

# Role of government in Organizing EDP's Critical Evaluation

THEINTACTFRONT13 JUN 2019 3 COMMENTS

Government plays a very important role in developing entrepreneurship. Government develop industries in rural and backward areas by giving various facilities with the objective of balances regional development. The government set programmes to help entrepreneurs in the field of technique, finance, market and entrepreneurial development so that they help to accelerate and adopt the changes in industrial development. Various institutions were set up by the central and state governments in order to fulfill this objective.

## **Institutions set up by Central Government**

### **1. Small industries development organization (SIDO)**

SIDO was established in October 1973 now under Ministry of Trade, Industry and Marketing. SIDO is an apex body at Central level for formulating policy for the development of Small Scale Industries in the country, headed by the Additional Secretary & Development Commissioner(Small Scale Industries)under Ministry of Small Scale Industries Govt. of India. SIDO is playing a very constructive role for strengthening this vital sector, which has proved to be one of the strong pillars of the economy of the country. SIDO also provides extended support through Comprehensive plan for promotion of rural entrepreneurship.

### **2. Management development Institute(MDI)**

MDI is located at Gurgaon(Haryana).It was established in 1973 and is sponsored by Industrial Finance Corporation Of India,with objectives of improving managerial effectiveness in the industry.It conducts management development programs in various fields.In also includes the programmes for the officers of IAS,IES,BHEL,ONGC and many other leading PSU's.

### **3. Entrepreneurship development institute of India (EDI)**

Entrepreneurship Development Institute of India (EDI), an autonomous and not-for-profit institute, set up in 1983, is sponsored by apex financial institutions – the IDBI Bank Ltd., IFCI Ltd., ICICI Bank Ltd. and the State Bank of India (SBI). EDI has helped set up twelve state-level exclusive entrepreneurship development centres and institutes. One of the satisfying achievements, however, was taking entrepreneurship to a large number of schools, colleges, science and technology institutions and management schools in several states by including entrepreneurship inputs in their curricula. In the international arena, efforts to develop entrepreneurship by way of sharing resources and organizing training programmes, have helped EDI earn accolades and support from the World Bank, Commonwealth Secretariat, UNIDO, ILO, British Council, Ford Foundation, European Union, ASEAN Secretariat and several other renowned agencies. EDI has also set up Entrepreneurship Development Centre at Cambodia, Lao PDR, Myanmar and Vietnam and is in the process of setting up such centres at Uzbekistan and five African countries.

#### **4. All India Small Scale Industries Board(AISSIB)**

The Small Scale Industries Board (SSI Board) is the apex advisory body constituted to render advise to the Government on all issues pertaining to the small scale sector.It determines the policies and programmes for the development of small industries with a Central Government Minister as its president and the representatives of various organization i.e. Central Government,State Government,National Small Industries Corporations,State Financial Corporation,Reserve Bank of India,State Bank of India,Indian Small Industries Board,Non government members such as Public Service Commission,Trade and Industries Members.

#### **5. National Institution of Entrepreneurship and Small Business Development(NIESBUD),New Delhi**

It was established in 1983 by the Government of India.It is an apex body to supervise the activities of various agencies in the entrepreneurial development programmes.It is a society under Government of India Society Act of 1860.The major activities of institute are:

- i) To make effective strategies and methods
- ii) To standardize model syllabus for training
- iii) To develop training aids,tools and manuals
- iv) To conduct workshops,seminars and conferences.
- v) To evaluate the benefits of EDPs and promote the process of Entrepreneurial Development.
- vi) To help support government and other agencies in executing entrepreneur development programmes.
- vii) To undertake research and development in the field of EDPs.

#### **6. National Institute of Small Industries Extension Training**

It was established in 1960 with its headquarters at Hyderabad.The main objectives of national Institute of Small Industries Extension Training are:

- i) Directing and Coordinating syllabi for training of small entrepreneurs.
- ii) Advising managerial and technical aspects.
- iii) Organizing seminars for small entrepreneurs and managers.
- iv) Providing services regarding research and documentation.

#### **7. National Small Industries Corporation Ltd. (NSIC)**

The NSIC was established in 1995 by the Central Government with the objective of assisting the small industries in the Government purchase programmes. The corporation provides a vast-market for the products of small industries through its marketing network. It also assists the small units in exporting their products in foreign countries.

#### **8. Risk Capital and Technology Finance Corporation Ltd.(RCTFC)**

RCTFC was established in 1988 with an authorized capital of 15 crores rupees. The main objectives of RCTFC are provision of risk capital for the extension and expansion of entrepreneurial development and venture capital for the projects with high techniques for technology development and transfer.

#### **9. National Research and development corporation (NRDC)**

NRDC was established in 1953 under Department of Science and Industrial Research under Government of India. Its main objectives are:

i) Providing assistance in technology transfer

ii) Transfer of technology

iii) Establishing relations with various technology institutions and collecting various indigenous techniques developed by them.

#### **10. Indian Investment Centre**

This is an autonomous organization established by Central Government. Its main objective is to assist in promoting foreign cooperation with Indian entrepreneurs and providing necessary information to foreign entrepreneurs.

#### **11. Khadi and village industries Commission(KVIC)**

Khadi and Village Industries Commission established by an Act of Parliament in 1956. It is a service organization engaged in promotion and development of Khadi and Village Industries in rural areas. Its main objectives are:

i) Providing employment in rural areas.

ii) Improvement of skills

iii) Rural Industrialisation

iv) Transfer of Technology

v) Building strong rural community base and self reliance among rural people.

#### **12. Indian Institute of Entrepreneurship(IIE)**

It was established by the Department of Small Scale Industries and Agro and Rural Industries in 1953. It is an autonomous organization with its headquarters at Guwahati. Its main objective is to undertake research, training and consultancy activities in the field of small industry and entrepreneurship.

### **13. Miscellaneous Organisation**

In addition to above various organizations at all India level are assisting and are engaged in entrepreneur development. These include ICICI, IFCI, SIDBI, UTI, IDBI, IIBI etc.

### **14. National Alliance of Young Entrepreneurs (NAYE)**

It has sponsored number of entrepreneurial development scheme in collaboration with various public sector banks. The main objective of the scheme is to encourage young entrepreneurs to explore investment and self-employment opportunities. It arranges for their training and assists them in procuring necessary finance. In 1975 NAYE also set up a Women's Wing to make women self-reliant and to raise their status.

### **15. Centre for Entrepreneurial Development (CED) Ahmedabad**

It was sponsored by the Government of Gujarat and public financial institutions operating in the State. It conducts entrepreneurial development programmes at various centres. The important features of training programme are:

- i) Training programmes were conducted after survey for opportunities was made.
- ii) Appropriate linkage was established with supporting agencies supplying finance, factory sheds, raw materials, etc.
- iii) Behavioural tests were conducted to select the entrepreneurs.
- iv) Training programmes covered theoretical and practical aspects.
- v) Full time project leader took follow up action after the training was over.

### **16. Institute for Entrepreneurial Development (IED)**

It was set up by the IDBI in association with other financial institutions, public sector banks and the State Governments. The IEDs were set up to fulfil the entrepreneurial development needs of the industrially backward States in the country.

### **17. Technical Consultancy Organisation (TCOs)**

A network of TCOs has been established by All India Financial Institutions and State Government throughout the country. These organizations have been set up to provide comprehensive package of services to entrepreneurs in general and to small business entrepreneurs in particular. Their main functions include the following:

- i) Identifying potential industrial project.
- ii) Preparing project reports, feasibility reports and pre-investment status.
- iii. Identifying potential entrepreneurs.

Providing technical and administrative support.

Conducting techno-economic studies of the projects.

Conducting market research and surveys.

Rendering advice to set up laboratories and design centre.

### **18. Public Sector Banks.**

Public sector banks in association with NAYE have been conducting entrepreneurial development programmes. The main thrust of these banks has been to identify potential entrepreneurs in rural and backward areas. For example Punjab National Bank started entrepreneurial assistance programme in March 1977 in the States of West Bengal and Bihar. Similarly, Bank of India started entrepreneurial assistance programme since August 1972 in the States of Punjab, Rajasthan, Himachal Pradesh, J& k and the Union Territories of Chandigarh and Delhi.

The important Forms of entrepreneurial assistance are:

- i) Identifying potential entrepreneurs
- ii) Identifying viable projects.
- iii) Assisting in preparation of project profiles
- iv) Helping in project evaluation.
- v) Arranging practical training.
- vi) Financing the projects.

### **B) Institutions set up at State Level**

There are a number of institutions established at state level for organizing, developing, assisting and making successful entrepreneurial development programmes. Prominent among these are:

- i) Small Industries Service Institute (SISI)

- ii) State Financial Corporation (SFC)
- iii) State Small Industries Corporation (SSIC)
- iv) District Industries Centres(DIC)
- v) Technical Consulting Organisation Ltd. (TCO)
- vi) Industrial Directorates
- vii) Commercial and Cooperative Banks
- viii) State Industrial Development Corporation
- ix) Industrial Estates
- x) State Industries Corporation

The above mentioned State and Central level Institutions have provided a number of concessions and facilities to promote entrepreneur development in India.They have also played an important role in balanced industrial development in the country.