

Role of Jammu and Kashmir Entrepreneurship Development institute (JKEDI) in the development of entrepreneurship in Jammu and Kashmir.

¹Dr. Rajender Singh, ²Dr. Shailendra Mishra, ³Jahangir Ahmad Dar,

¹Professor and Head school of commerce, D.A.V.V, Indore (M.P)

²Professor School of Commerce, D.A.V.V, Indore (M.P)

³Research scholar (M.Phil), D.A.V.V, Indore (M.P)

Johndar78@gmail.com

Abstract:

Jammu and Kashmir Entrepreneurship Development Institute (JKEDI) strives to develop Entrepreneurship and entrepreneurship culture in the State of Jammu and Kashmir through Awareness generation, entrepreneurship education, skill up gradation, knowledge dissemination, Attitudinal modification and developing linkages with National and International organizations to make entrepreneurship the most important component of State Economy. The institute is committed to self sustenance, positive and healthy work environment, team work, quality improvement, excellence and professionalism in all aspects of its working. This paper provides a complete look about Entrepreneurship Awareness Programmes (EAPs), and Entrepreneurship Development Programmes (EDPs), Conducted by the JKEDI and various schemes offered to entrepreneurs so that they feel secured and confidential in their process of venture establishment and adopt entrepreneurship as a career. The paper also provides a look on the achievements made under different schemes such as seed capital fund scheme, youth startup loan scheme, term loans and education loans scheme of JKEDI.

Keywords: Awareness, Development, Entrepreneurship, Jammu and Kashmir, Programme, JKEDI.

Introduction

The term 'entrepreneurship' is often used synonymously with the term 'Entrepreneur' though, they are two sides of the same coin, conceptually they are different. Entrepreneurship is the indivisible process flourishes, when the interlinked dimensions of individual psychological entrepreneurship, entrepreneur traits, social Encouragement, business opportunities, Government policies, availability of plenty of Resources and opportunities coverage towards the common good, development of the society and economy. Entrepreneurship is the process of identifying opportunities in the market place, arranging the resources required to pursue these opportunities and investing the resources to exploit the opportunities for long term gains. According to Cole "Entrepreneurship is the purposeful activity of an individual or a group of associated individuals undertaken to initiate, maintain and aggrandize profit by production or distribution of economic goods and services".

The word "Entrepreneur" is derived from the French verb 'entreprendre'. It means 'to undertake'. In the early 16th century the Frenchmen who organized and led military expeditions were referred as 'Entrepreneurs'. In the early 18th century French economist Richard Cantillon used the term entrepreneur to business. Since that time the word entrepreneur means one who takes the risk of starting a new organization or introducing a new idea, product or service to society. An entrepreneur can be regarded as a person who has the initiative skill and motivation to set up a business or enterprise of his own and who always looks for high achievements. He is the catalyst for social change and works for the common good. They look for opportunities, identify them and seize them mainly for economic gains. An action oriented entrepreneur is a highly calculative individual who is always willing to undertake risks in order to achieve their goals.

Review of literature

Sugmar (1996): laid down that the experiments of last few decades have shown it is possible to develop entrepreneurs through planned efforts. Entrepreneurship is talent native genius and born insight. Unless this native and born insight is awakened, sharpened and exposed to new and emerging realities, the talent is unlikely to act as a spark plug to transform economic scene and bring new dynamism in it.

McClelland (1961): noticed that suitable training could provide the necessary motivation and inputs for being successful entrepreneurs. In this regards he had conducted an experimental study in India called as „**Kakinanda Experiment**“ to see whether need for Achievement

Motivation which is regarded critical for the successful entrepreneurial pursuits could be induced. The study revealed that the trainees displayed a more active behavior, worked long hours and started new ventures.

Malcolen Harper and Vijay Mahajan conducted a study in India in which 126 business owners with entrepreneurial training and 120 business owners without training have been studied. The study revealed that trained entrepreneurs broke-even significantly and had lower capital output ratios. Although these are important findings, yet it would be wrong to conclude that people with a high need of Achievement motivation would make a good entrepreneur. The other factors notably talent has to be there as well, which like motivation can be nurtured. The fostering of healthy entrepreneurship therefore requires that the entrepreneurial talent must be searched, conditioned for the new responsibilities, encouraged for the vital roles and protects till it can be on its own. It is in view of this fact Entrepreneurship Development Programmes have been universally considered to be important vehicle for motivating and developing dominant entrepreneurs to take calculated plunge in industrial entrepreneurship. The entrepreneurial orientation to rural development accepts entrepreneurship as the central force of economic growth and development, without it other factors of development will be wasted or frittered away. However, the acceptance of entrepreneurship as a central development force by itself will not lead to rural development and the advancement of rural enterprise.

Benazeer Chalkoo, (2011): observed the impact of professional support system on the sustainability of the firms. It was identified that EDP performed by different agencies have significant impact on start up rate of new enterprises however, they face problems in the later stages. She suggested about restructuring of EDP strategies for vitalizing the health of enterprises performing at different levels in the state of Jammu and Kashmir.

Astha Sharma, (2010): The study was based on role of institutional assistance for promotion of enterprises. She evaluated entrepreneurship orientation as a key component of entrepreneurship promotional strategies. She suggested that proper entrepreneurship environment created by supporting agencies helps in creating the new ventures on the one hand and making people self dependent on the other.

M, Mohammad et.al, (2010): The focus of this study was on support from institutional and non institutional associations for creating and developing small business houses. They were

of the view that entrepreneurs can strengthen their own capacities by following an integrated approach covering their own zeal as well as assistance provided by Govt. for successfully running their business.

Harper and Mahajan, (2009): Study was based on 245 entrepreneurs in which 125 were trained and 120 were untrained. Study revealed that trained entrepreneurs break up significantly and have lower capital output ratio. The finding of the study supported the hypothesis that EDP programmes are the key drivers for motivating and developing dominant entrepreneur to take calculated plunge in the industrial entrepreneurship.

EDI Ahmadabad, (2009): This study undertook an all India level evaluation in order to see the top level EDP conducting institutions and their performance. It was seen that NITCON has conducted 416 programs for different groups in which 9600 persons had been trained, more than 4530 first generation entrepreneurs have implemented their units with investment of about 1790 lakhs and a creation of employment for 11000 persons .The actual start up rate was seen as 55.55% and the final start up rate was found as 62.96% against an average rate of 25%- 31.1% at national level.

Objectives of the study:

The focus of the study is on the following objectives:

- i) To review the entrepreneurship awareness programmes conducted by the JKEDI in J& K.
- ii) To review the entrepreneurship development programmes conducted by the JKEDI in J&K.

Methodology adopted

Significant part of the study depends on secondary sources. Materials for the present study have been collected from the published records available in the library of Kashmir University, various Economic survey, magazines, journals, annual reports and periodicals; have also been gone through to derive information pertaining to the present study.

Jammu and Kashmir entrepreneurship development institute

Jammu and Kashmir Entrepreneurship Development Institute (J&KEDI), a pioneering institute of Entrepreneurship Development in the State of Jammu and Kashmir, is playing a

major role in providing a pro-entrepreneurial environment to foster the progress and prosperity of the State. This Institute is to assist the government in formulating and implementing its policies for entrepreneurship development through a host of services like research, consultancy, information, training and education. The Institute offers an effective platform to the existing and potential entrepreneurs to share their experiences for common good, and enabling them to steer their ventures towards profitability.

The main objective of the Institute is to create awareness and facilitate entrepreneurship in Jammu and Kashmir by imparting entrepreneurship education, skill up-gradation trainings, disseminating knowledge and bringing about behavioural changes towards the concept of entrepreneurship at the social level. The Institute also develops linkages with national and international organizations working in the field of enterprise creation.

Jammu and Kashmir Entrepreneurship Development Institute started its regular activities in February, 2004 and established three regional centres at Jammu, Kashmir and Ladakh. The institute is committed to self sustenance, positive and healthy work environment, team work, quality improvement, excellence and professionalism in all aspects of its working. In tune with its vision and mission, the institute endeavors to:

- ❖ To promote the balanced growth of industry and commerce in Jammu and Kashmir through sustainable utilization of natural resources and development of human skills.
- ❖ To create an enabling and friendly environment in all regions of state this will facilitate the sustainable growth and development of industrial enterprises.
- ❖ To encourage new investment in industries and facilitate new entrepreneurs.
- ❖ To encourage and create conditions that will enable the promotion of human resource skills, creation of employment opportunities and development of new designs in handlooms and handicrafts sector.
- ❖ To enable the optimum and sustainable usage of the state mineral resources.

The Institute has placed its officers in all the 22 districts of the State to facilitate entrepreneurship creation by conducting awareness programmes in collaboration with various district level departments, educational Institutes and grassroots Institutions. The Institute has the facilities of well furnished and spacious auditoriums, lecture halls, computer labs with books, reports, journals project profiles, periodicals, videos, reference work and related literature books.

Training Activities Performed by the JKEDI

In pursuance to this policy, the Institute has taken a gigantic leap in its training Activities as is revealed from the following tables:

Table No.1 Entrepreneurship awareness programmes conducted by JKEDI

YEAR	NO OF PROGRAMMES	PARTICIPANTS COVERED
2004-05	38	2170
2005-06	50	5012
2006-07	64	4258
2007-08	32	2093
2008-09	3 2	3110
2009-10	60	4761
2010-11	83	5935
2011-12	58	4422
2012-13	191	8359
2013-14	175	11014
2014-15	224	16137
TOTAL	1007	67271

Source: Directorate of Economic and Statistics, Economic Survey 2013-2014.

During the year 2005-06 the number of entrepreneurship awareness programmes conducted by J &K EDI was 38 and participants covered were 2170. It reached 224 and covered 16137 participants 2014-15. The main aim of the said institute is to train the unemployed youth in Jammu and Kashmir and the result is that the number of programmes as well as youth participants is increasing over the period 2004-2005 to 2014-2015. In the year 2007-2008 to 2008-2009 the EDI programmes are decreasing in number as compared to other years. The reason behind that is the political disturbance in the state.

Table no 2. Entrepreneurship development programmes conducted by J&K EDI.

Year	No. of Programmes	Participants
2004-05	0	0

2005-06	17	445
2006-07	19	441
2007-08	47	1422
2008-09	30	1242
2009-10	51	2856
2010-11	77	2613
2011-12	105	2941
2012-13	88	2707
2013-14	102	3167
2014-15	52	1340
TOTAL	588	19174

Source: Economic survey 2013-14, Directorate of Economic & Statistics, J&K.

The above table depicts the variations in no. of programmes launched by JKEDI and participants covered under these programmes over the period in the state are increasing. From 2005-06 to 2011-2012 the no. of programmes implemented in the state were 17 and the no. of participants covered under these programmes 445 and increased to 105 and 2941 respectively. The reason behind the increasing no. is the non availability of jobs, dependency on agriculture and allied activities, government initiatives, awareness programmes. In the year 2012-2013 to 2014-2015 the no. of programmes are decreasing as compared to previous year 2011-2012 as the state was facing political instability, recent flood in 2014, high costs of doing business in the state, lack of infrastructure, lack of finance, lack of technology etc.

Besides, JKEDI implements a host of government sponsored employment schemes, which inter-alia include Seed Capital Fund Scheme (SCFS) of the Sher-e- Kashmir Employment and Welfare Programme for Youth and the Youth Start-up Loan Scheme. It also implements Education and Term Loan schemes of the National Minorities Development and Finance Corporation (NMDFC), Ministry of Minority Affairs. Here is a summary of achievements made under the above mentioned schemes by JKEDI as under:

Table no.3 JKEDI physical/financial achievements under seed capital fund scheme (as on 31 Jan 2016).

s.no	Particulars	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	Cumulative
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1	Cases Approved By Steering Committee	356 (Entrepreneurs) 342(Enterprises)	901 (Entrepreneurs) 849(Enterprises)	1564 (Entrepreneurs) 1512(Enterprises)	1802 (Entrepreneurs) 1739(Enterprises)	1150 (Entrepreneurs) 1102(Enterprises)	773 (Entrepreneurs) 770(Enterprises)	6546 (Entrepreneurs) 6314(Enterprises)
2	Seed Capital Released(Amount In Lakhs)	1055.54(315 Entrepreneurs,305 Enterprises)	1964.57(634 Entrepreneurs,605 Enterprises)	3974.67(1239 Entrepreneurs,1190 Enterprises)	3605.28(1057 Entrepreneurs,1018 Enterprises)	3124.96(929 Entrepreneurs,890 Enterprises)	2550.49(769 Entrepreneurs,760 Enterprises)	16275.51(3943 Entrepreneurs,4768 Enterprises)
3	Enterprises Established	30	491	878	10366	815	473	3723

Source: jkedi.org

Table no. 4 physical/financial achievements under youth startup loan Scheme (as on Jan 2016 amount in lakhs)

S.NO		Particulars	2012-13	2013-14	2014-15	2015-16	Cumulative
1		Target (No, of enterprises)	100	250	250	250	850
2	i.	No. of steering committees meetings held	03	19	12	08	42
3	i	No. of Detail project reports (DPR's) approved by the steering committee	12	288	285	331	916
	ii.	Project cost involved	104.27	2301.57	2124.00	2446.20	6976.04
	iii.	Term loan	60.37	1253.62	944.27	988.47	3246.73
	iv.	Working capital	26.03	766.47	967.34	1217.30	2977.14
	v.	Entrepreneurs Contribution	17.87	281.48	212.39	245.03	756.77
4	I	No. of cases disbursed	12	125	247	288	672
	ii.	Amount disbursed	42.49	751.56	1362.41	1788.68	3945.14
	iii.	Potential of employment generation	80	466	692	742	1980

Source: jkedi.org

Table no.5: physical/financial achievements made under different schemes of national minorities' development and finance corporation (NMDFC).

Scheme	Year	No. of beneficiaries covered	NMDFC Share	State Share	Beneficiaries Contribution	Total
Term Loan Scheme	2011-12	491	9,23,12688.00	1,08,60316.00	54,30158.00	108603162.00
	2012-13	255	41704223.00	4906379.00	2453190.00	49063729.00
	2013-14	272	58362399.00	3242356.00	3242356.00	64847111.00
	2014-15	165	71125745.40	3987835.30	3987835.00	79756706.00
	2015-16	501	173687877.90	9649326.55	9649326.55	192986531.00
Total	A	1,654	437192933.30	24762865.85	24762865.85	495257302.00
Education Loan Scheme	2011-12	17	2250540.00	250060.00	-	2500600.00
	2012-13	03	450000.00	50000.00	-	500000.00
	2013-14	08	1425915.00	158435.00	-	1584350.00
	2014-15	10	2486205.90	276245.10	-	2762451.00
	2015-16	38	14022519.30	845328.85	712728.85	15580577.00
Total	B	76	20635180.20	1580068.95	712728.85	22927978.00
Grand Total	A+B	1730	457828113.50	34226281.80	25475594.70	518185280.00

Source: jkedi.org

For the purpose of entrepreneurship development, the Institute is concentrating on those sectors where there is a local resource base, the market opportunities are substantial, investment is lesser, the business environment is conducive, State policies are enabling and cooperation from the other support agencies is readily forthcoming. The Institute is focusing on the areas which include:

1. Commercial Floriculture. 2. Medicinal and Aromatic Plants. 3. Food Processing. 4. Tourism Sector. 5. Exports Business 6. Information Technology enabled Services. 7. Leather Goods and Garments etc.

The Institute has also added another dimension to its Entrepreneurship Development Programme which includes follow-up and monitoring. The focus of this programme is on those entrepreneurs who had not performed better and for this, hand holding support and consultancy services are extended to the concerned entrepreneurs so that they are able to steer their ventures successfully.

Conclusion:

The State of Jammu and Kashmir is not providential enough to have wide variety of mineral resources but it is gifted with some proven mineral resources like gypsum, lignite, limestone, marble stones etc. The limited relative advantage which the state enjoys in these minerals resources offer tremendous scope for industrialization, in the lines based on these resources flair. The state is also gifted with enormous forest wealth which is home to wide variety of timber and medicinal plants. The state is also popular for horticulture products which offer great potential to wide variety of food based industries. The greatest wealth that the state enjoys is its scenic beauty, world famous resorts and more importantly the age old craftsman-ship skills. These offer a place of pride to the state in tourism and tourism related industry and handicrafts. The state enjoys rich heritage in wide variety of handicrafts which offers great range for further development. Jammu and Kashmir Entrepreneurship Development Institute has a substantial role to play in the development of a country. It is one of the supreme Institutions in the economic development. The number and competence of entrepreneurs affect the economic growth of the country. Entrepreneurship has been labeled as the fuel of economic progress and the prime mover of economic growth and development. Finally, the study concludes with the observation that entrepreneurship is a prestigious area in

the rural development of the nation. JKEDI is playing a pivotal role in J&K's economic development. Thus entrepreneurship is the best way to confront the evils of unemployment.

Suggestions:

As it is obvious that there is a greater emphasis on the small and tiny enterprises because of their capacities and contribution in the socio-economic development of a country, it is important to encourage the entrepreneurial activity. It is possible only by conducting master planned entrepreneurship development programmes on the continuous basis. It is a fact that the Jammu and Kashmir does not enjoy historical inheritance in industrial entrepreneurship and at the same time the educated and enterprising youth are heavily oriented towards white collared jobs particularly government jobs. There is need to change the mind set of young people to embrace self employment rather than waiting for non-existing government job. All these facts place a greater emphasis on the role of Entrepreneurial Awareness Programmes in the process of creating sustainable and healthy entrepreneurship in the State. The Jammu and Kashmir Entrepreneurship Development Institute has organized awareness camps across the length and breadth of the state which were attended by thousands of people's particularly educated youth. But the question is how far these awareness programmes have been successful in achieving its stated goals. Some of the areas which provide tremendous scope for entrepreneurship in the state of Jammu and Kashmir are as follows:

1. Preservation of seasonal vegetables and fruits.
2. Seed processing and preservation
3. Fruit juices
4. Mushroom processing.
5. Farming.

For the entrepreneurs to be effective in creating wealth and employment opportunities the government needs to create an investor-friendly environment encompassing stable macro-economic policies government needs to address urgently the dilapidated infrastructural facilities in the state, the educational sector needs to be revamped with emphasis on science and technology. Colleges and Universities are the perfect places to rear the budding entrepreneurs. The more appropriate would be to insert vocational courses on entrepreneurship in all colleges of the Jammu and Kashmir. In order to pull the attention of

more entrepreneurs the need of the hour is to provide more subsidies in the agriculture, handloom, handicraft, and horticulture and sericulture sector. The need of the hour is that JKEDI should understand their responsibilities and do not hold down them-selves to the conduct of training, but lend a constant support to the potential entrepreneurs till they establish their enterprises so that they feel secured and confidential in their process of venture establishment.

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