

Annex 1

Constraints of Potential Rural Entrepreneurs and Development Inputs

No Constraints

1. Low self-image and lack of confidence
2. No faith in others including friends
3. No exposure to industry/ business
4. Whom to contact to start a venture, what formalities and procedures are to be followed
5. No idea of business
6. How to know whether the business identified is a viable and sound proposition?
7. How does one carry out bank operations ?
8. How to manage the business?
9. How to read and write accounts
10. Almost no technical skills (except in the case of artisans)

Inputs

- Motivational inputs, unfreezing, and sharing experiences by successful local entrepreneur
- Group building experiences
- Field visit to factories and big markets
- Information inputs on procedures and formalities
- Opportunity identification and guidance
- Market survey, project report preparation
- Training in simple banking procedures such as completing deposit and withdrawal slips, etc
- Basic management orientation through simulation exercises
- Functional and numerical literacy
- Simple accounting in terms of writing income and expenditure
- Technical training (on-the-job training)

Annex 2

A Brief Outline of the Sequencing of REDP Activities and Inputs

PMRY (20 working days each session of 1.5 hrs)

- Identification of the area
- Liaison with government agencies
- Identification of opportunities
- Survey of the village
- Promotional campaign – handbills, meetings, and drum beating
- Screening the applications
- Selection through FBEI
- Unfreezing
- Entrepreneur from local area
- Exposure to industry, agriculture, and market
- Opportunity guidance
- Information inputs
- Communication skills
- Fundamentals of business plan
- Market survey techniques
- Market survey
- Survey report by the entrepreneur
- Comments on market survey and feasibility by bank officials
- Bank operations
- A.M.T.*
- Communication

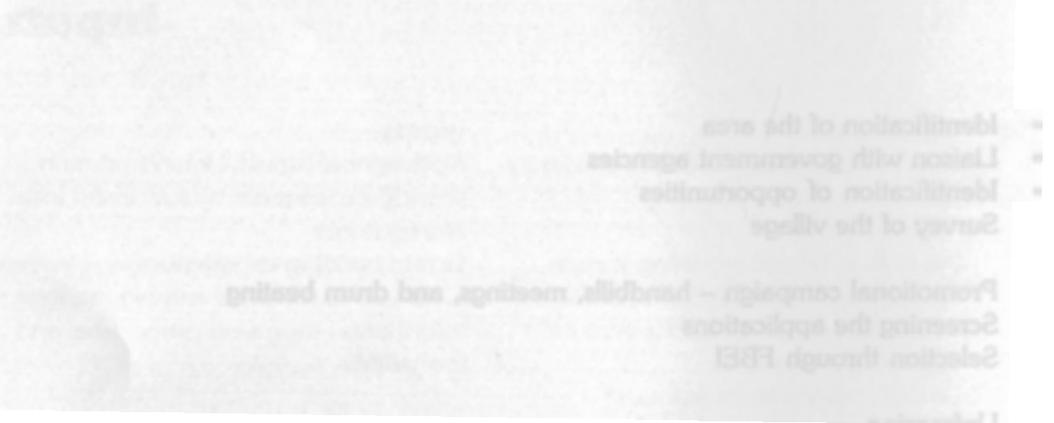
- Management inputs
- Business accounting/arithmetic
- Procedural and legal aspects such as sales' tax, registration, etc

- Finalisation of product
- Technical training

- Business plan preparation
- Submission of loan applications to bank

Annex 2

A Brief Outline of the Sequencing of REDP Activities and Inputs



-
- * Although the traditional method of imparting AMT is followed more explicitly, it should be mentioned that small doses of motivational inputs have to be given time and again in order to maintain its effectiveness upon the trainees.

Annex 3

Training Programme Schedule for the Industry Sector Beneficiaries of the PMRY (20 working days each session of 1.5 hrs)

Day 1

- Session I Programme Overview and an 'Ice-Breaking' exercise
- Session II Input on 'Characteristics of an Enterprising Person'
- Session III Experiential Exercise on 'Individual Goal Setting'
- Session IV Conceptual Input on 'Opportunity Search Attitude'

Day - 2

- Session I Experiential Exercise in 'Communicating, Convincing and Negotiation'
- Session II Conceptual Input on 'Empathy: The Key to Successful Personal Selling'
- Session III Creativity and Problem Solving
- Session IV Creativity and Problem Solving

Day - 3

- Session I Input on 'Identifying and Developing a Healthy Relationship with Your Suppliers'
- Session II Conceptual Input on 'Inventory Management in Small Enterprises'
- Session III Conceptual Input on 'Costing and Pricing'
- Session IV Break-even Analysis

Day - 4

- Session I The Importance of 'Maintaining Proper Accounts'
- Session II Input on 'The Basics of Book-keeping'
- Session III Input on 'The Basics of Book-keeping'
- Session IV Conceptual Input on 'Cash Management in Small Enterprises and Recovery Modalities'

Day - 5

- Session I Programmed skill practice in 'How to Display the Basket of Goods/ Services', Layout/Business Location
- Session II Input on 'How to Deal with Customer Attitudes like Scepticism, Indifference, Stalling, etc
- Session III Forms of Business Organization
- Session IV Forms of Business Organization

Day - 6

- Session I Types of Business/Service Enterprises
- Session II Business Mathematics
- Session III Input on 'Project Feasibility and Growth Prospects'
- Session IV Input on 'Project Feasibility and Growth Prospects'

Day - 7

- Session I Exercises on 'Cash Management in Small Enterprises'
- Session II Exercise/Discussion on 'Inventory, Costing, Book-keeping and Cash Management'
- Session III Facilities from Banks.
- Session IV Input on 'Formalities to be Completed before Disbursement of Loans', Insurance Requirements, If Any

Day - 8

- Session I Input on 'Repayments and How to Deal Successfully with Your Bankers'
- Session II Interaction in Small Groups with Existing PMRY
- Session III & Entrepreneur/Small Units' Field Visit
- Session IV

Day - 9

- Session I Input on 'Legal Formalities in Setting Up Small Enterprises'
- Session II Shops and Establishment Act, Local Approvals, Sales' Tax/Income Tax (Session by a Business Lawyer)
- Session III Interaction with Existing PMRY Entrepreneurs in Small Units
- Session IV Small Groups in a Class Room Situation

Day - 10

- Session I & Formalities in Setting up a Small Industrial Enterprise
- Session II
- Session III Role of DICs and Assistance Provided
- Session IV Start-up Problems in SSI Units and Overcoming Them

Day - 11

Session I
Session II
Session III
Session IV

Achievement Motivation Training (Training for Self-development).

Day - 12

Session I
Session II
Session III
Session IV

Achievement Motivation Training (Training for Self-development)

Day - 13

Session I
&
Session II
Session III
Session IV

Production, Planning and Control, Inventory and Stock Management

Shop Floor Layout
Quality Management

Day - 14

Session I
&
Session II
Session III
Session IV

Working Capital Management

Break-even Analysis, Calculation and Typical Pitfalls in Its Achievements and with Specific Examples

Day - 15

Session I
&
Session II
Session III
&
Session IV

Financial Management and Profitability

Creativity and Problem Solving
Creativity and Problem Solving
Project Report Preparation

Day - 16

Session I
&
Session II
Session III
&
Session IV

Marketing Strategy and Management

Market Survey Regarding Customers and Sellers, Dealers, Retailers, etc (Field-based Exercise)

Day - 17

Session I

Session II

Market Survey Regarding Customers and Sellers, Dealers, Retailers, etc

Session III

(Field-based Exercise)

Session IV

Day - 18

Session I

&

Individual Presentation on Market Survey Findings - Analysis

Session II

Session III

Packaging and Its Importance

Session IV

Basic Inputs on Labour Laws (As Applicable to Less than 10 Workers)

Day - 19

Session I

Specific Attachment for Chosen Industrial Activity with

Session II

Machinery/Equipment Suppliers, Industrial Enterprises

Session III

Private/Government Institutions, etc (for practical and

&

Demonstration/Observation)

Session IV

Day - 20

Session I

Submission of Business Implementation Plan Question-Answer

Session II

Session on Specific Topics of Interest/Course Content

Session III

Feedback

Session IV

Valedictory

Annex 4

Revised Training Programme Schedule for the Business/Service Sector Beneficiaries of PMRY

Day - 1

Session I	Programme Overview and An 'Ice-Breaking' Exercise
Session II	Input on 'Characteristics of an Enterprising Person'
Session III	Experiential Exercise on 'Individual Goal Setting'
Session IV	Conceptual Input on 'Opportunity Search Attitude'

Day - 2

Session I	Experiential Exercise in 'Communicating, Convincing and Negotiation'
Session II	Conceptual Input on 'Empathy: The Key to Successful Personal Selling'
Session III	Creativity and Problem Solving
Session IV	Creativity and Problem Solving

Day - 3

Session I	Input on 'Identifying and Developing a Healthy Relationship with Your Suppliers'
Session II	Conceptual Input on 'Inventory Management' in Small Enterprises
Session III	Conceptual Input on 'Costing and Pricing'
Session IV	Break-even Analysis

Day - 4

Session I	The Importance of 'Maintaining Proper Accounts'
Session II	'Input on 'The Basics of Book-keeping'
Session III	Input on 'The Basics of Book-keeping'

Session IV	Conceptual Input on 'Cash Management in Small Enterprises and Recovery Modalities'.
Day - 5	
Session I	Programmed Skill Practice in 'How to Display the Basket of Goods/ Services', Layout/Business Location
Session II	Input on 'How to Deal with Customer Attitudes like Scepticism' Indifference, Stalling, etc
Session III	Forms of Business Organization
Session IV	Forms of Business Organization
Day - 6	
Session I	Types of Business/Service Enterprises
Session II	Business Mathematics
Session III	Input on 'Project Feasibility and Growth Prospects'
Session IV	Input on 'Project Feasibility and Growth Prospects'
Day - 7	
Session I	Exercises on 'Cash Management in Small Enterprises'
Session II	Exercises/Discussion on 'Inventory, Costing, Book-keeping and Cash Management'
Session III	Facilities from Banks
Session IV	Input on 'Formalities to be Completed before Disbursement of Loans', Insurance Requirements, If Any
Day - 8	
Session I	Input on 'Repayments and How to Deal Successfully with Your Bankers'
Session II	Interaction in Small Groups with Existing PMRY
Session III & Session IV	Entrepreneur/Small Units' Field Visit
Day - 9	
Session I	Input on 'Legal Formalities in Setting Up Small Enterprises
Session II	Shops and Establishment Act, Local Approvals, Sales' Tax/Income Tax (Session by a Business Lawyer)
Session III	Interaction with Existing PMRY Entrepreneur Small Units in
Session IV	Small Groups in a Class Room Situation
Day - 10	
Session I	Submission of Business Implementation Plan – Question – Answer
Session II	Session on Specific Topics of Interest/Course Content
Session III	Feedback
Session IV	Valedictory

Annex 5: Profile of the Himalayan Hill Region of India (Cont'd)

S. N.	Parameters	Unit	Names of the States/Regions									
			AP	Assam	Himachal Pradesh	J&K	Manipur	Meghalaya	Mizoram	Nagaland	Sikkim	Tripura
1.	Relative index of dev.	Index	66	54	75	136	55	54	54	55	73	55
2.	Area	Sq. km.	83743	78438	55673	222236	22327	22429	22081	16579	7096	10486
3.	Population	Million	0.86	22.41	5.11	7.71	1.83	1.77	0.69	1.21	0.41	2.75
4.	Population per sq. km	Number	10.27	285.7	91.79	34.69	82	78.92	31.25	72.98	57.78	262.25
5.	Male	Million	0.46	11.65	2.56	4.01	0.94	0.91	0.36	0.64	0.22	1.42
6.	Female	Million	0.4	10.75	2.562.55	3.71	0.89	0.86	0.33	0.57	0.19	1.33
7.	Urban	Million	0.11	2.46	2.550.44	1.83	0.51	0.33	0.32	0.21	0.04	0.42
8.	Rural	Million	0.75	19.93	0.444.67	5.87	1.33	1.44	0.37	1.01	0.37	2.33
9.	Urbanisation	%	12.8	11.1	4.678.69	21.05	27.52	18.6	46.1	17.21	9.1	15.3
10.	Literacy	%	41.59	52.8	8.6963.86	26.67	59.89	49.1	82.27	61.65	56.94	60.44
11.	Male literacy	%	51.45	61.87	63.8675.36	36.29	71.63	53.12	85.61	67.62	65.74	70.58
12.	Female literacy	%	29.6	43.03	75.3652.13	15.88	47.8	44.85	78.6	54.75	46.69	49.65
13.	Workers as % of total pop.	%	46.24	36.09	42.82	44.28	42.18	42.67	48.91	42.68	41.51	31.14
14.	Main workers in agriculture and allied activities	%	67.26	73.5	69.02	60.35	69.97	74.21	65.77	75.2	68.18	63.79
15.	Main workers in mining and quarrying	%	0.18	0.49	0.26	N.A.	0.03	0.6	0.22	0.06	0.22	0.29
16.	Main workers in manufacturing (non-HH) industries	%	2.49	3.11	3.71	34.36	2.31	1.75	1.59	1.32	3.26	3.52
17.	Main workers in household industries	%	0.19	0.88	1.43	5.3	5.8	0.4	1.02	0.39	0.77	1.42
18.	Main workers in construction	%	5.98	1.57	4.85	N.A.	1.55	1.59	2.47	1.77	7.09	1.47
19.	Main workers in services	%	23.9	20.45	20.73	N.A.	20.34	21.46	28.94	21.26	20.48	29.51
20.	Forest area as % of reporting area	%	93.88	25.27	27.19	60.98	N.A.	38.01	N.A.	25.69	3.62	58.02
21.	Net sown area as % of reporting area	%	2.72	34.46	18.12	16.26	N.A.	8.75	N.A.	16.37	13.35	24.43
22.	Gross irrigating area as % of gross cropped area	%	N	N.A.	17.41	41.03	N.A.	21.75	N.A.	29.62	11.95	9.81
23.	Average size of operational land holding	Hectare	4.09	1.31	1.24	0.86	1.24	1.78	1.57	7.46	2.78	1.02
24.	Value of output of major crops/hectare	Rs.	4167	3875	2343	2999	5149	2957	3202	2084	2108	3431
25.	Per capita value of output of major crops	Rs.	807	599	442	516	519	395	326	339	695	527

Annex 5: Profile of the Himalayan Hill Region of India

S. N.	Parameters	Unit	Names of the States/Regions									
			AP	Assam	Himachal Pradesh	J&K	Manipur	Meghalaya	Mizoram	Nagaland	Sikkim	Tripura
25.	Per capita food grain production	Kgs.	210	119	203	200	151	75	82	93	217	156
26.	Road length per 100 sq. km.	Kms.	8.51	81.98	40.27	5.93	29.43	28.59	15.5	47.59	22.01	106.47
27.	Railway route length per 100 sq. km.	Kms.	1	3.15	0.48	0.03	0	0	0.01	0.05	0	0.43
28.	Post offices per 100,000 population	Nos.	30.77	16.64	50.46	26.36	33.91	2.48	50.6	229.76	42.32	24.59
29.	No. of telephones per 100,000 population	Nos.	N	249	864	661	N.A.	N.A.	N.A.	N.	N.A.	155
30.	Bank branches per 100,000 population	Nos.	7.87	5.45	14.36	13.28	4.63	9.8	10.87	5.79	8.12	6.53
31.	Per capita bank deposits	Rs.	2320	1191	3589	3731	573	2580	1639	1999	2999	1224
32.	Per capita bank credit	Rs.	320	581	1140	1660	483	435	133	807	728	714
33.	Per capita bank credit to agriculture	Rs.	82	112	194	169	61	162	175	204	79	120
34.	Per capita bank credit to small-industries	Rs.	71	90	167	152	82	44	29	169	132	57
35.	Per capita bank credit to industries	Rs.	607	332	403	517	148	166	137	302	225	163

Source: Centre for Monitoring Indian Economy 1993, Profile of Districts, Bombay, Economic Intelligence Service

Note: 1. All the figures pertain to the year 1992-93

2. All the per capita values have been calculated on the basis of the population census 1991