In spite of these questions, however, the need to promote GE remains valid. The EDI made an attempt to operationalise the basic concept of GE by combining the 'individual' and 'GE' strategies to overcome some of the potential problems.

## 6.3 The Conceptual Framework

Although it is a prerequisite to consider individuals' potentials and goals, the fact remains that rural/tribal entrepreneurs as individuals are too weak to face the onslaught of market forces, on the one hand, and the rural oligarchy on the other. It is assumed that individually they are weak because of the following factors.

- They have little education, limited exposure to market economies, and limited access to finance and market intelligence and thus are not able to address the routine challenges of business.
- They have a limited capacity to buy raw materials due to the small size of

their operations, leading to them having to pay high prices to procure raw materials. (The cost of production goes up and the product becomes uncompetitive.)

- They only after a small quantity of products for sale as each individual's output is low, and hence they have limited bargaining power and do not get good prices.
- They experience difficulties in reaping the advantages associated with the economies of scale and scope due to the above two reasons.
- Profitability is low and thus there is a tendency to operate mostly at subsistence level on account of all these factors.

As a consequence, they seldom grow and are wiped out even when there are small market fluctuations. These constraints can be removed if individual entrepreneurs come together to take care of backward and forward linkages; viz., input purchases and output disposal. Since they may not be able to carry out basic management functions properly, as a group they can hire a consultant or two. Individually they may find it difficult to engage a full-time engineer or skilled person to service their machines, but not so as a group. Thus, operating in a group could make them competitive and profitable; this would not be so if they operated as individuals. However, homogeneity of the group and the product (lead sector approach) is essential.

Therefore, GE envisages that membership of the group is product based and every individual is the owner of his/her unit. For input purchases and output disposal all the members amalgamate. For example, a few

selected members could buy raw materials in bulk on behalf of all the members. However, decisions regarding the amount of work that one would like to do rests with the individual, depending upon his/her ca-

capacity or willingness to produce (See Figure 6.1).

Similarly, once the product is ready, all the members bring their produce to a central

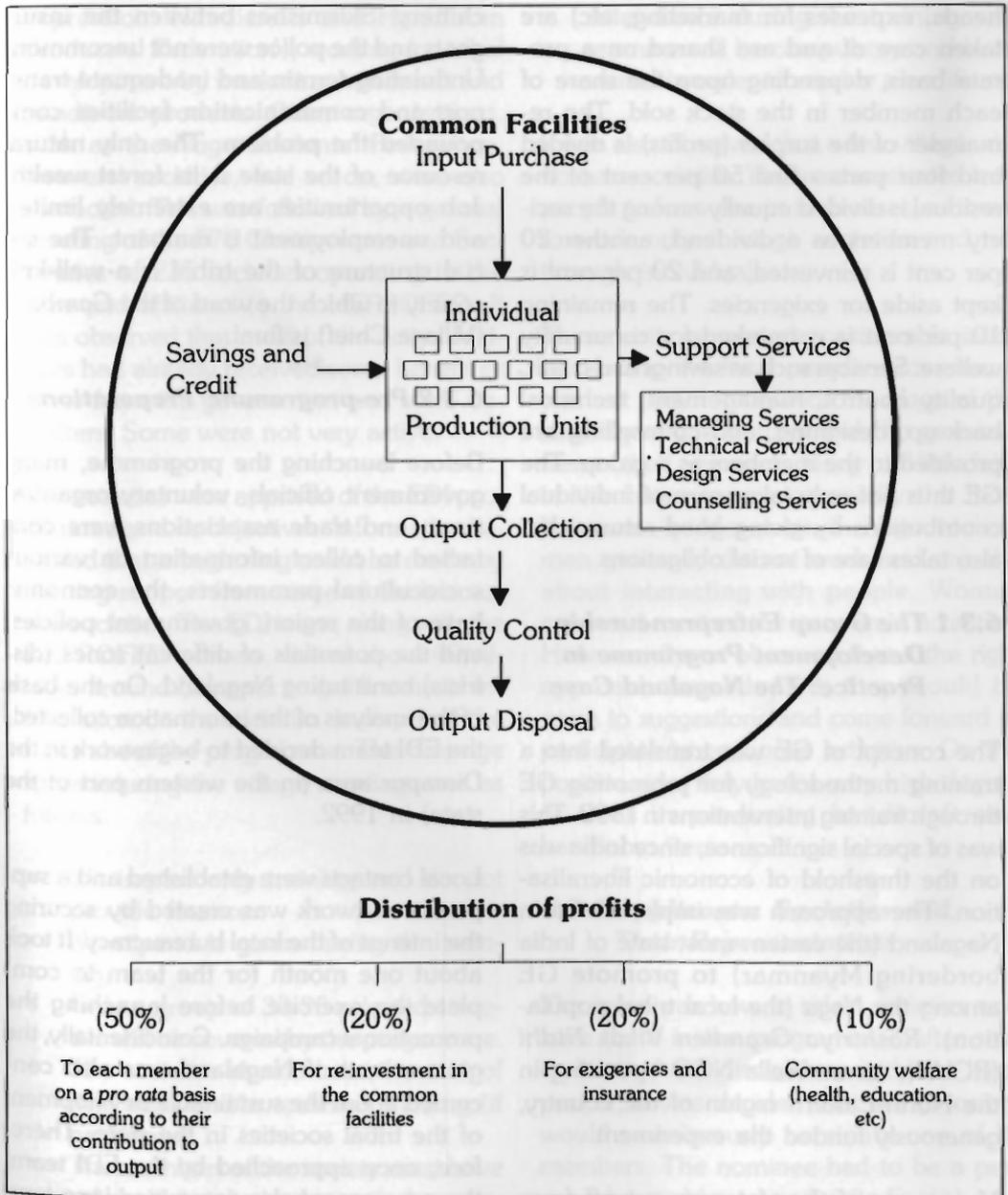


Figure 6.1: Operational Framework for Group Entrepreneurship

place from where it is taken to the market for sale. As in the case of input purchases, a few members go to market and sell the products. First, the basic costs (input costs including wages) and other expenses (e.g., depreciation, repayment of loans and overheads, expenses for marketing, etc) are taken care of and are shared on a pro-rata basis, depending upon the share of each member in the stock sold. The remainder of the surplus (profits) is divided into four parts - first 50 per cent of the residual is divided equally among the society members as a dividend, another 20 per cent is reinvested, and 20 per cent is kept aside for exigencies. The remaining 10 per cent is earmarked for community welfare. Services such as savings and credit, quality control, management, technical back-up, designing, and counselling are provided to the members as a group. The GE thus not only takes care of individual contributions by giving good returns, but also takes care of social obligations.

### **6.3.1 The Group Entrepreneurship Development Programme in Practice: The Nagaland Case**

The concept of GE was translated into a training methodology for promoting GE through training interventions in 1992. This was of special significance, since India was on the threshold of economic liberalisation. The approach was implemented in Nagaland (the eastern-most state of India bordering Myanmar) to promote GE among the Naga (the local tribal population). *Rashtriya Grameen Vikas Nidhi* (RGVN), an umbrella NGO operating in the North-Eastern region of the country, generously funded the experiment.

Most parts of the state are cut off from the main land owing to the difficult hilly

terrain. A politically sensitive state, it also goes through periods of insurgency. Many insurgent Naga youths were underground, periodically threatening the peace and disrupting the law and order. They had little faith in government machinery. Skirmishes between the insurgents and the police were not uncommon. Undulating terrain and inadequate transport and communication facilities compounded the problem. The only natural resource of the state is its forest wealth. Job opportunities are extremely limited and unemployment is rampant. The social structure of the tribal is a well-knit society in which the word of the *Gambora* (Village Chief) is final.

### **6.3.2 Pre-programme Preparations**

Before launching the programme, many government officials, voluntary organisations, and trade associations were contacted to collect information on various sociocultural parameters, the economic base of the region, government policies, and the potentials of different zones (districts) constituting Nagaland. On the basis of the analysis of the information collected, the EDI team decided to begin work in the Dimapur area (in the western part of the state) in 1992.

Local contacts were established and a supportive network was created by securing the interest of the local bureaucracy. It took about one month for the team to complete the exercise before launching the promotional campaign. Coincidentally, the government of Nagaland was also concerned about the sustainable development of the tribal societies in the state. Therefore, once approached by the EDI team, the government also committed long-term support to the endeavour.

### **6.3.3 Promotional Campaign: The Programme Launched**

Being outsiders, the EDI team joined hands with a local voluntary organization, viz., HEPROFED (a shortened form of the Naga expression 'Handicrafts and Handloom Producers' Federation'), working for tribal development by marketing handicraft and handloom products. Other organizations, such as the Naga Students' Federation, weavers' societies, and so on, were also contacted. This was followed by a general meeting of the 570 Chairpersons and Secretaries of 235 societies operating in the area and affiliated to the HEPROFED. It was observed that most of the active societies had already received some benefit or other from the government and were defaulters. Some were not very active.

The societies were apprised of the EDI programme and its objectives. Information revealed that a beginning could be made by eliciting support from some of the less active societies. The EDI team, along with the HEPROFED workers, visited about 40 villages around Dimapur to get first-hand information on the societies and spread the news about the programme. The message spread during the village meetings was as follows.

- We impart only training and do not provide finance.
- No stipend is given during the training.
- Only a group of 30-35 selected societies will be covered by the programme.
- The societies should bear the cost of field visits and/or technical training (if necessary).
- The members of the society must have a financial stake in the project as pro-

motors' equity and only then will they be helped to get loans from funding sources.

- The societies must arrange for land and buildings on their own as an additional contribution to the project cost.
- Attendance during the training programme will be compulsory and is essential in order to receive a certificate.

It was also observed that a few villages did not have societies. The team motivated local people to form one in such cases, as it was to work only through societies and not through individuals.

These visits generated considerable interest among the local people. However, it was not easy to convince the Naga of the sincerity of the visitors and the genuineness of their approach. Many had little faith in the bureaucracy, especially the local bureaucracy. Moreover, in Naga society, men generally do not work and are shy about interacting with people. Women carry out most of the economic activities. However, it was observed that if the right approach was adopted, they would be open to suggestions and come forward to participate in economic activities. On the positive side, they had a very high degree of skills in producing handicraft and handloom items.

### **6.3.4 Applicants: Societies and Their Representatives**

The issue was how to select societies and train them in the programme? After several rounds of discussions with the local people, it was decided that every society would unanimously nominate one of its members. The nominee had to be a person who could read and write English and

who had had some exposure to the outside world. It was assumed that the person nominated would be the focal point for transmitting training inputs to other members of his/her society. However, at the time of the interviews, the president or secretary of the society would also be interviewed along with the nominee to assess the capacity, interest, and commitment of the society.

All the applications had to be accompanied by a certificate from the society stating that the members had unanimously nominated the applicant. It had to be signed by their *Gambora*. The candidates were required to bring a list of the members of the society with them to the interview. This had to be certified by the *Gambora*. A declaration from all the members that the person concerned was the official nominee of the society was also required. The president/secretary countersigned this document. This was because, the EDI team was aiming at persons (trainees) who were capable and could be developed into entrepreneur-manager-cum-extension workers, through the training programme.

### 6.3.5 Selection Process

Tests, including the Thematic Appreciation Test, were conducted to screen the applicants. Interviews were conducted to assess (i) the capability of the interviewee to become an enterprising organizer, and (ii) inter-personal dynamics between the nominee and the society office bearers. In all, 112 societies applied for the programmes; 109 call letters were issued for written tests. However, only 85 applicants attended the written test, 65 were called

for interview, and 35 applicants (societies) were selected to participate in the programme. After the selection, the EDI team held a meeting with all the programme participants and office bearers of the societies. The discussions centred on the following issues.

- As only one person from each society would be trained, how would the society concerned know what was going on? How would the training be passed on to others?
- Another issue pertained to the margin money or promoters' equity that would be needed to obtain loans.
- The last issue discussed was the acquisition of land and construction of buildings (sheds) to house the enterprises.

The meeting made the following decisions.

- Every society would start a savings' scheme so that a reasonable amount was saved by the end of the training. It was decided that on Sunday every member would deposit his/her contribution with the Secretary of the society after church<sup>13</sup>. In turn the Secretary would deposit the money in the bank and give a photocopy of the receipt to the EDI team on Monday or the first banking day after Sunday. The amount of per head weekly savings would be collectively determined by the group. It was decided that all training-related expenditure would be met from these savings in consultation with the EDI team.
- Every Sunday, the society nominee (the trainee) would deliver a lecture, about what he/she had learned dur-

13 Most of the Naga are Christians by religion. Hence, they go to church every Sunday.

ing the week, after church. He/she would describe the process briefly to the group members.

- The *Gambora* would allot a piece of land to the society out of the common village land to construct a shed using local resources at minimum cost. Every member would contribute his/her own labour to the construction work.

The results of these resolutions were heartening. Each society could save an amount of between Rs 9,000 and 30,000, depending on its size.

The society-nominees (trainees) reported on the progress they had made to the group every Sunday, sometimes in the presence of the EDI team. If the trainees could not clarify any point, they referred it to the EDI team. This helped the society members to have confidence in their nominees. Moreover, the EDI team, in rotation, invited five members from each society every week throughout the training to familiarise them with the progress made by the programme and their nominees.

### The Training Phase

The training started with a micro-lab to help the trainees to become familiar with each other. It also helped the EDI team understand the group dynamics. Of course, initially the exercise aroused a great deal of curiosity and amusement, but ultimately it led to the desired outcome in terms of breaking down inhibitions.

### Information Inputs

The trainees were divided into small groups according to their products. They

were told about the nature of information to be collected, its source, location of the office, and contact person. Before sending them to various agencies, they were trained to collect relevant information through role play. For example, one of them was asked to act as an officer and another trainee was asked to obtain information from him/her. Through this process they learned how to approach officials, what to ask, and how to ask the right questions. This process took three days. The group took about one week to collect relevant information. Officials from the support system were also invited to assist in such presentations.

### Identification of Opportunities

After this exercise, the trainees learned the basic skills needed to evaluate business opportunities. They were then asked to go back to their respective societies to discuss the merits of the products they had short-listed. Some societies decided to change the products. Once final choices had been made, according to an assessment of the market, the trainees made a presentation on the subject in class. During the presentations, members from each society were also present. This exercise took six days.

### Market Survey

The trainees were trained in market survey techniques. They were told about the type of information they would need to prepare their business plans. Role playing was used to train them to carry out market surveys. Subsequently, they were sent to various places in groups of two to assess the market potential of their proposed products. They took about 15 days to collect the information.

### Achievement Motivation Training (AMT)

AMT is an integral part of EDPs. The training takes five days. Various simulation exercises were used, mainly to bring about group cohesiveness. The simulation exercises were suitably modified to serve this end. Simulation exercises included the broken square, ring-toss, tower building, and boat-making. Since quality is critical to the product when supplies come from many sources (units), an attempt was made to inculcate concern for quality among the group members through the tower building exercise. This was further reinforced through the boat-making exercise.

While only the trainees participated actively in the AMT, the president and secretaries of the societies were also invited to take part as observers. After the exercise, the EDI team asked the observers for their reactions to the behaviour of participants. The responses from these observers were converted into probing questions to be answered by the active participants. This helped the group observers to understand the kind of situation that could arise as a result of the self-centred behaviour of one person in a group and how one should behave as part of the group. In a way, the 'fish bowl' methodology was adopted to influence large groups rather than limiting the exercise exclusively to the small group of trainees. It had a rather widespread impact on other members of the society also, as they shared their observations after returning to their villages.

### Field Visits for Technical Exposure

After the AMT, the trainees were taken to Gujarat for exposure to various technologies related to their products and to the

markets. These visits were financed by their respective societies. In Gujarat, the trainees were also placed in workshops and handloom units where they received orientation on new products and processes. They also collected necessary technical information as well as quotations from machinery suppliers. In the process, they gained confidence to work on these new machines. These visits lasted for about 30 days, including the travel time.

### Management-related Inputs

After completing the field visit, the trainees were given training on management. Areas covered included general accounts; financial analysis (break-even analysis); maintaining cash books, order books, and stock registers; marketing of products and exploring new markets; managing product quality, etc. Instruction was through the case method, simulation exercises, and role playing. Problem-solving techniques were also imparted wherever necessary.

### Business Plan Preparation

The next part of the training was the preparation of a business plan. Each participant was provided with the information/data necessary to prepare a project report and was asked to prepare one. This helped him/her understand the technical aspects of a Business Plan. With this input, the training phase came to an end.

### The Follow-up Phase

In the follow-up phase, the first task before the EDI team was to formalise these informal societies. All the societies were registered with the Registrar of Societies of the government of Nagaland. Once the

registration formalities were over, the EDI team began helping the societies to prepare their business plans. Although every society consisted of many individually-owned units, the business plans were prepared by each society as a single entity. The follow-up phase lasted for about two years. Of the 34 societies, 19 established enterprises (Table 6.1). The rest were unable to do so, primarily due to lack of credit.

### **6.3 Credit : How Was It Obtained?**

After successfully completing the training phase, all the societies prepared business plans to submit to the banks. The first step was to approach the State Bank of India (SBI), which was the lead bank in Dimapur, for credit. However, the SBI said that loans could not be given to groups or societies unless they happened to be cooperative societies, in which case they would have to approach the SBI through the Cooperative Bank of Nagaland. As an alternative, the EDI helped the society members to prepare individual loan applications and again approached the SBI. This time the bank said that it would not be possible to give loans to the applicants as the recovery performance of the area was not satisfactory. The EDI approached the Regional Office (RO) of the SBI at Guwahati and the Head Office in Bombay. The issue was also taken up with the Governing Board of the EDI. The SBI promised to look into the matter. Subsequently, the Joint Managing Director of the SBI wrote a letter to its RO in Guwahati instructing it to consider the cases on merit. The EDI, armed with the letter, again approached the RO. The correspondence went on and the trainees began to lose patience. Almost two

years passed but loans could not be obtained from the SBI.

The RGVN, throughout the project, supported the EDI's efforts. Since it had sponsored the programme, the RGVN was willing to give loans to the societies on a selective basis. However, they did not have adequate funds to give credit to all the societies. The EDI again raised the issue at its Governing Board Meeting. The President of the EDI Governing Board, who was also the Chairman of the Industrial Development Bank of India (IDBI), informed them that the Small Industries' Development Bank of India (SIDBI) could be approached for help. The Managing Director of the SIDBI, who was also a member of the Governing Board, agreed to consider any viable proposition favourably. However, since the SIDBI did not give loans directly, he wanted an intermediary to give the credit with SIDBI refinancing. The RGVN agreed to the proposal but decided to give loans in phases on a selective basis.

A monitoring committee, consisting of representatives from the EDI, SIDBI, and RGVN, was constituted to monitor the process. In the first round, six societies were given credit. So far 19 societies have been given credit by the RGVN. The loan amount varies between Rs 85,000 and Rs 305,904. The remaining societies are now not very keen to launch ventures because of the inordinate delay in loans.

### **6.4 Present Status of the Project**

- Out of 34 societies, 18 have started businesses.
- All the 18 societies have constructed workshops from their own savings at

Table 6.1: Status of Group EDP Project – Nagaland (1993-1995)

Name of Society	Number of Members			Product	Investment (Pro. Cost)	Av. Monthly Income (Rs)	Remarks
	Male	Female	Total				
NWVKCS	-	26	26	Weaving	85,000	840	Very successful; regular repayment of loan to RGVN
DHWS	13	2	15	Handicrafts	1,00,000	760	Only two members are directly working for the society
PVWS	22	2	24	Weaving	97,000	1,575	Society closed down recently because of internal dispute
VFCS	23	2	25	Farming	3,05,904	925	Running successfully
SVWWS	26	-	26	Weaving	1,04,000	850	Closed due to law and order problem
CWDSD	-	36	36	Weaving	95,000	600	Running successfully
SPFFS	21	4	25	Piggery	1,25,000	675	Unit not started despite loan due to law and order problem
CWDSC	-	37	37	Weaving	1,06,000	1,675	21 members are active; remaining are involved partly. Running well
KHS	28	-	28	Handicrafts	1,08,000	750	Running successfully
BVWDS	1	53	45	Pig Rearing	1,50,000	560	Diversified portfolio to milch animals and goats also running well
AAWWS	3	29	32	Pig Rearing	1,42,000	875	Running well
EWDS	11	13	24	Weaving	2,23,000	780	Running well
RWS	-	7	7	Weaving	1,72,000	1,464	Running well
KWWS	2	24	26	Weaving	1,92,000	700	Taken only a Rs 97,000 loan from RGVN. Running successfully
NMCS	16	13	29	Carpentry	1,85,000	1,436	Running successfully
LWWS	-	24	24	Weaving	2,06,000	925	Taken only a Rs 86,000 loan.
WBTDG	16	3	19	Carpentry	1,80,000	1,470	Running well
TDWW	-	25	25	Pig Rearing	1,50,000	890	Running well

**Table 6.1. Status of Group EDP Project – Nagaland (1993-1995)**

Name of Society	Number of Members		Product	Investment (Pro. Cost)	Av. Monthly Income (Rs)	Remarks
	Male	Female				
SSK	16	9	Pig Rearing	1,42,000	1180	Society invested Rs 59,000 in pig rearing & the balance in the taxi business
<b>TOTAL</b>	<b>198</b>	<b>280</b>	<b>-</b>	<b>28,67,904</b>	<b>967</b>	
NWWKCS	Naharbari Women's Weaving and Knitting Cooperative Society, Naharbari			KHS		Kemi Handicraft Society
DHWS	Dzukou Handicraft Welfare Society			BVWDS		Bada Village Women's Society
PVWS	Phuhoto Village Weaving Society			AAWWS		Ableinuo Anar Women's Welfare Society
VFCS	Vopan Farming Cooperative Society			EWDS		Ellyka Weavers' Development Society
SVWWS	Shiton Village Weaving Welfare Society			RWS		Rengma Women's Society
CWDS	Chakhesang Women's Development Society, Diezphe			KWWS		Khamo's Weaving Welfare Society
SPFFS	Seb Piggery-cum-Fishery Farming Society			NMCS		Nagarjan Multipurpose Cooperative Society
CWDS	Chakhesang Women's Development Society, Chakhesang			LWWS		Lisa Weaving Welfare Society
				WBTD		Wood Bender Training and Development Society
				TDWW		The Diphupar Women's Welfare Society
				SSK		Shudi Society, Khasiram

costs ranging from Rs 9,000 to Rs 30,000.

- Most of the societies have secured the necessary technical and managerial support from local, educated youths on a payment basis.
- All the societies have been regularly participating in trade fairs and exhibitions in and outside the state.
- Most of the women-operated societies are running successfully (Table 6.1).
- Success of the societies critically depends on leadership (See Box 6.1).
- Although most of the societies are op-

erating successfully, there are a few notable exceptions also (See Box 6.2).

## 6.5 Cost Benefit Analysis of the Project

- The group entrepreneurship project involved a training cost of Rs 300,000 (US\$ 8,000); and two professionals from EDI worked with it continuously for two years.
- Savings worth Rs 500,000 were generated by the societies.
- An investment of about Rs 2,900,000 (approximately US\$

### Box 6.1: Naharbari Women's Weaving & Knitting Cooperative Society

Naharbari Women's Weaving and Knitting Cooperative Society (NWWKCS) was established in 1990 under the Assam Cooperative Act under the leadership of Ms. Lalita Mech. The major objective of the society was to provide gainful employment for the *Kachari* Tribe in times of distress. However, the Society did not take off because of the lack of adequate financial resource. The 26 member Society being unable to procure the same in 1992, Ms. Mech came to know about the EDI's Group Entrepreneurship Development Programme (GEDP). She approached the trainers who immediately visited their (defunct) society. They had detailed discussions with all the 26 members and suggested that they apply for the programme. Ms. Mech, who was nominated by the society for the GEDP, was selected for the programme.

She not only completed the GEDP successfully but also shared with other members whatever she learned. She also motivated the group to start a small savings' scheme. Every member of the society started saving Rs 10 per month, leading to savings of Rs 9,000 within three years, with a plan to resolve the savings among the needy group members.

After successfully completing the GEDP, Ms. Mech, on behalf of the society, approached the State Bank of India (SBI) for a loan to start a weaving unit. However, the SBI refused to assist the Society. This disappointment strengthened their resolve to struggle and succeed. They approached the RGVN for a loan, and it gave them a loan of Rs 85,000. Since their workshop was too small to accommodate all the members, they mutually decided that 10 better skilled members would work in the shed and others would operate from their homes, but would get raw materials from the society. Even now, all the 26 members are very active and are carrying out production of shawls, bags, and other products. The society undertakes the marketing responsibility. The NWWKCS is helping other women to market their products. They regularly participate in exhibitions in or outside the state and their income has increased on an average by Rs 840 per month each. Their annual turnover has reached Rs 1.2 million.

At present, most of the profits go to the RGVN to repay the loan and interest. They plan to open a showroom in Dimapur after repaying the loan in full.

## Box 6.2 : Phuhoto Village Weaving Society

As the people of Nagaland are known for *Jhuming* (shifting) cultivation, the *Sema*, one of the 14 tribes of the *Naga*, is known for shifting its villages from one place to another under the leadership of their *Gambora*. Encouraged by the policy of the Government of Nagaland to help the tribes settle down in one place and give up their nomadic lifestyle, Mr. Phuhoto Sema, one of the *Gambora*, settled down on the banks of the River Dhansari in 1973 with his clan. The people of the village were mainly dependant upon agriculture. Women also helped them in farming operations. The *Sema* women had traditional weaving skills also, which they used only to meet their household needs.

In 1992, the Entrepreneurship Development Institute of India (EDI) organized a meeting in Phuhoto village, as a part of the promotional activities of the GEDP, to spread the message of entrepreneurship. The trainers motivated the *Sema* to think in terms of using their skills for commercial production of traditional cloth. The suggestion immediately evoked a positive response from the *Sema*. They decided to jointly sponsor the son of the *Gambora* to attend the GED programme and subsequently provided him with financial support also. After successfully completing the programme, he formed a producers' society and registered it under the Societies' Registration Act of Nagaland, with 24 (22 men and 2 women) members. The members saved Rs 6,000/- to construct a workshed. In 1994, the *Rashtriya Gramin Vikas Nidhi* gave them a loan of Rs 97,000/- to execute their business plans. With money from the loan, three fly shuttle looms were installed in the workshed and three temporary workers-cum-trainers were appointed to operate the looms as well as train the local people. Meanwhile all the members started weaving from their homes for sale.

The society came to know about an exhibition being organized in Delhi in 1995. All the members decided to participate in the exhibition. The village people deputed Mr. Ahoto (the trained person) to represent them at the exhibition and sell their products. His participation led to a sale of Rs 65,000 (a big sum by their standards). However, after coming back, Mr. Ahoto did not give the proper accounts and kept on delaying for one reason or the other. The members withdrew their support from him and the society became defunct. In the process, repayment of the loan from the RGVN also ceased.

- 83,000) was made in the area for commercial purposes, with an average investment of Rs 150,000 per venture.
- This small investment led to an annual output of about Rs 15,000,000 (Approx. US\$ 400,000), with value addition worth about Rs 6,000,000 per year.
- It created full time, gainful, and productive employment for about 500 persons.
- It has benefitted about 500 *Naga* families directly.
- The average annual income of the members of various societies stands at Rs 11,604 (ranging between Rs 600 and Rs 1,575 per member per month).