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RAJIV GANDHI  
INSTITUTE FOR CONTEMPORARY STUDIES

# Editorial

The Rajiv Gandhi Institute for Contemporary Studies (RGICS) works on five themes:

1. Constitutional Values and Democratic Institutions
2. Governance and Development
3. Growth with Employment
4. Environment, Natural Resources and Sustainability
5. India's Place in the World

This issue of Policy Watch deals with the theme Growth with Employment. In particular, we focus on the issue of youth unemployment. India also has the second largest labor force in the world, with 476.6 million workers. India is slated to become the third-largest economy, surpassing Japan and Germany, by 2028, if not earlier. Despite this growth, the Indian economy is not able to absorb the millions of new workers that are entering or are poised to enter the workforce. Over 42% of 100 youth workers do not find jobs in their desired field of work. That is approximately 73 million unemployed young people.

The first article is by T. Navin of the Institute for Livelihood Research and Training (ILRT) and it is based on a field survey of unemployed youth in four cities of Chhattisgarh. – Raipur, Durg, Bhilai and Bilaspur. He found that about 30% of the youth preferred employment in government or public sector and another 29% preferred employment in private sector. About 40% prefer to undertake self-employment.

The second article, by Vivek Saxena and Sharmila Ronanki is based on a study commissioned by the Rajiv Gandhi Foundation, to understand the issues of youth unemployment and various pathways to self-employment, as gig workers and as micro-entrepreneurs. Towards this, they conducted a field survey of both categories of youth workers and their study yields a lot of insights on both categories. For gig workers, uncertainty of income was a big deterrent, even though the average income was higher than those wage employed more traditionally in construction or factory jobs. For the micro-entrepreneurs, access to start up and growth capital was a major issue. The undersigned has been working on this and two video links of that are also include in article.

The final article by Dr Rakesh Malhotra is based on an end of project impact assessment of the Rajiv Aajeevika Samvardhan Abhiyaan (RASA), a program for promoting micro-entrepreneurs that was launched by the RGF in middle of COVID in about 30 districts in eight states, covering 1500 aspiring micro-entrepreneurs. The distinguishing feature of this program was the intensive use of the Achievement Motivation paradigm pioneered by Harvard psychologist David McClelland. We were fortunate to have one of the world's best Achievement Motivation trainers Dr Deepankar Roy working in this program with us. As the impact assessment report shows, it has had a very high success rate, despite the fact that no financing support was given.

We hope the readers find these articles interesting and useful. We look forward to feedback.

**Vijay Mahajan,**  
**Director, Rajiv Gandhi Institute for Contemporary Studies**

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## 2. Status of urban youth and urban unemployment in Chhattisgarh: Policy recommendations to boost urban Employment

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*T. Navin, ILRT*

### 2.1 Context

Urban unemployment is a challenge in India. While urban growth contributes to creation of opportunities for the highly skilled particularly in sectors such as IT, Banking & Finance, Hotel, Hospitality, Education sector, Health sector etc., the growth opportunities does not necessarily completely absorb the marginal segments of urban society, the urban poor. Youth face challenges in accessing urban employment opportunities which are constrained by factors associated with information, skills, training, sourcing, networking etc. apart for economic growth expanding job opportunities.

The different employment challenges indicated by research on urban employment include casualization of labour, failure to generate rapid growth of regular employment in the modern organised sectors, lack of uptake of entrepreneurship, limited decent employment opportunities particularly in informal sector, dominance of informal employment, low remuneration and income, subsistence living, lack of social security, risk, lack of employment security, temporary and part time work, lack of employment benefits etc.

Macro data indicates that labour force participation rates (LFPR) in India stands at 36.9% and work participation rates (WPR) at 34.1%. It tended to be low particularly due to exceptionally low female LFPR and WPR at 16.1% and 14.7%. Unemployment rates stands at 7.7% with male unemployment at 7.1% and female unemployed at 9.9%. A high disparity is displayed in male and female employment. (NSSO, 2021) Applying education criteria to WPR and LFPR, it is found that with additional levels of education, unemployment only increases further. Hence educated unemployment is an emerging issue.

As in September 2021, unemployment rate in India stood at 8.62%. The pattern is similar for Chhattisgarh. LFPR as on September 2020 stood at 37.1% and WPR at 30.1%. Distribution of persons in urban Chhattisgarh across different sectors indicated 9.34% as engaged in agricultural sector, 25.99% in secondary sector and 64.67% in tertiary sector. Urban unemployment rate was seen at 15.4% as of September 2020. (NSSO, 2021)

A study was undertaken in Urban Chhattisgarh to identify the challenges of youth in relation to employment, their constraints in accessing employment, institutions engaged in promoting urban employment, potential policy recommendations for expanding urban employment. Four cities were focused a) Raipur, b) Bhilai, c) Durg and d) Bilaspur.



## 2.2 Profile of the four cities

Nature of each of these cities varies. Raipur is a commercial and industrial destination and has coal, power, steel and aluminium industries and iron market. Large and medium size companies in power, construction & chemicals are present in the district. Bhilai is known for its steel plant. It has also in turn generated other micro and small ancillary industries. The area has become a metallurgical hub. It has various cement factories. It is also a hub for power generation. Bilaspur is a power hub. It is also a railway zone with presence of SECL. It has State electricity Board, NTPC etc. It is also famous for handicrafts such as woodcarving, terracotta, bamboo items, dry flower etc.

Based on the Census 2011, working population in Raipur is 36.6%. 0.9% are cultivators, 1.9% agricultural labourers, 3.4% household industry workers and 93.8% other workers. The working population in Bhilai is about 32.7%. 0.5% are cultivators, 0.8% agricultural labourers, 2.2% household industry workers and 96.5% other workers. In Durg, the working population is 36.2%. 1.3% are cultivators, 2.5% agricultural labourers, 2.9% household industry workers and 93.3% other workers. The working population in Bilaspur is about 34.4%. 1.2% are cultivators, 1.8% agricultural labourers, 2.4% household industry workers and 94.6% other workers.

In terms of employment patterns in urban Chhattisgarh, 29% are self-employed, 36.4% regular / wage employed, 25.1% casual labourers and 9.5% others. As per NSSO 2011-12 data, 14.7% were dependent on primary sector, 34.8% on secondary sector and 50.5% tertiary sector. In terms of unemployed population, about 85,052 are unemployed across the four cities. Raipur has unemployment of about 36,875, Bhilai about 22,385, Durg 13,262 and Bilaspur 12,081 based on application of unemployment percentages of CMIE to the population of these cities.

The field study covered 300 youth – 34% from Durg-Bhilai, 41% Raipur and 25% Bilaspur. The findings include the following: -

## 2.3 Status of youth

### *Demographics*

18-35 age category was studied. Category wise, 9.7% belonged to Scheduled Castes, 10.7% to Scheduled Tribes, 71.0% to other backward castes and 8.6% to other castes. About 51.0% were below poverty line (BPL), 3.0% ultra-poor and 18.7% low-income households. 61.0% belonged to nuclear families. The family size of households was 5.1 with 2.8 males and 2.3 females. Each household has about 1.9 working members with male working members at 1.5 and female working members at 0.4. WPR was 37.5% with male WPR at 54.8% and female WPR at 16.6%.

### *Educational profile of the youth*

About 33.0% of youth are Graduates or Postgraduates, 18.7% were educated upto high school, 18.7% upto middle school and remaining 9.4% either educated upto primary school or merely literate or illiterate. 5.7% were into professional education. 3.0% received vocational education and 11.7% attained non-formal vocational education.

About 20% of youth were pursuing education in school or college. Instances of dropouts was seen due to financial reasons as pointed by 35.4% youth and 19.6% indicating need to take up family responsibilities at an early age due to economic necessities. Education was primarily being pursued in government institutions. Among those pursuing education, 43.3% were undergoing graduation in government Degree College, 16.7% were pursuing education in government school. 10% were into professional colleges.

### *Work profile of the youth*

About three-eighths of the youth 36.7% were unemployed. 26.3% were in look out for work. 28.7% were working for salary or wage. 14.3% were working as self-employed or as own account worker. 13.0% were attending education or training.

### *Kind of work engagement*

33.2% were self-employed in non-agricultural activities, 23.3% were wage workers and 6.6% were salaried workers either full time or part time. About 46.7% of the workers are unskilled workers, 36.7% were semi-skilled workers, 16.0% were skilled workers and 0.7% were highly skilled workers. Many workers are unskilled.

### *Youth and Enterprises*

Among those who owned enterprises, 82.9% had not received any support. 4.9% received credit support, training, and machinery / toolkits. On need for additional skills, 46.3% mentioned need for business skills, 41.5% for marketing skills, 36.6% on business skills and 24.4% on improved financial literacy. 9.8% mentioned need for improved management skills, 9.8% on technical skills and 4.9% on DPR preparation skills.

### *Youth and Employment*

Most youth were new entrants to workforce. About 36.4% were in workforce for lesser than 2 years, 13% between 2 to 4 years, 12.3% between 5 to 8 years and 3.3% for more than 8 years.

### *Sector-wise distribution of employment*

About 36.7% were either unemployed or looking out for work. 4.4% were engaged in primary sector. 14.8% were engaged in secondary sector with 6.3% engaged in construction sector, 2% in household production and 6.3% in manufacturing sector. 44.3% were engaged in service sector, of which 9.7% were engaged in trading, 0.3% in education, 4% in health services, 6.3% in food & beverages, 3% in hotel & hospitality, 2.3% in transportation, and 9.3% in repairing services and 9.3% others.

### *Means of acquiring vocational qualification*

Among 17.7% who mentioned the process of acquiring vocational skills, within those 35.8% preferred to on-the-job training, 28.3% formal training, and 13.2% apprenticeship and 22.6% others.

### *Type of Unemployment*

Unemployment was a result of several factors which included due to lack of job creation in the economy (open unemployment), lack of jobs appropriate to education (educated unemployment) and under-employed (disguised unemployment). Based on their self-perception on the type of unemployment, 44.4% were experiencing open unemployment. 39.4% were facing educated unemployment, 15.0% experienced disguised unemployment, 14.4% each experienced seasonal unemployment and cyclical unemployment each, 8.8% faced technological unemployment, 7.5% each faced underemployment and frictional unemployment.

## 2.4 Youth action to deal with joblessness



Source: <https://peacechild.org/wp-content/uploads/2015/09/Youth-unemployment.jpg>

The youth had their own ways to deal with joblessness. This was through ways they explored opportunities, sourced information, sectors explored etc.

### *Qualities in finding a Job*

In relation to skills needed in finding a job, a mix of job specific skills, language skills and soft skills was pointed out. 24.7% mentioned technical and job specific skills, 15 % information technology skills, 28% command of languages. 29.7% the need for knowledge of business world. 33.3% the need for communication skills. 21% mentioned ambition, 20.3% good general education and 12.3% good appearance. 8% pointed the necessity of vocational education.

About 40.0% pointed out that they were willing to undertake work and study simultaneously. In terms of stream of education which is preferred among those willing to take up further education, 43.9% preferred Arts education, 14.4%-pointed commerce education, 11.1% referred to science education. 69.4% referred to general education overall. 30.6% referred to professional education. Preference for vocational education was not mentioned as an important choice.

### *Post study plans*

About 69.7% stated they were exploring employment. In relation to plans after study, both employment and self-employment options were stated. A mix of options was mentioned. While 62%-pointed preference for employment in government or private sector, about 45.7% were also opened to take up enterprise either a new one or a family enterprise. 6% pointed other types of job too.

In relation to period since which they are in lookout for work, about 2.9% mentioned they have been in search of job for less than a month. 13.9% were in lookout for jobs for a period of 1 to 2 months. 17.7% for 3 to 6 months. 28.2% are exploring job possibilities for 6 months to 1 year. 37.4% have been looking for work for more than a year.

### *Sources of Information for finding employment*

In relation to sources of information for finding employment, there is a mix of sources which is used. Both informal and formal forms of information exchange is adopted. The information sources include information through friends (72.7%), neighbours (21.7%), and relatives (18.3%) and peers (10.3%). The formal sources include newspaper (29.7%), placement centres (9.0%), and employment exchange (4.3%) and educational institute (1.0%).

Among methods adopted to find employment, 38.0% mentioned that they are seeking assistance of friends, relatives, colleagues. 23.0% mentioned that they are seeking advertisements in newspaper, internet job portals. 13.7% mentioned that they are attending job fairs. 11.0% have registered at employment exchanges and looking for jobs. 19.7% have mentioned that they are directly applying to employers and appearing for competitive exams. 6.7% mentioned that they are checking at worksites, farms, factory gates, markets, or other assembly places. As indicated earlier, social contacts/networks are an important source of information.

### *Sorts of jobs being looked for*

40.3% are looking for semi-skilled jobs. 16.3% are in lookout for professional job, 14.8% are trying to find clerical job, 18.2% exploring administrative job and 4.3% finding managerial jobs. Among the things that are looked for in a job, about 40.7% mentioned that they look out for stability. 52.6% mentioned that they look for good pay. 23.4% want a stable, well-paid job appropriate to education. Hence this indicates a desire for stability and security in employment.

### *Youth aspiration for self-employment*

About 53.7% of the youth stated that they are in look out for self-employment. In relation to the type of business, 23% wanted to take up trading-based enterprises, 33.5% services-based enterprises and 36% other types of enterprises which are largely either home based such as tailoring, fancy store, beauty parlour or those related to repairing enterprises such as electrical work, welding. About 12% showed a preference for production-based enterprises.

### *Government or Private*

About 30% of the youth preferred employment in government or public sector. 29.1% preferred employment in private sector. 39.4% preferred business – individual, family or in partnership with others. Hence overall preference for employment either in government or private sector continues to be preferred by close to 60% or three-fifths of the youth. 40% prefer to undertake self-employment. A preference for employment is seen more in comparison to self-employment.

### *Job fit with educational qualifications*

About 67.7% mentioned that their educational qualifications do not fit with the type of jobs being pursued by them. This was 17.7% for those engaged in semi-skilled work, 14.3% by those in administrative work, 12.8% those engaged in unskilled work and 30.5% of those engaged in service sector.

### *Relevant sector*

In terms of the relevant sector, 14% stated that relevant sector for them is repairing services such as trades such as automobile repairing, electronics, electrical, welding, mechanic etc. 11% preferred engagement in wholesale or retail trade. 9% stated that public administration and defence was a relevant service for them. 6.3% mentioned that information technology and computer related work was relevant for them. 8% felt and hotel and restaurant business as more relevant for them. 11.3% stated a preference for education, health, and social work, legal, community and social services. 3.6% felt that tourism, hotel, and hospitality services are more relevant for them. A larger preference is seen for service sector-based jobs and trades followed by manufacturing sector related repairing services.

### *Skills necessary for getting employment*

A mix of skills was pointed as necessary for getting employment. A considerable proportion i.e., 55.7% mentioned that language skills are prominent. 34% pointed social skills are important for fetching a job. 34% of those primarily interested in setting enterprises stated the need for business skills. 27.3% mentioned the need for having technological skills. 23.7% stated the necessity for acquiring technical or job specific skills. 21.3% felt that documentation skills are needed and 9.3% stated inter-personal skills are also required. Hence youth felt that skill sets need to go beyond the technical and job skills for acquisition of employment.

### *Training for Employment and Self-Employment*

About 46.3% mentioned that they are willing to relocate for getting a job. In relation to places for relocation, 67.6% preferred to work within the town, district headquarters or capital city. 20.9% were willing to take up jobs in other states too. About 8.6% stated that they are also willing to go abroad.

### *Preferred course for enrolment*

In relation to preferred course for employment, 23.9% stated that they would like to pursue multi-media related courses, 16.5% engineering based trades such as electrical, electronic, telecommunication etc., 12.5% software-based courses. Other trades mentioned also included 14.2% who stated advertising & public relation, 4% IT enabled and BPO services, 0.6% banking & finance. Trades largely associated with use of computers such as computers – were the preferred option for majority of the youth.

In relation to affordability of fee for skill training for employment or self-employment, about 31.3% stated that they could afford a fee which is less than Rs. 5,000. In relation to certification, 86.9% stated that it could be certificate course. 75.6% mentioned it could be Diploma course. About 26% were willing to pay fees for skill program. In relation to affiliation of courses, 78% felt that they need to be affiliated to government bodies of universities. About 29% felt that such programs could be useful.

In relation to skill related trainings, about 30% stated that they have heard about such trainings. About 78% stated that they are willing to undergo trainings. 87.2% wanted such trainings to be conducted within the city. 19.7% stated that it could also be within the state. 2.1% mentioned it could also be outside the state. About 33.7% stated that they had heard about self-employment trainings. 78.3% stated that they were willing to undergo self-employment related trainings. About 77.4% wanted trainings within the city. 18.3% wanted the trainings to be organized within the state. 6.8% stated it could also be outside the state.



Source:  
[https://mcmscache.epapr.in/post\\_images/website\\_350/post\\_15699297/thumb.jpg](https://mcmscache.epapr.in/post_images/website_350/post_15699297/thumb.jpg)

## 2.5 Perspectives of stakeholders on employment promotion

To address the issue of urban employment different government agencies were involved in promoting urban employment.

### *State Urban Development Agency (SUDA)*

SUDA focuses on three areas youth, street vendors and SHGs. 18-35 age group is trained in skills. Selection of sectors, vocations and job roles are identified through consultative process. Some trainings such as plastic engineering have high placement rates. The different sectors identified with potential employment include Construction (Bar vending), Information technology enabled services (ITES), Business Process outsourcing (BPO), Health (Hospital), Hotels and Banking.

The vocations usually preferred by females includes Beauty Parlour, Tailoring, Food based outlets, Retail sector etc. There is low placement taking in manufacturing sector. Salaries are in the range of Rs. 7,000-15,000. There is increase in demand for positions such as Nursing Assistant. Other sectors identified by SUDA survey are Agarbatti, Healthcare, and computers. For male, additional sectors identified are construction, automobile, repairing services and others. Other potential sectors also include Retail, IT – Tally & GST. There is also demand for handicrafts in Bilaspur.

SUDA also offers street vendors program under which Rs. 10,000 is given to street vendors to upgrade their enterprise. Under self-employment program, Rs. 1 lakh to Rs. 10 lakh is given to individual entrepreneurs. SHGs have been provide with support in setting petty shops, vegetable vending, food processing, Gotal (cow sheds), mushroom cultivation, spices processing etc. Some of the enterprises promoted include pickle, papad, food processing, petty shops.

### *Directorate of employment & training*

The department identifies vacancies, conducts rozgar melas and facilitates in placement of candidates into employment. From employment exchanges, they have transformed into career development centres. The department is focused on vocational guidance, training, and placement camps. The typical job positions in job melas are that of marketing and sales in Insurance and Banking services, which is commission based and does not represent full time job. Manufacturing sector hardly recruits. Highly skilled in manufacturing sector are from outside. Only unskilled workers are taken locally.

Those who register expect government job, which is white colour job or prefer to get employed in big industries. Engineering graduates struggle to match the expectations of the industry. About 18 lakhs are registered in employment exchange. District office in Raipur is running trainings on soft skills, personality development, spoken and behavioural skills. It conducted a program called 'Agaaz' counselling on options available after school education.

### *Chhattisgarh State Skill Development Authority (CSSDA)*

CSSDA aims to enhance skill development ecosystem in the state. In recent past, CSSDA has changed its strategy from supply driven placement linked trainings to demand driven placement linked trainings. Placement percentages have increased to 80% from earlier 55%. The department is currently running two types of programs namely Pradhan Mantri Kaushal Vikas Yojana (PMKVY) and Chief Minister's Kaushal Vikas Yojana (CMKVY).

The economic opportunities that are arising across all the four cities namely Raipur, Durg-Bhilai and Bilaspur are primarily in the service sector. Some of these service sub-sectors include Retail sector (Sales & Marketing positions), Health care (Bed care assistant), Data entry operator, GST, Automobile etc. Construction sector too offers employment potential of that as masons.

Women prefer employment as Bed care assistant, Nursing assistant, Beauty care services, Cooks etc. New opportunities in power such as maintenance services in distribution line, meter reading etc are arising. Service sector also provide opportunities to take up self-employment in case they do not find wage employment.

An important initiative of CSSDA is Livelihood College, which is a centre of excellence in skill training. Need for innovation in skill trainings are required through multi-skilling with focus on aspects such as work ethics, time management and work behaviour.

The opportunities which are coming up are in the areas of Insurance, Banking, Education, e-Commerce, Retail, Health, Pharma, Hospitality, Media sectors.

In construction sector, there are positions such as plumbers, electricians, masons etc. For females, the potential employment is in tailoring, beauty parlour, hotels, health sector and BPO. New opportunities have come up in COVID time particularly in health sector. New opportunities such as for positions as home assistants have arisen.

There is a need to improve the quality of faculty in Skill centres as getting faculty is a challenge. There is also need for cooperation of Chhattisgarh State Renewable Energy Development Agency (CREDA), Federation of Indian Chambers of Commerce and Industry (FICCI), and Confederation of Indian Industry (CII) for ensuring industry responds to industrial employment opportunities.

#### *Chambers of Commerce and Industry*

The Industrial body does not play a direct role in employment promotion as such but works as an industrial body for protection of industrial interests. Industry offers two types of jobs one of technical and the other of non-technical nature. For technical jobs, Industry prefers those with polytechnic and ITI background. For other jobs, they prefer jobs with graduation – B. A, B.SC and B.Com. For such positions, the share is 50 50.

A challenge stated by industry is that youth do not stay longer. According to them, in power sector there is need for elevated level of skills which is not catered through local human resources. In hotels & hospitality, the demand for positions is limited. Telecom, IT and Banking sector needs to be focused on through a positive industrial environment.

#### *Micro-Small and Medium Enterprises (MSME)*

MSME facilitates industrial investment and projects. It creates an industrial environment, sanctions projects, and provides subsidy support to industries. Industrial growth centres have been established across all the four cities. There is industrial stagnation. Even setting up of industrial projects is not contributing significant improvement in industrial employment.

#### *Vocational Training Players (VTPs)*

There are diverse types of vocational training players. These include Industrial Training Institutes (ITIs), Industrial Training Centres (ITCs) which offer longer term training for developing industrial skills. There are also VTPs which offer short duration programs for promoting skills towards employment and self-employment. Most of these VTPs are registered with CSSDA, NSDC, SUDA etc. Industry pointed of the need for ITI s to upgrade the courses to make the trainees more job ready. Technology and facilities provided at ITI s needed improvement.

Livelihood College has good infrastructure for running the skill programs. The trainees are absorbed outside such as in cities like Pune, Hyderabad, and Lucknow with a salary of Rs. 8,000 to Rs. 10,000. A range of courses such as that of domestic data entry operator, assistant electrician, field technician, computing, retail sales associate, mushroom grower is offered.

## Department of Labour

The department of labour is primarily concerned with ensuring compliance with labour laws by industry. It works towards ensuring that the labour welfare schemes are implemented, and it reaches the community. Private consultancy firms offer services to District employment office for placement of trainees. Consultancy is provided for recruitment to skilled / semi-skilled positions in industries like construction sector.

The current programs in place for employment generation in the state include Rajeev Gandhi Swavalamban Yojana, Mukyamantri Swavalamban Yojana, Mukyamantri Palika Bazaar Yojana, Pauni Pasari Yojana, Rag Pickers Kalyan Yojana, and Deendayal National Urban Livelihood Mission. Under each of these wage employment or self-employments are being promoted.

## 2.6 Macro and micro scenario



Source: <https://www.imf.org/-/media/Images/IMF/FANDD/hero/basics-2656.ashx?h=1077&w=2656&la=en>

The macro scenario is that of stagnation in industrial employment at macro-level and service sector emerging as the primary employment absorber.

In employment, there remains a gender disparity with WPR and LFPR against women. A high level of educated unemployment exists, which is open unemployment. Looking out for employment despite education is common. High level of dropouts exists despite educational aspirations. Government institutions are the major educator of youth. The situation of unemployed looking for work is common. Unemployment was seen as a mix of jobless growth and driven by education driven aspirations.

In work, there are lower number of regular salaried workers. The proportion of unskilled workers are more among those working. Penetration of enterprises which are voluntarily taken up is low. Among those aspiring for jobs, soft skills followed by language and job skill was seen, as necessary.

In relation to employment own business followed by private sector employment were the two top priorities for getting employment. Government employment no longer appears to be the top priority when it comes to employment.

In finding employment, social networks such as friends, neighbours, relatives are seen as important source for finding information on employment. Good pay was pointed as the top priority while looking for a job. Youth tend to believe that their educational qualifications do not fit with the type of jobs being pursued by them.

The top preferred sectors for employment were repairing services (automobile, electrical, mechanic, mobile etc.) followed by employment in trade/retail sector and hotels & restaurants. Close to half are willing to relocate for employment.

## 2.7 Recommendations

There is a need for undertaking the following: -

### *Employment as a right*

In line with Directive principles of state policy, there is a need to declare employment as a right. Under this a program titled Mahatma Gandhi Urban Employment Guarantee Act (MGUNEGA) need to be created for urban areas. Scheme along similar lines have been adopted in states such as Kerala, Himachal Pradesh, Odisha, and Jharkhand. It can guarantee livelihood security of urban poor. Under the program, ULBs can identify projects, prepare annual works plans and implement them through ward sabhas.

Under scheme titled Decentralised Urban Employment and Training (DUET), public places like educational institutions, hospitals and bus and railway stations could be kept clean by taking the services of jobless peoples in cities and towns.<sup>1</sup>

### *Employment around urban services*

Such an urban employment guarantee scheme can provide employment within city limits to all those who ask for it. Under such a program maintenance of public infrastructure, maintenance of urban commons, creating public infrastructure such as construction of roads, road widening activities, constructing, and renovating public infrastructure etc. could be taken up.

Investing in social services such as education, health, transportation, and other public services, as well as hospitality, have significant potential for job creation as well as the capacity to deliver equitable and green growth. (Centre for Sustainable Employment, Azim Premji University , 2019).

Service collectives could be established where urban poor youth could offer services such as plumbing, electrician, and carpentry, repair of gas, repair of electronics, painting and driving, cooking services & provision of food, care of children, care of aged, health services etc. Such services could be delivered through service collectives of youth for a fee.

Service sectors such as retail and wholesale trade, storage and warehousing, transport and communication, Business & personal services, real estate, sales, and management, call centres, data centres, and personal grooming entertainment and recreation, social services like health and education, public administration and financial services could be promoted.

### *Mass entrepreneurship*

Mass Entrepreneurship with focus on those who become entrepreneurs out of opportunity can be promoted. This can help in generating enterprises which absorb 5 to 20 people. They could take up the same in sectors which include construction, hospitality, and food processing. (Sandhya Thukaram, 2020).

### *Skilling for future*

Future skills in entrepreneurship demands accounting, and financial management skills, marketing skills and inventory management skills.

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<sup>1</sup><https://www.newsclick.in/Launch-Urban-Employment-Guarantee-Scheme-Jean-Dreze-Govt>

Entrepreneurship interweaves multiskilling and higher cognitive skills, such as creativity and critical thinking, with technical skills and job-specific skill, including sector knowledge. (Skilling India, No time to lose, 2018).

### *Investing in digital based new employment opportunities*

Digital usage results in a widespread adoption of smartphone and digital payments could fuel the growth of e-commerce and create jobs through forward and backward linkages. With growth in online purchases, the e-commerce sector could create jobs in customer care, information technology (IT) and management. Urban Chhattisgarh is also likely to witness similar trend. (Skilling India, No time to lose, 2018).

A need to invest in 21st century skills would be required. This would mean to prepare to use digital devices, ability to navigate through smartphone, use of payment wallet, possessing language skills for effective communication and congenial interpersonal skills (non-cognitive skills) for a customer-centric approach. A need to go beyond cognitive dimension to non-cognitive aspects are needed.

Employment strategies in urban areas need to consider the 21st century changes and address them accordingly as pointed in study by National Council for Applied Economic Research (NCAER). (Skilling India, No time to lose, 2018).



Source:

[https://www.mckinsey.com/~media/mckinsey/business%20functions/marketing%20and%20sales/our%20insights/the%20coming%20era%20of%20on%20demand%20marketing/coer13\\_frth.jpg](https://www.mckinsey.com/~media/mckinsey/business%20functions/marketing%20and%20sales/our%20insights/the%20coming%20era%20of%20on%20demand%20marketing/coer13_frth.jpg)

## 2.8 Suggested policy interventions

The following Policy interventions are being suggested to boost employment in Urban areas of Chhattisgarh.

Area of Challenge	Suggested Policy Intervention	Nature of Intervention	Agency to be involved
Livelihood security of unskilled workers	Employment guarantee program for urban areas	Employment guarantee of upto 100 days primarily in construction of roads, repair and maintenance works like ones in Kerala, Himachal Pradesh, Odisha, and Jharkhand	Municipal Corporations, Corporators and Ward Members, SUDA
Livelihoods of unorganized sector enterprises	Enterprise specific collective institutions (kirana shops, repair-based enterprises, food-based enterprises etc)	Grant support cum Training support in Business planning, Enterprise planning and practices, Customer management, financial literacy, Bookkeeping; Business development services	Municipal Corporations, Corporators and Ward Members, SUDA, Banks, NGOs
Lack of wage employment	Public infrastructure creation through wage employment	Investment in public infrastructure such as healthcare, education, housing, security, transport, and utilities	Municipal Corporations, Nagar Panchayat
Unemployed semi-skilled workers	Promote service collectives of semi-skilled workers	Ward level service collectives to provide services such as plumbing, electrician, and carpentry, repair of gas, repair of electronics, painting and driving, cooking services & provision of food, care of children, care of aged, health services	SUDA, CSSDA, Lead Banks
Sector specific skill trainings	Already existing program – with some addition	Training in real estate, construction, retail, sales and management, logistics & couriers, IT enabled services (call centres, data centres), Beauty and personal grooming, Health, Hospitality, Food & Restaurant services	SUDA, CSSDA, Lead Banks
Entrepreneurship among educated youth	Entrepreneurship of youth	Entrepreneurship among opportunity entrepreneurs through mentoring-based entrepreneurship support and guidance & handholding on addressing legal hassles, credit linkage, raw material procurements, promotion etc. – also digital use, financial forecasting, branding	SUDA, CSSDA, Lead Banks
Lack of tapping into E-Commerce based opportunities	E-commerce enabling sectors	Focus on logistics & delivery, customer care, information technology and management	SUDA, CSSDA, VTPs

App based linkage with services	App based linkage of service providers with service receivers	App based services covering a range of urban services (like Ola/Uber, Swiggy/Zomato/Urban clap), cleaning, sanitation, electrical, electronic, health assistance services etc	Private Entrepreneurs; Innovators
Lack of entrepreneurship for women	Form association of women entrepreneurs in Chhattisgarh like ALEAP	Association to support, train, guide and enhance the lives of women entrepreneurs Training & entrepreneurship support in women specific skill sectors – Textiles, Food processing, IT & ITES, Hotels & Hospitality, Travel & Tourism	SUDA, DWCD, MSME, Banks
Employability of workers/trainees	Industry engagement in vocational/skill program	Engaging Industry in designing curriculum as per the industry requirements and provision of apprenticeship	DGET, SUDA, CSSDA
Lack of access to schemes and social security by unorganized sector workers	Engaging third parties for creating linkages with agencies such as Haq darshak	Agencies act as a link between government and community and create access to schemes particularly that deal with urban poverty and employment	DGET, SUDA
Skill mismatch in Jobs	Integration of 21st century skills into skill development programs	Integrate newer skills into existing skill programs (digital, cognitive, problem-solving, creativity, business intelligence, emotional intelligence, financial literacy etc.)	DGET, SUDA, CSSDA

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# 3. The self-employed – A study of gig workers and entrepreneurs

Vivek Saxena and Sharmila Ronanki

## 3.1 Introduction

The hustle economy has been defined by Thieme<sup>2</sup>as

“a localized but globally resonant condition of contemporary urbanism, coupling generative possibilities that emerge from everyday experiences of uncertainty and management of insecurities associated with ‘life work’ outside the bounds of normative social institutions.”

In India, the hustle economy always existed as the informal bazaar and the labor adda. In its contemporary form, it is a rapidly growing sector, which comprises the unemployed seeking work, part-time employees, gig workers, self-employed individuals, micro-franchise operators, and micro-entrepreneurs and aspirational youth pursuing their interests. The sector has become increasingly important in India's economy, with over 80% of the country's workforce engaged in this type of work. This study covers all these types of participants in the hustle economy.



Source: <https://img.jagranjosh.com/imported/images/E/GK/Gig-Economy-and-gig-workers.jpg>

<sup>2</sup>Thieme, Tatiana Adeline (2017) *The hustle economy: Informality, uncertainty and the geographies of getting*  
<https://www.geog.ucl.ac.uk/people/academic-staff/tatiana-thieme/ThiemeTheHustleEconomyPinHG2017.pdf> (Thieme)

## 3.2 The gig-workers

Gig-workers are those who work on a temporary or flexible basis, often for multiple employers, as opposed to working full-time for a single employer. They are also commonly referred to as freelancers, independent contractors, or on-demand workers. With the rise of the gig economy, gig-workers have become an increasingly important part of the workforce, particularly in the tech industry.

According to a report by Intuit, gig-workers are expected to comprise 43% of the US workforce by 2020 (The Intuit report: Crabb, S. (2017).<sup>3</sup> In India, gig-workers already make up a significant portion of the workforce, with a recent study by NASSCOM estimating that the gig economy<sup>4</sup> in India will be worth \$455 billion by 2023, employing around 24 million workers.

Many gig-workers work with startups such as Rapido, Zomato, Urban Company, Ola, and Uber, among others. These startups have disrupted traditional industries and have provided new opportunities for individuals to earn a living. However, gig-work also comes with its own set of challenges, such as job insecurity, lack of benefits, and difficulty in building a stable career.

Therefore, understanding the experiences of gig-workers, including their motivations for entering gig-work, their working conditions, and their financial and personal well-being, is critical to ensuring the success of the gig economy and the well-being of its workers. In this study, we aim to explore these issues in-depth and provide insights into the world of gig-work with startups.

## 3.3 Objectives of this section

The objectives of the study, which is on Gig Workers are as follows:

- a.) To identify the opportunities available for gig-workers in the current market scenario.
- b.) To assess the challenges faced by gig-workers in their work, including financial, logistical, and legal hurdles.
- c.) To understand the motivations and preferences of gig-workers in terms of their work, such as job flexibility, income stability, and work-life balance.
- d.) To examine the impact of the COVID-19 pandemic on the work and income of gig-workers.
- e.) To explore the current working conditions and work-related issues faced by gig-workers, including safety, social security, and job security.
- f.) To gather insights on the skills and training required by gig-workers to succeed in their work, including digital literacy and soft skills.
- g.) To identify the support systems available to gig-workers, such as mentorship, guidance, and financial assistance.
- h.) To identify the potential areas for innovation and growth in the gig economy in India.

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<sup>3</sup> Rapido Ban: How the Delhi government's move to ban bike taxis will impact gig workers." <https://www.businesstoday.in/latest/trends/rapido-ban-how-the-delhi-governments-move-to-ban-bike-taxis-will-impact-gig-workers/story/473974.html>

<sup>4</sup> Rapido Ban: How the Delhi government's move to ban bike taxis will impact gig workers." <https://www.businesstoday.in/latest/trends/rapido-ban-how-the-delhi-governments-move-to-ban-bike-taxis-will-impact-gig-workers/story/473974.html>

### 3.4 Insights from literature

Literature lists the following constraints usually faced by Gig-Workers:

a.) Lack of job security: One of the biggest challenges faced by gig workers in India is the lack of job security. These workers are classified as independent contractors, which means they are not entitled to any benefits or protections that traditional employees receive. This makes them vulnerable to sudden changes in the market, such as reduced demand for their services or changes in company policies.

For instance, in November 2021, the Delhi government banned bike taxi services offered by Rapido,<sup>5</sup> citing safety concerns.

This decision impacted thousands of Rapido gig workers who were left without work overnight. This incident highlights the precarious nature of gig work in India, where sudden policy changes or legal challenges can impact the livelihoods of gig workers. In addition, according to a report by the National Sample Survey Office (NSSO),<sup>6</sup> only 17% of gig workers in India have a written contract, which further exacerbates their vulnerability in such situations.

b.) Low earnings: While gig work can provide flexible hours and the ability to work on multiple platforms, the pay can often be low. Many gig workers in India are paid on a per-ride or per-delivery basis, which means they must work long hours to earn a decent income. According to a study by the Centre for Sustainable Employment at Azim Premji University, over 50% of gig workers in India earn less than Rs 14,000 (\$190) per month, which is below the minimum wage set by the Indian<sup>8</sup> government.

c.) Lack of benefits and protections: As mentioned earlier, gig workers in India are not entitled to any benefits or protections such as health insurance, pension plans, or paid leave. This lack of protections can leave them financially vulnerable in case of illness or injury and make it difficult for them to plan for their future.

d.) Limited career growth opportunities: Many gig workers in India work in low-skilled jobs such as delivery and driving, which can limit their career growth opportunities. The lack of formal training and education can make it difficult for them to transition into higher-paying jobs or start their own businesses.

e.) Increased competition: With the rise of gig work in India, the competition among gig workers has also increased. Platforms like Ola, Uber, Zomato, and Swiggy have many workers, which can make it difficult for individual workers to secure enough work to earn a decent income.

According to a survey by the Centre for the Study of Developing Societies (CSDS),<sup>9</sup> over 60% of gig workers in India reported facing competition from other workers on their platform.

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<sup>5</sup>Rapido Ban: How the Delhi government's move to ban bike taxis will impact gig workers." <https://www.businesstoday.in/latest/trends/rapido-ban-how-the-delhi-governments-move-to-ban-bike-taxis-will-impact-gig-workers/story/473974.html>

<sup>6</sup>National Sample Survey Office (NSSO) report on gig workers in India: <https://www.livemint.com/news/india/only-17-of-gig-economy-workers-have-written-contracts-shows-nssos-2018-survey-1568310748047.html>

<sup>7</sup>Centre for Sustainable Employment at Azim Premji University study on gig worker earnings: <https://www.azimpremjiuniversity.edu.in/sites/default/files/2020-10/Gig%20Work%20in%20India.pdf>

<sup>8</sup>Indian government minimum wage: <https://pib.gov.in/PressReleasePage.aspx?PRID=1512772>

<sup>9</sup>Centre for the Study of Developing Societies (CSDS) survey on competition among gig workers: [https://www.researchgate.net/publication/333604511\\_Gig\\_Workers\\_in\\_India\\_Empirical\\_Evidence\\_and\\_Implications](https://www.researchgate.net/publication/333604511_Gig_Workers_in_India_Empirical_Evidence_and_Implications)

f.) Lack of social security: Another major challenge faced by gig workers in India is the lack of social security. Most gig workers are not covered by any social security schemes such as the Employees' State Insurance (ESI) scheme,<sup>10</sup> which provides medical benefits to formal sector employees, or the National Pension System (NPS),<sup>11</sup> which provides pension benefits to formal sector workers. This lack of social security can leave gig workers vulnerable to financial shocks such as illness or injury.

g.) Social Stigma: Social stigma against gig workers can be a significant challenge that impacts their sense of self-worth and can lead to feelings of isolation and marginalization. This can be particularly acute in societies where formal employment is highly valued, and non-traditional work arrangements are viewed with suspicion or seen as a last resort for those who cannot find more stable work.

h.) Limited access to training and skill development: Gig workers in India may not have access to formal training or skill development opportunities, which can limit their ability to take on higher-paying jobs or expand their businesses.

i.) Long working hours and poor working conditions: According to a survey by the Centre for Sustainable Employment at Azim Premji University,<sup>12</sup> 60% of gig workers in India reported working for more than 9 hours a day, with many working 7 days a week. Additionally, gig workers often work in physically demanding jobs such as driving or delivery, which can lead to long-term health problems.

j.) High loans and liabilities: According to a study by the Centre for Decent Work (CDW), many gig workers in India take loans<sup>13</sup> or borrow money to purchase vehicles or equipment required for their work. These loans often come with high interest rates and can lead to a cycle of debt for gig workers. In addition, gig workers are also required to pay platform fees to the companies they work for, which can further reduce their earnings.



Source: <https://techcrunch.com/wp-content/uploads/2023/01/swiggy-strike-getty.jpg>

<sup>10</sup> Employees' State Insurance (ESI) scheme:  
<https://www.esic.nic.in/>

<sup>11</sup> National Pension System (NPS):  
<https://www.npsra.nsdli.co.in/>

<sup>12</sup> Centre for Sustainable Employment at Azim Premji University. (2019). State of Working India 2019 Report. Retrieved from <https://cse.azimpremjiuniversity.edu.in/state-of-working-india/swi-2019/>

<sup>13</sup> Source: <https://www.indiaspend.com/loans-gone-bad-pose-threat-to-indias-shadow-banking-system/amp/>

### 3.5 Methodology

For this study, we followed a hybrid approach that combined both fieldwork and telephonic interviews. Initially, we met with a small group of gig workers in person, who were operating in various sectors such as ride-hailing, delivery, and freelance services, among others. During these face-to-face interviews, we collected basic demographic information about the gig workers, including their age, gender, education, and work experience. We also discussed their motivations for entering the gig economy, their experiences and challenges, and their perceptions of the benefits and drawbacks of gig work.

Following these initial interviews, we asked the interviewed gig workers to refer us to other gig workers they knew, who might be interested in participating in our study. Through this snowball sampling technique, we were able to connect with many more gig workers, who we interviewed over the phone.

All the interviews were unstructured, and we did not follow a strict questionnaire. However, we did have a list of key topics and questions that we wanted to cover during the interviews. These topics included the gig workers' work experiences, including their earnings, working conditions, job satisfaction, and work-related stress. We also asked about their use of technology, their relationship with the platform companies they worked for, and their perceptions of the future of gig work.

Overall, this methodology helped us to gather a rich and diverse set of data from gig workers and provided us with valuable insights into the experiences and challenges of this group.

### 3.6 Gig work platform

Zomato and Swiggy, two of the most popular food delivery platforms in India, have a combined fleet of over 2.5 million delivery partners across the country, according to a report by Red Seer Management Consulting.<sup>14</sup> Ola and Uber, the leading ride-hailing companies in India, together have more than 2 million driver-partners in the country, as per the report by International Transport Forum.<sup>15</sup> Rapido, another popular ride-hailing platform that specializes in bike taxis, has over 150,000 active riders on its platform, according to the company's website. Urban Company, a home services platform, has a network of over 35,000 trained professionals providing services in more than 20 cities across India, according to the company's website.



Source: [https://inc42.com/wp-content/uploads/2022/05/WeeklyNL\\_14-may\\_1200x628-1.jpg](https://inc42.com/wp-content/uploads/2022/05/WeeklyNL_14-may_1200x628-1.jpg)

All of these platforms operate on a gig work model, where workers are classified as independent contractors rather than employees. Gig workers on these platforms have the flexibility to choose their working hours and earn a variable income based on the amount of work they do. However, they are also responsible for their own expenses such as vehicle maintenance and fuel costs, and do not receive traditional employment benefits such as paid leave or ESI. The gig work model has become increasingly popular in India, with millions of people working as gig workers in various industries.

<sup>14</sup> Redseer source: <https://www.indiaspend.com/loans-gone-bad-pose-threat-to-indias-shadow-banking-system/amp/>

<sup>15</sup> Number of fatalities in 2020 key transport statistics (no date). Available at: <https://www.itf-oecd.org/sites/default/files/docs/key-transport-statistics-2021.pdf> (Accessed: March 24, 2023).

### 3.7 Data summary

The total sample size	47
Gender	Male: 42, Female: 5
Age Group:	19 years to 55 years
Gross Income bracket:	INR 300/day to INR 1500/day

*Table 1: Summary of the Interview Data*

<b>Platform</b>	<b>No of Gig Workers</b>	<b>Major Activity</b>
Zomato	12	Food Delivery using 2-Wheeler
Swiggy	5	Food Delivery Using 2-Wheeler
Rapido	10	Bike Taxi
Ola	5	Car Taxi
Uber	5	Car Taxi
Urban Company	10	Beautician, Plumber, Electrician, Cleaning Services, Phone Repair
Total	47	

*Table 2: List of Gig Workers interviewed*

### 3.8 Findings: Major challenges and opportunities for gig workers

#### 3.8.1 Job security

Our study found that 8 out of 12 Zomato workers surveyed believed that their job was secure due to the growing market and increasing demand for food delivery services. However, 4 workers expressed concerns about future competition and potential decreases in earnings.

On the other hand, all 5 Swiggy workers interviewed believed that the market was volatile and they could face challenges with fluctuating orders and earnings, but they were confident that the demand for delivery services would not decrease. Among the 10 Rapido riders surveyed, most of them considered the gig work as an additional source of income or a stepping stone, and did not worry much about the job security.

In contrast, all 5 Ola and Uber drivers we interviewed had taken loans for their vehicles and expressed concerns about the increasing competition and the number of vehicles/taxis on the road, which they felt was a threat to their job security.

Finally, the 10 Urban Company workers we surveyed believed that the demand for quality services at affordable prices delivered at their doorstep would continue to grow, and even if the market were to decline, they felt confident that they had developed skills that could help them start their own self-employment journey or find work at other professional service companies.

### **3.8.2 Low earnings**

One of the key findings of our study is that gig workers in India often earn moderate to low incomes, particularly when compared to the long hours they put in. For example, while candidates associated with Zomato and Swiggy were able to earn an average of 800 - 1000 per day if they were logged in on the app for more than 12 hours and delivering on an average of 15 - 20 orders, those who were only logged in for 8 - 10 hours including peak hours were only able to earn an average of around 500 - 700 per day, exclusive of any fuel or vehicle rental costs.

Similarly, candidates associated with platforms like Ola and Uber were able to make around 2000 - 4000 per day, exclusive of platform fees, fuel charges, vehicle charges (EMI, rental, maintenance, etc.), but only if they were logged in for an average of 10+ hours a day. For candidates associated with Urban Company, they were able to make around 1000 - 1500 per day based on the number of hours and skill level, exclusive of platform fees, transportation, equipment, and other consumables.

### **3.8.3 Lack of benefits and protections**

Lack of benefits and security: During our survey, we found that Zomato and Swiggy provide health and accidental insurance coverage for the riders worth 10 lakhs, along with OPD and loss of pay benefits. Urban Company also offers access to life and accidental insurance cover, free training, loans, and other benefits such as free vaccinations and PPE Kits. Several partners also enjoy free health insurance through the platform. However, Rapido only provides ride insurance for each ride that the rider takes with customers. On the other hand, Ola and Uber do not provide any kind of social benefits to their driver partners.

### **3.8.4 Limited career growth opportunities**

During our survey, we found that gig workers in the food delivery and ride-hailing industry reported a lack of career growth opportunities. Most of them expressed a desire to leave their gig work and start their own business or find another job that could provide better career prospects. The platforms such as Zomato, Swiggy, Ola, and Uber don't offer any visible career growth to their drivers, while Rapido drivers are only able to earn a modest income without any clear prospects for growth.

However, we did find that Urban Company offered a distinct advantage with respect to career growth opportunities for its partners. Gig workers for Urban Company can expand their service portfolios, create their own team, and even become trainers, which can ultimately lead to the development of their own businesses. Despite this opportunity, it's clear that for many gig workers, the gig work serves only as a means to meet their immediate needs and not as a long-term career path.

### **3.8.5 Increased competition**

During our survey, we found that 5 out of 5 Swiggy riders believe that the market is volatile and the number of delivery partners keeps fluctuating, so they don't expect it to impact them significantly. On the other hand, 4 out of 12 Zomato riders think that with the increase in the number of delivery partners, the number of orders allocated to each partner might get affected.

The situation with Rapido, Ola, and Uber is different, as all of the respondents believe that there are more taxis or bike taxis than customers, and this increased competition has adversely affected their earnings. They get fewer rides or orders compared to before. The candidates associated with Urban Company had mixed opinions. Most of them believe that the market is so vast that any number of partners is insufficient, and the current market demand keeps them busy all the time. They also believe that delivering quality services and providing an excellent customer experience is essential for enhanced ratings and more orders.

### **3.8.6 Lack of social security**

Our survey results highlighted a significant issue among gig workers in terms of social security. None of the gig workers interviewed had access to benefits such as Employee State Insurance (ESI) or pension schemes.

### **3.8.7 Social Stigma**

In our survey, we found that most gig workers do not consider any work as small or big, and they take pride in their employment. They believe that their work provides them with financial stability, and they do not care much about societal stigma. Moreover, the majority of the respondents reported that their communities have come to accept gig work as a legitimate and respectable form of employment.

However, a few respondents shared their initial struggles with social stigma. For instance, two out of twelve Zomato workers faced teasing from their community members. Similarly, four female workers associated with Urban Company initially faced resistance from their families in visiting customers' homes to provide services. But with time, their families and communities began to appreciate their work, and they became a source of inspiration for others.

### **3.8.8 Limited access to training and skill development**

Limited access to training and skill development is a major challenge faced by most gig workers. Our survey revealed that onboarding training is provided to riders and drivers, which is mostly accessible through mobile phones. In some cases, physical training sessions are also conducted, but many participants feel that the training is inadequate and a waste of time.

On the other hand, all 10 urban company candidates we interviewed agreed that the training provided to them by the organization has enhanced the quality of their work. The training has enabled them to provide better customer service and develop soft skills, resulting in a superior customer experience.

Overall, there is a clear lack of effective training and skill development opportunities for gig workers other than few platforms like Urban Company.

### **3.8.9 Long working hours and poor working conditions**

During our survey, we found that gig workers across all platforms work for an average of 10 hours a day, with some working even longer hours. During these long hours, they are constantly on the road, delivering food, dropping passengers, or providing services. The nature of their work is such that they do not get many breaks or time to rest, which can take a toll on their physical and mental health.

Additionally, the working conditions for gig workers are often poor. They are exposed to extreme weather conditions, pollution, and traffic hazards while on the job. Many of them do not have access to basic amenities such as clean water or restrooms while working. This can lead to a high level of physical and mental stress, which can affect their ability to perform their job efficiently and safely.

### **3.8.10 High loans and liabilities**

During our survey, we found that a significant number of gig workers have taken loans to finance their work equipment or vehicles. Out of the 47 candidates we interviewed, 30 reported having taken out loans. This is a concerning trend as it indicates that gig workers are taking on debt to fund their work, and may be struggling to repay those loans.

In particular, we found that taxi drivers were paying a significant portion of their income towards loan repayments. This is due to the high cost of purchasing a vehicle, which many drivers finance through loans. As a result, they are left with less disposable income to cover their daily expenses, which can further exacerbate the financial challenges they face.

## 3.9 Inferences

A. Limited access to training and skill development: There is a significant gap in the access to training and skill development programs for gig workers. While some companies like Urban Company are providing comprehensive training programs, most gig workers are only receiving basic training that is often ineffective and not tailored to their needs. This can hinder the growth of gig workers and limit their potential to earn higher incomes.

B. Long working hours and poor working conditions: Gig workers are often subjected to long working hours and poor working conditions, which can have adverse effects on their physical and mental health. They are continuously on the road or performing tasks for extended periods, which can lead to burnout and exhaustion. These conditions can also lead to safety risks and accidents, especially for those working in transportation.

C. High loans and liabilities: Many gig workers have taken out loans to finance or rented their vehicles or equipment, which can lead to high levels of debt and financial insecurity. They are often required to pay significant amounts of their income towards loan repayment, or as rental, which can limit their ability to save and invest in their careers. This can also lead to a cycle of debt that can be difficult to break out of.

D. Lack of social security: Gig workers are not entitled to any social security benefits like ESI or pension schemes. This lack of social security can leave them vulnerable to financial insecurity, especially in case of illness, injury, or retirement.

E. Social stigma: While gig workers have increasingly gained acceptance as a legitimate form of work, there is still some social stigma attached to it. Many gig workers face negative comments from their communities, which affects their morale and self-esteem.

F. Increased competition: The gig workers in the Indian gig economy face increasing competition from other gig workers, which can lead to reduced earnings and job insecurity. This highlights the need for gig platforms to ensure a fair and competitive marketplace for gig workers, which can help to reduce the risk of job insecurity.

## 3.10 Recommendations

A. Skill and training programs: Platforms should focus on making their training programs more effective and interactive. Feedback should be taken from gig workers to understand their training needs and recommendations should be implemented accordingly.

B. Regulatory body: The government should establish a regulatory body to provide gig workers with a safety net, such as schemes like ESI and pension. This will ensure that gig workers have access to social security benefits.

C. Encourage entrepreneurship: Platforms could encourage entrepreneurship among gig workers by providing them with the opportunity to start their own businesses or franchises. This could be achieved through low-cost loans, incubation programs, or by providing gig workers with access to mentorship and support networks.

D. Decent working conditions: Organizations should provide decent working conditions for gig workers. This includes setting up resting areas where they can rest while waiting for orders, ensuring they have enough breaks, and avoiding pressurizing them to deliver orders within unrealistic timeframes.

E. Social stigma: Organizations should work towards reducing the social stigma associated with gig work by promoting it as a legitimate and respected form of work. This can be done through awareness campaigns and by highlighting the success stories of gig workers.

F. Collaborate with local community organizations: Gig economy platforms could work with local community organizations to promote gig work as a legitimate form of work and provide support to gig workers. These organizations could also help in identifying potential gig workers and provide training and skill development opportunities.

G. Minimum wage and other conditions: Platforms should ensure that gig workers are paid a fair wage and provided with basic facilities such as insurance coverage and equipment. This will improve the quality of life for gig workers and attract more people to the sector.

H. Career growth opportunities: Aggregator platforms should provide career growth opportunities to gig workers, such as upskilling programs, promotions, and leadership roles. This will motivate gig workers to stay with the platform for longer and improve their loyalty towards the platform.

I. Provide opportunities for upskilling and reskilling: Gig platforms can provide opportunities for gig workers to upskill or reskill in order to remain relevant in the changing job market. This can include providing access to online courses or partnering with training institutions to offer training programs.

J. Promote responsible gig work: Gig platforms can promote responsible gig work by implementing policies that prioritize worker safety and well-being. This can include providing workers with safety equipment, implementing strict safety protocols, and ensuring that workers are not required to work excessive hours.

K. Provide access to affordable healthcare: Gig workers often lack access to affordable healthcare. Gig platforms can partner with healthcare providers to offer affordable healthcare plans to gig workers. This can help to reduce the financial burden of healthcare expenses on gig workers.



Source: [https://s31898.pcdn.co/wp-content/uploads/2020/01/shutterstock\\_1141126136-scaled.jpg](https://s31898.pcdn.co/wp-content/uploads/2020/01/shutterstock_1141126136-scaled.jpg)

### 3.1.1 Objective of the survey of entrepreneurs

- The present study has been carried out with the following objectives:
- To study and analyze the socio-economic background of the Micro and small entrepreneurs associated with Sahulat/Khidmat.
- To understand the skill levels and motivation factors of the entrepreneurs in their activity area.
- To analyze the exposure and need of a skilling/training program in the areas of:
  - a.) Business Skills
  - b.) Financial/ Accounting Skills
  - c.) Exposure of Govt. related schemes
  - d.) Digital Skills required to run business

#### Scope of the survey

The survey focuses on the micro & small entrepreneurs associated with Sahulat. The selected entrepreneurs include a mix of Loan takers and Savings Account holders.

#### Sampling design

Entrepreneurs involved in this study are mostly the members of Sahulat/Kidmat. As the area of study is limited to Sangareddy and Medak districts our sample size is restricted to 33 respondents over a period of 4 days. The respondents have been identified prior by Sahulat based on the size of the business and a mix of both loan takers and savings account holders.

#### Tools of analysis

Personal interview/Conversation is the major tool of data collection. The interviews conducted are entirely unstructured. The structure of questions asked covers broadly the following:

To understand the age and nature of their business.

1. To understand how the business practices have changed over time and its impact on their line of business.
2. Current Sales Channels, willingness to explore new sales channels
3. Efficient Business Practices like Bookkeeping, Procurement and Inventory management, Sales Record etc.
4. Innovation in their existing systems, and willingness to experiment in their existing business systems
5. Opportunities or Gaps for enhancing sales / customer base
6. Skill level and their willingness to learn new skills
7. Opportunities to increase their product offerings
8. Digital literacy

Out of the 33 Entrepreneurs we met, 1 of them is a woman.

Age Group of the Sample size: 20 years to 55 years

Revenue bracket of the Entrepreneurs: INR 1500/day to INR 20,000/day

Locations	Number of Entrepreneurs	List of Activities
Sangareddy	9	Automobile spare parts and repair, Mobile repair and accessories, Stationery & Xerox, Readymades, Dress materials, Fast food center, Electricals
Zaheerabad	6	Hosiery manufacturer, Fancy store, Kirana & general store, Footwear, Garments, Embroidery
Sadashivpet	6	Flower Shop, Pooja store, Vegetable sells, Automobile repair and spare, Gift store, Rexine work
Medak	12	Hawkers, Vegetable seller, Flower and pooja store, Kirana & General, Mobile phone & accessories and service
<b>Total</b>	<b>33</b>	

*Table 1: List of Entrepreneurs met in each of the location*

### Sangareddy:

Name	Location	Activity	Average Daily Revenue	Average Monthly Revenue
Ch. Santosh	Sangareddy	Bike spare parts	10,000+	
Yousuf bin Salam	Sangareddy	Bike repair	5000-7000	
Afzal Khan	Sangareddy	Mobile repair and Fast food center	10000-15000	
Datta	Sangareddy	Stationary and Xerox	10,000 - 15,000	
Habib	Sangareddy	Readymades and Dress materials	10,000 - 15,000	
Mubair	Sangareddy	Women Boutique, Men's clothing, Home Electronics		1 Lac + Peak season: 6Lac +
Mirza Arif Baig	Sangareddy	Men's fashion	10,000 - 15,000	
Imraan Khan	Sangareddy	Electricals	7,000-10,000	
Smile	Sangareddy	Smile garments	5,000 - 7,000	

*Table 2: List of Revenue of the Entrepreneurs in Sangareddy*

### Zaheerabad:

Name	Location	Activity	Average Daily Revenue	Average Monthly Revenue
Rizwan	Zaheerabad	Hosiery Manufacturer	5,000-7,000	
Maqbool	Zaheerabad	Embroidery/Maggam work	5,000-7,000	15,000-20,000
Wasim	Zaheerabad	Fancy store	10,000-15,000	
Rafique	Zaheerabad	General & Kirana store		
Shakeel	Zaheerabad	Footwear	5,000-7,000	
	Zaheerabad	Ladies Garments, Hosiery	7,000-10,000	1-2 Lac-8 lac during festivals

*Table 3: List of Revenue of the Entrepreneurs in Zaheerabad*

## Sadashivpet:

Name	Location	Activity	Average Daily Revenue	Average Monthly Revenue
Syed Azdani	Sadashivpet	Flower Shop	5,000 - 7,000	
Kazeem Nawaz	Sadashivpet	Pooja Store	3,000-5,000	
Zaheeruddin	Sadashivpet	Vegetable Seller	5,000-7,000	
Kifayat Ali	Sadashivpet	Car Service & Exide Battery Dealership	5,000-7,000	
Salauddin	Sadashivpet	Gift Shop	7,000-10,000	50,000- 1,00,000
Ghouse	Sadashivpet	Rexine Work	1,000-3,000	

*Table 4: List of Revenue of the Entrepreneurs in Sadashivpet*

## Medak:

Name	Location	Activity	Average Daily Revenue	Average Monthly Revenue
Aarif	Medak	Automobile- Tyre related repair	3,000-5,000	
Afsar pasha	Medak	Flowers and Pooja Store	5,000-7,000	
Saddam	Medak	Fruits stall	7,000-10,000	
Fayaz and Naseem	Medak	Mobile Phone store - Second sales, service	10,000-15,000	
Laxman	Medak	Hawker - Footwear	1000-3000	
Sujauddin	Medak	Hawker - Hosiery	5,000-7,000	
Nagesh	Medak	Grocery store	20,000-25,000	1.5Lac- 2Lac
Ghatayya	Medak	Turmeric and Chillies		2Lac-3Lac
Sairam	Medak	Vegetables	10,000-15,000	
Sanjay	Medak	Tv repair	3000-5000	
Sangeeta	Medak	Hawker - Eatables	5000-7000	
Devraj	Medak	Hawker near Church/ Wholesale of Religious Books	7000-10000	

*Table 5: List of Revenue of the Entrepreneurs in Medak*

## 3.12 Inference

### 1.) Business skills:

a.) The entrepreneurs are well aware of the customer needs, and most of them have a strong customer base in their area.

b.) They keep experimenting with new products based on the latest market trends and customer feedback / demand.

c.) Most of the entrepreneurs still follow the traditional way of procurement i.e going to the traders / wholesalers / manufacturers and buying the stock, whereas few of the entrepreneurs are actively using Ajio and similar platforms to order garment stock for their business.

d.) Two out of 33 Entrepreneurs have started using Whatsapp for sharing about the latest stock especially for Ladies Garments that helps them in getting more customers while the others believe that it is a time consuming process and they have to dedicate an entire day.

e.) Entrepreneurs use Youtube and Facebook to follow the latest trends and updates in their industry while the entrepreneurs don't share their product videos and images on any of the social media platforms.

f.) Not many entrepreneurs are utilizing their resources efficiently as most of them are expanding horizontally in a defined geography.

*We have met Mr. Wasim in Zaheerabad, who has opened 2 Fancy stores and 3 shops of women's garments & sarees in the same street, believes that by doing this he could return the customer who walks into either of his stores.*

We have rarely seen any entrepreneur following Standard Book Keeping and Stock managing practices that makes it really hard for them to understand exact profit and loss for them. The entrepreneurs follow their intuition to order the stock and believe that stock taking on a monthly basis is very time consuming and nothing beneficial comes out of it.

*Datta, an entrepreneur in Sangareddy mentions that he has a billing system installed in his store, but it becomes difficult to handle the software. He believes that making a record of everyday sales is easier to understand the sales he made and order stock based on the sales.*

## **2.) Skills related to their chosen activities**

a.) Most of the entrepreneurs have over 15 years of experience in their trade that has helped them gain skills over a period of time.

b.) Bike Mechanic and Electronics repair guys keep getting skill training time to time from the Automotive and Mobile brands respectively.

*Kifayat Ali from sadasivpet receives training from TATA and he is also referred to new customers through TATA from servicing 15km in and around sadasivpet.*

c.) Few entrepreneurs make use of YouTube if they need to know more about something that they don't know, sometimes they get the desired answers, sometimes they have to consult someone from the market.

*Afzal khan, an entrepreneur has gained industry knowledge by following the videos on youtube. He has learnt to repair mobile phones using youtube. He says, we have no specific training programs that can train and guide us with industry knowledge, we have to rely on YouTube to do so.*

d.) None of the entrepreneurs have taken benefit of any government scheme as they have very little awareness about it and they don't have time for that.

## **3.) Others**

a.) Not many entrepreneurs have availed GST, as they believe that having GST is an additional burden on them.

b.) They want to use social media for promoting their services but either they think that it will consume all of their time or they don't have any idea about how they can use it to promote their business.

*Salauddin, an entrepreneur from sadasivpet has been trying to promote his products using social media and other online platforms but he is unable to do so as he is not aware of the nuances of digital platforms, nor he knows anyone who can guide him.*

c.) Few of the entrepreneurs want to grow their product line / services but don't have enough funds and hence they are requesting Khidmat bank to increase the loan amount. Kifayat Ali wants to take agency of exide, which will help him to boost his sales, but he doesn't have enough funds to take that agency so he is waiting to manage the funds for taking the agency.

d.) We have noticed that many entrepreneurs have reached their human potential, they are not willing to expand their business, they believe that more employees means less or no profits.

### 3.13 Suggestions

1.) Most of the entrepreneurs are of the opinion that the traditional way of doing business i.e., through a shop is the best way to make money.

*We believe that with ecommerce, digital media and digital technologies evolving and taking over all kinds of business systems, these entrepreneurs should adapt based on the needs of the world.*

2.) Most of the entrepreneurs have reached their human potential and believe that expanding their business would eventually lead to loss/no/meager profits.

*We understand that the entrepreneurs still lack business acumen & team management/operational skills and that has to be imparted.*

3.) Many of them want to explore the online mode of business but are not aware of the ecosystem. A training program would help them to eventually expand their avenues.

*We believe that Tribe can provide a tailored digital training program that can be a end-to-end guide for providing the entrepreneurs with knowledge required to explore the digital platforms*

4.) Most of the entrepreneurs believe that selling online/ through digital platforms would consume their whole day.

*We clearly understand the entrepreneurs lack of awareness about how to manage sales using online/digital platforms.*

5.) There are few entrepreneurs who are not aware of standard business practices like how to display their products in their store which is not allowing them to grow.

*We have met one entrepreneur in Zaheerabad who is a hosiery manufacturer who also sources from ajio to sell in his store. When asked about why he is not able to sell in the similar way, he says that he is unable to get enrolled on the platform. We also have noticed that most of the stock he has in his store is packed in the boxes and kept instead of displaying, while the stock he puts up for display sells really fast.*

6.) Skill, knowledge and adaptability in business are the main reasons for growth & sustenance in the business. Most of the entrepreneurs lack adaptability to time, and few of them lack skills.

7.) Most of the entrepreneurs find procurement very time consuming and not very cost-efficient as they have to procure every 15-20days.



Source: <https://cdn.zeebiz.com/sites/default/files/2019/10/07/102534-small-business-1-pixabay.jpg>

### 3.14 Video: Vijay Mahajan talking about importance of Partnership Finance



Click the link below to watch the video:

<https://youtu.be/zTN2DNc3jz8>

### 3.15 Video: Telangana Entrepreneurship Series | Vijay Mahajan



Click the link below to watch the video:

<https://youtu.be/ascV3553p5w>



# 4. Impact evaluation report, Aajeevika Samvardhan Abhiyan, (RGF - ASA)

Dr Rakesh Malhotra



## 4.1 Vision and mission of ASA

Due to the COVID pandemic, the livelihoods of many Prawasi (migrants) and Awasi (locals) were adversely affected across the nation. In order to address this mammoth adversity, Rajiv Gandhi Foundation (RGF) conceived a Abhiyan 'Aajeevika Samvardhan Abhiyan (RGF - ASA)', which is an innovative intervention for the revival of livelihoods. RGF - ASA endeavors to stimulate the emergence of Aspiring Micro-Entrepreneurs (AME) of each identified district.

RGF - ASA commenced on 20th August 2020, and then after its successful implementation and positive results, the second Phase, i.e., Phase 2.0 was launched on 20th August 2021. Fourteen new districts were included in Phase 2.0. As a result, 30 districts across eight states were covered by ASA. Table 1 represents the list of the districts, broken down by state.



**Table I: Total districts included in ASA**

S. No.	State	District
1	Bihar	Gaya
2		Muzaffarpur
3		Katihar
4		Nawada
5		Samastipur
6		Vaishali
7		Patna
8	Chhattisgarh	Raipur
9		Mahasamund
10		Kabirdham
11	Jharkhand	Giridih
12	Madhya Pradesh	Chhatarpur
13		Panna
14		Tikamgarh
15	Odisha	Gajapati
16		Nawarangpur
17		Rayagada
18		Ganjam
19	Rajasthan	Alwar
20		Udaipur
21		Bundi
22	Uttar Pradesh	Faizabad
23		Jhansi
24		Lalitpur
25		Ambedkar Nagar
26		Jaunpur
27		Gorakhpur
28	Maharashtra	Yavatmal
29		Gadchiroli
30		Pune

## 4.2 Major takeaways

i.) Before entering the ASA Project, 30.2 percent of AME were unemployed, followed by laborers, the self-employed, and part-time employees. By the end of the Project, this changed to the establishment of business enterprise by all the AME.

ii.) Before the commencement of ASA, nearly half of the AME population had an income of less than Rs. 1000 per month. As the Project went along, it was seen that the number of AME earning less than Rs. 1000 per month fell by nearly half due to the ASA project.

- iii.) AME earning more than Rs. 5000 per month before the ASA increased to almost four times after the ASA intervention.
- iv.) The findings demonstrated that the ASA Project, regardless of region, significantly raised the average monthly income of the AME by 23.3 percent.
- v.) The average monthly income of AME women had increased by 9.3 percent.
- vi.) 36.7 percent of the AME had 'selected the enterprise/activity' on the advice of the Mentor. Odisha and Chhattisgarh were the states where more than half of the AME went by the guidance of Mentors.
- vii.) 57.4 percent of the AME had 'selected the location of enterprise' by themselves, indicating therein that many of the AME had adequate confidence to decide upon the location of their business activity.
- viii.) More than half of the AME respondents had chosen their 'home' as the location for the commencement of their enterprises, followed by enterprises set up in their own shops and rented spaces. About one-third of the women AME had chosen 'home' as the primary location for their enterprises.
- ix.) When it came to the issue of selection of enterprise location, almost one-third of the AME selected the location of enterprises on the advice of the Mentor. It was interesting to note that all the AME in Chhattisgarh went by the guidance of Mentors.
- x.) AME, who had chosen their home to establish the enterprise, had saved on their other costs, like rent, transportation, food, travel, etc. The majority (35.6 percent) of the AME had 'self-financed' their enterprise.
- xi.) The credit availed by the AME from MFI was found to be the least among the five sources of finance.
- xii.) AME, who had pooled their own money for the establishment of the business, stated to have substantial improvements in the income from their enterprise. At the same time, none of the self-financed AME reported a decline in their income.
- xiii.) More than half of the AME (61.7 percent) stated to have 'strengthened their livelihood status' through the ASA Project
- xiv.) 12.6 percent of the AME in the ASA Project claimed that they could 'overcome the challenge of the COVID-19 pandemic' with confidence due to the ASA Project.
- xv.) About one-third of the total AME stated that they had undertaken product diversification to the existing enterprise. This was most pronounced in the case of the AME doing business from their home.
- xvi.) The highest number of enterprises established by AME was kirana shops (grocery shops) at 18.4 percent, followed by goat rearing (12.4 percent) and tailoring (10.1 percent).
- xvii.) The Project also considerably enhanced entrepreneurial practices in marketing and promotion, diversification of products, recordkeeping, and financial planning.
- xix.) The five modules (ABCDE) taught to the Mentors significantly impacted the direct and indirect success of enterprises managed by AME. Particularly Module A (Achievement Need Motivation) encouraged the Mentors to develop an entrepreneurial spirit among the AME. This was also evident from the AME responses, as 15.1 percent of AME stated that they anticipated seeing substantial growth in their enterprises in the near future, and 3.2 percent of AME stated that Mentors had instilled motivation in them.

xx.) However, due to a lack of timely and adequate access to credit, the majority of AME went for self-financing.

xxi.) This study establishes an empirical and quantitative unique framework for successfully promoting micro-entrepreneurship in the rural areas of the nation.

xxii.) Most of the AME responded that their enterprise was growing gradually and is expected to improve soon.

xxiii.) Through this analysis, the advantages of rural entrepreneurship are adequately accentuated, including the use of local skills and resources, the use of idle capital, and the creation of jobs for rural inhabitants.

xxiv.) By assisting the AME in the selection of activities, creating business strategies, converging with government schemes, and forming alliances with relevant communities for support, ASA amply demonstrated the unique process for the pre-creation stage of enterprises.

xxv.) Project also established that capacity building for rural entrepreneurship had increased the productivity and proficiency of the local community, which further had a positive social impact as it developed easily accessible products and solutions to local problems.

xxvi.) After two years of implementation of the Project, a favorable effect on wage work and motivational capacity was observed among the AME, highlighting the value of the intervention's training component.

xxvii.) The study provides definite evidence that entrepreneurship capacity-building interventions and motivational inputs for people in rural and semi-urban areas may successfully improve the entrepreneurial abilities and skills of the rural and semi-urban population..

xxviii.) The Project had considerable impacts on the skillset, operations, and motivation for entrepreneurship.



Source: <https://www.financialexpress.com/wp-content/uploads/2021/03/z9-1.jpg?w=350>

### 4.3 Findings of ASA implementation

After the culmination of the Project in June 2022, an Impact Analysis study was conducted. The responses to 12 sets of questions were designed to measure the impact of the ASA Project by understanding the scope and magnitude of the intervention on the revival of livelihoods of AME, which were captured in descriptive statistics, inferential statistics, and correlations.

**Table 2: Respondents of the Impact Evaluation Study**

	Female	Male	Total
Bihar	195	115	310
Chattisgarh	43	109	152
Jharkhand	38	12	50
Madhya Pradesh	44	105	149
Maharashtra	108	45	153
Odisha	30	129	159
Rajasthan	66	96	162
Uttar Pradesh	80	115	195
Total	604	726	1330

#### 4.3.1 AME profile

Generally, programs designed for micro and small enterprises aim to give prospective entrepreneurs the knowledge and resources they need to commence their own businesses, emphasizing fundamental human capital traits - like accountability, timeliness, and perseverance. An important factor to consider when evaluating the program is whether participants were actively engaged in entrepreneurial activities, given that it instructs them on managing and enhancing their businesses (International Initiative for Impact Evaluation Report, 2016).

**Table 3: Status of AME before ASA (In Percent)**

States	Laborer	Part-time employment	Self-employed with own enterprise	Unemployed	Total
Bihar	22.8	11.6	47.3	18.4	100.0
Chattisgarh	33.1	13.9	8.6	44.4	100.0
Jharkhand	24.0	24.0	24.0	28.0	100.0
Madhya Pradesh	32.4	5.8	41.7	20.1	100.0
Maharashtra	23.6	2.4	27.6	46.3	100.0
Odisha	53.3	8.6	7.2	30.9	100.0
Rajasthan	20.6	28.1	32.5	18.8	100.0
Uttar Pradesh	18.5	19.1	10.2	52.2	100.0
Total	28.2	13.5	27.3	30.2	100.0

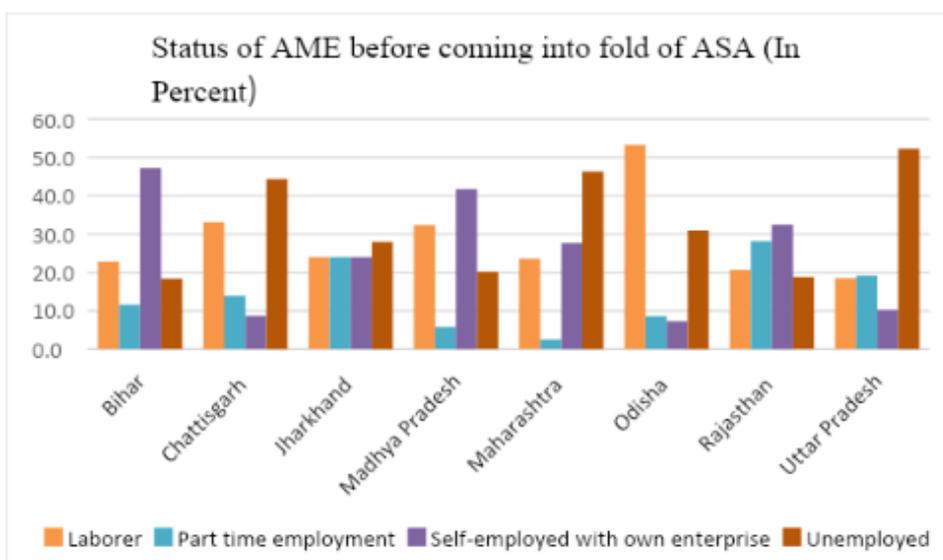


Figure 1: Status of AME before coming into fold of ASA (In Percent)

a.) Before entering the ASA Project, 30.2 percent of AME were unemployed, followed by laborers, self-employed, and part-time employees (Table 3 and Figure 1).

b.) More than half of the AME were laborers in Odisha, and more than half of the AME were unemployed in Uttar Pradesh when the Project commenced.

c.) The data revealed that AME in the ASA Project had a mean age of 34 years.

### 4.3.2 Women's participation in project

Researchers have turned to develop a comprehensive definition of women entrepreneurs in response to the rise of women in the field of entrepreneurship. Women entrepreneurs are those who assume responsibility for organizing and managing the resources of their businesses, as well as taking any associated risks in the hopes of making a profit (Tiwari, N., 2017).

Entrepreneurship has proven to be advantageous for women living in rural areas because it allows them to contribute to the family's income while taking care of the farm, the house, and the livestock (Sidhu and Kaur, 2006), in addition to the significant societal and economic benefits that are important in this relationship (Tiwari, N. 2017). Additionally, female entrepreneurs benefit from entrepreneurship training since it boosts their self-esteem and sense of empowerment.

**Table 4: Female and Male AME (In Percent)**

States	Female	Male	Total
Bihar	62.9	37.1	100.0
Chattisgarh	28.3	71.7	100.0
Jharkhand	76.0	24.0	100.0
Madhya Pradesh	29.5	70.5	100.0
Maharashtra	70.6	29.4	100.0
Odisha	18.9	81.1	100.0
Rajasthan	40.7	59.3	100.0
Uttar Pradesh	41.0	59.0	100.0
Total	45.4	54.6	100.0

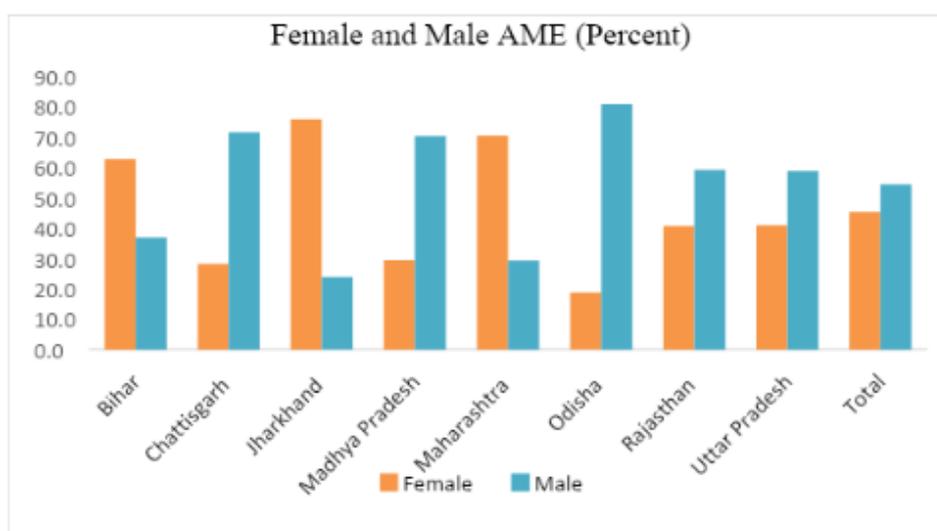


Figure 2: Female and Male AME in ASA (In Percent)

a.) Looking into the women's participation in this Project, a fair representation of women was seen (Table 4 and Figure 2) as female AME constituted 45.4 percent, and male AME comprised 54.6 percent of all the AME in the Project.

b.) Jharkhand had the highest participation of female AME, and Odisha had the lowest.

### 4.3.3 Selection of enterprise

As per a study by Ho, M. et al. (2018), “self-efficacy,” which is described as the self-confidence amongst entrepreneurs to be able to start and run a business, is a significant element in entrepreneurship, as the amount of effort they are willing to put in and their level of persistence are all influenced by their level of self-efficacy. Entrepreneurial self-efficacy is more predictive than general self-efficacy since it is domain-specific.

Table 5: Selection of Enterprise (In Percent)

States	Selection of Enterprise					Total
	By the AME himself/herself	On the advice of a family member/friend/relative	On the advice of the Mentor	After assessing the market potential	Other	
Bihar	76.8	9.1	11.6	2.1	0.0	100.0
Chattisgarh	39.1	1.3	58.9	0.7	0.0	100.0
Jharkhand	32.0	22.0	38.0	8.0	0.0	100.0
Madhya Pradesh	57.6	3.6	34.5	3.6	2.2	100.0
Maharashtra	54.5	2.4	39.0	2.4	0.0	100.0
Odisha	38.8	0.0	61.2	0.0	0.0	100.0
Rajasthan	56.3	1.9	41.9	0.0	0.0	100.0
Uttar Pradesh	74.5	1.3	24.2	0.0	1.9	100.0
Total	57.4	4.1	36.7	1.5	4.1	100.0

Selection of Enterprise (In Percent)

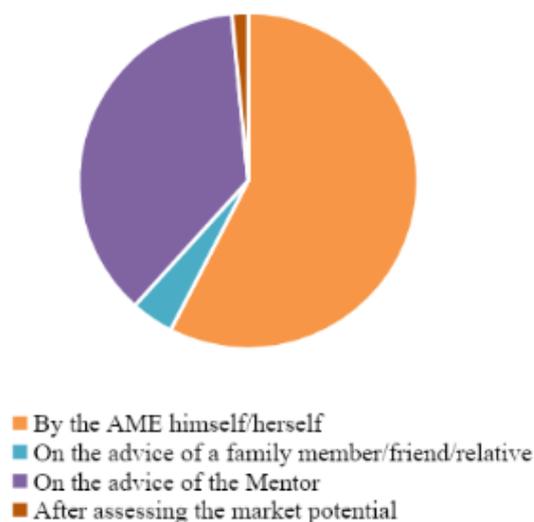


Figure 3 Selection of Enterprise (In Percent)

Self-reported efficacy in a person can be identified if they are able to identify the establishment and projection of their business ideas. A report by International Impact Evaluation (3ie, 2016), one of the important factors to consider when evaluating the entrepreneurial program is whether participants are actively engaged in entrepreneurial activities in terms of their role in selecting and managing the business activities. Table 5 reflects the data about the process of 'selection of the enterprise' and the process of finalization of the 'location of enterprise' in the ASA Project.

a.) As could be seen from Table 5 and Figure 3; 36.7 percent of the AME had 'selected the enterprise/activity' on the advice of the Mentor. Odisha and Chhattisgarh were the states where more than half of the AME went by the guidance of Mentors.

b.) 57.4 percent of the AME had 'selected the location of enterprise' by themselves, indicating therein that many of the AME had adequate confidence to decide upon the location of their business activity.

c.) With reference to 'self-identification of enterprises by AME', amongst the eight states of the Project, Bihar reported the highest at 76.8 percent, followed by Uttar Pradesh. Jharkhand, with 32 percent, was the state with the relatively least proportion of AME who identified the enterprise on their own.

#### 4.3.4 Selection of enterprise location

Table 6: Selection of Enterprise Location (In Percent)

States	Selection of Enterprise					Total
	By the AME himself/herself	On the advice of a family member/friend/relative	On the advice of the Mentor	After assessing the market potential	Other	
Bihar	64.3	8.2	11.2	11.6	4.8	100.0
Chattisgarh	41.1	2.0	56.3	0.7	0.0	100.0
Jharkhand	26.0	30.0	22.0	22.0	0.0	100.0
Madhya Pradesh	54.7	4.3	36.7	2.9	1.4	100.0
Maharashtra	60.2	4.9	13.0	19.5	2.4	100.0
Odisha	0.0	0.0	100.0	0.0	0.0	100.0
Rajasthan	62.5	1.3	35.6	0.6	0.0	100.0
Uttar Pradesh	49.0	1.3	48.4	0.0	0.0	100.0
Total	48.2	4.7	39.2	6.3	8.6	100.0

a.) When it came to the issue of selection of enterprise location, almost one-third of the AME selected the location of enterprises on the advice of the Mentor. It was interesting to note that all the AME in Chhattisgarh went by the guidance of Mentors. This probably indicated that the quality of mentorship provided was relatively the best amongst the eight states under study.

b.) The overall scenario for the Project indicates that less than half of the AME had chosen the place of their enterprises on their own. This indicated that many of the AME had reasonable confidence and experience about the location to commence their business.

c.) About 6.3 percent of AME had selected their enterprise location after assessing the 'market potential' in the area. This reflects that rural entrepreneurs probably need to be sensitized more on the issue of the significance of analyzing market potential.

**Selection of Enterprise Location (In Percent)**

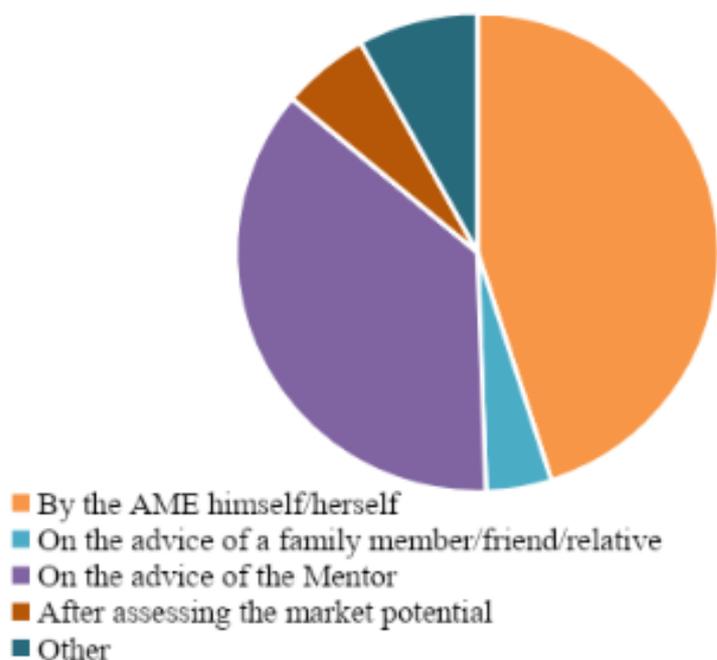


Figure 4: Selection of Enterprise Location (In Percent)

Generally, it is believed that women are less likely to identify themselves as entrepreneurs due to the dominantly masculine discourse surrounding entrepreneurship and societal stereotypes of entrepreneurship (Gupta et al., 2008; Ho et al., 2018). Ismail (2018) writes women discovered that having a basic understanding of business planning helped them set objectives for their businesses. In the ASA Project, the gender consideration in terms of the identification of enterprise is reflected in Table 7 and Figure 5.

**Table 7: Gender-wise selection of Enterprise (In Percent)**

	By the AME himself/herself	On the advice of the Mentor	On the advice of a family member/friend/relative	Total
Female	25.5	17.4	1.3	44.2
Male	32.7	20.3	2.7	55.8
Total	58.2	37.7	4.0	100.0

- a.) More than half of the responding AME had chosen their enterprises by themselves.
- b.) Of the total AME, about one-fourth were female AME who had made the selection of the enterprises by themselves.
- c.) And about 17% of female entrepreneurs went by the advice of the Mentor.

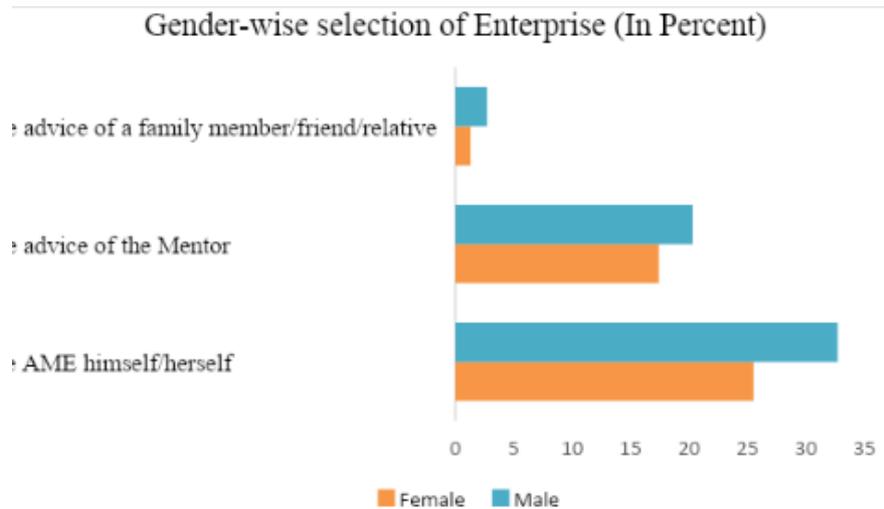


Figure 5: Gender-wise selection of Enterprise (In Percent)

**Table 8: Location of Enterprises (In Percent)**

Gender	Location of Enterprise										Total
	From Home	At own shop	In the local rural weekly market	In the nearest town	Rented Space/ Shop	Through another trader	At Village Community Centre	Door to door	At prominent space in village	Other	
Female	30.0	6.7	2.4	0.5	2.2	0.5	0.2	0.9	0.8	1.5	45.5
Male	22.3	13.8	4.1	2.4	4.5	0.4	0.4	2.5	2.1	2.1	54.5
Total	52.2	20.5	6.5	2.9	6.7	0.9	0.6	3.3	2.9	3.5	100.0

Table 8 reveals that more than half of the AME respondents had chosen their 'home' as the location for the commencement of their enterprises, followed by enterprises set up in their own shops and rented spaces. About one-third of the women AME had chosen 'home' as the primary location for their enterprises.

#### 4.3.5 Source of finance

The primary causes of poverty in India include not just a lack of possibilities but also a lack of knowledge on the accessibility of investment capital and a lack of self-confidence (Goel, G. and Rishi, M. 2011). Further, the authors wrote that Mohammad Yunus, the creator of the Grameen Bank, focused on giving microcredit to the landless poor so they could buy income-generating assets and improve their capacity to produce and trade.

Yunus's initiatives sparked a new 'microcredit sector' in underdeveloped nations and released a slew of businesses that assert to be eradicating poverty by making profitable loans to the underprivileged. Constraints on human capital may be important, particularly if having enough managerial capabilities is needed to access other resources, including financial services.

There is a large number of ‘enterprise development services’ and ‘entrepreneurship training’ programs that are aimed at SMEs in low- and middle-income countries, but there is hardly any comprehensive research on their efficacy (Karlan, D. et al., 2014). Karlan et al conducted a study in four cities in Central Uganda to measure the success of the Women Mean Business (WMB) training program to determine how better ‘managerial human capital’ affects the financial success of entrepreneurs who receive training, as well as how such an intervention affects enterprises that work with and against them, where they found that despite owning 40 percent of businesses with registered premises, women obtain only 9 percent of all credit disbursed.

Table 5.8 describes the various sources of credit that were considered for setting up the enterprises by the AME, along with their respective proportions utilized in this entrepreneurial activity (Table 9).

**Table 9: State-wise breakdown of Sources of Finance (In Percent)**

States	Sources of Finance							Total
	Self-finance	Loan from Bank	Loan from MFI	Loan from relatives/friends	Loan from SHG / Federation	N/A	Other	
Bihar	6.8	0.6	0.3	2.3	66.5	15.5	8.1	100.0
Chattisgarh	59.9	19.1	0.0	16.4	2.0	1.3	1.3	100.0
Jharkhand	58.0	0.0	0.0	18.0	22.0	2.0	0.0	100.0
Madhya Pradesh	53.7	8.1	0.0	0.0	22.8	0.0	15.4	100.0
Maharashtra	15.7	4.6	0.0	2.6	15.0	28.8	33.3	100.0
Odisha	31.4	10.1	10.7	10.7	1.9	32.7	2.5	100.0
Rajasthan	37.0	9.3	0.0	27.2	22.2	0.0	4.3	100.0
Uttar Pradesh	60.5	7.2	0.0	2.6	22.1	7.2	0.5	100.0
Total	35.6	7.1	1.4	8.3	27.0	12.1	8.5	100.0

- The majority (35.6 percent) of the AME, had ‘self-financed’ their enterprise.
- The credit availed by the AME from MFI was found to be the least among the five sources of finance.
- About three-fourths of the AME in Bihar had acquired loans through SHG/Federation. Indicating thereby that, probably, the outreach of SHG intervention is quite pronounced in the state, and women have been able to raise credit through this mode quite conveniently.

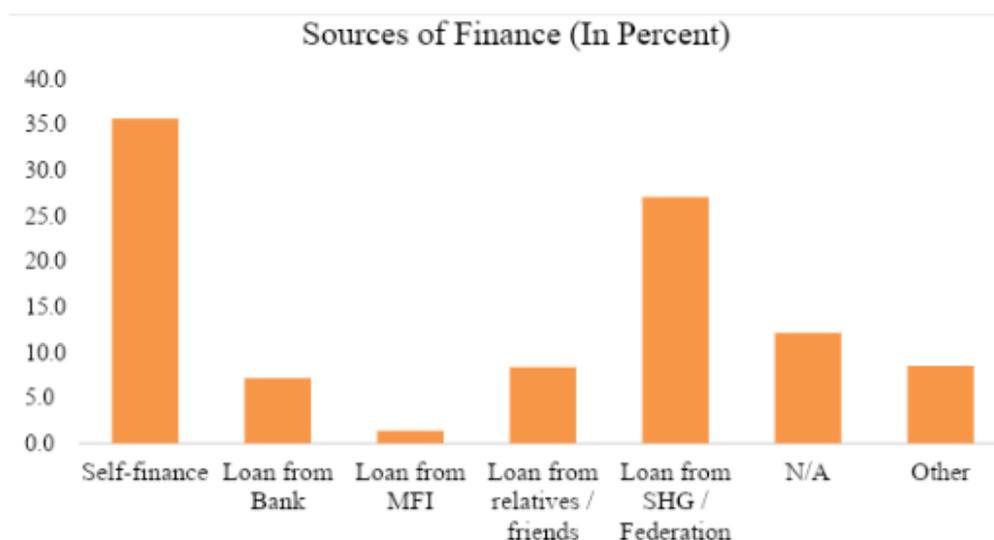


Figure 6: Sources of Finance (In Percent)

**Table 10: Proportion of various Sources of Finance (In Percent)**

Proportion of credit availed	Sources of Finance				
	Self - Financed	Loan from family/friend/relative	Loan from bank/MFI	Loan from SHG/federation	Loan from money lender/arhiya
Less than 21%	15	54.5	70	37.8	92.3
21% to 50%	26.2	29.6	19	16.9	6
51% to 80%	16.8	2.1	7.6	28.3	0.7
More than 80%	42	13.8	3.4	17	1
Total	100.0	100.0	100.0	100.0	100.0

a.) From Table 10 and Figure 7, it could be inferred that about 42 percent of the AME had contributed more than 80 percent of the total capital required for the establishment of their own enterprise.

b.) More than half of the AME (54.5 percent) had taken less than 21 percent of the capital required to start their business operations as loans from their family/relatives/friends.

c.) Seventy Percent of AME availed less than 21 percent of the total capital needed as loans from banks or MFI to commence their business.

d.) 37.8 percent of the AME acquired loans from SHGs or Federations to fund no less than 21 percent of their financial requirement for establishing their enterprise.

e.) In the case of AME, who took a loan from a money lender/arhiya, 21 percent of the investment required for commencing the business was met in 92.3 percent of the AME.

**Proportion of various Sources of Finance (In Percent)**

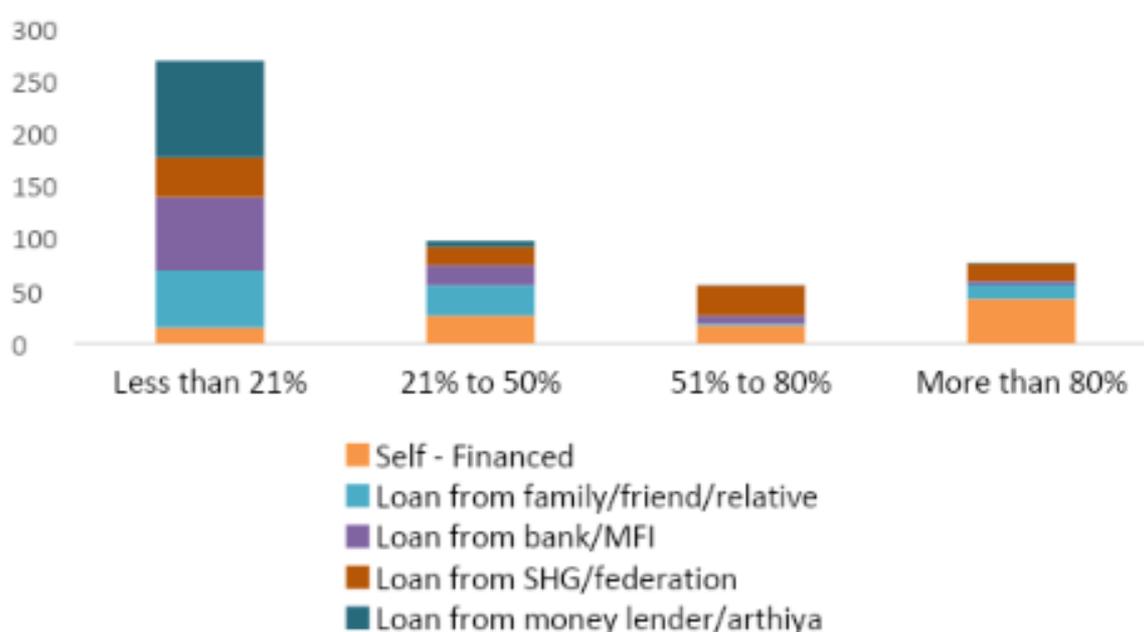


Figure 7: Proportion of various Sources of Finance (In Percent)

## 4.4 Income of AME

Entrepreneurship functions as a beneficial driver in economic growth by serving for fast expansion and as a bridge between invention and marketplace, as well as improving national income by creating new jobs (Shreepad & Ahmed, 2016). Rural areas will undoubtedly experience economic progress thanks to entrepreneurial efforts. Increased demand for agricultural and non-agricultural sector goods and services will undoubtedly have a multiplier effect on rural incomes, increasing employment possibilities (ib id). To understand the effect of the decision by the AME in setting up the enterprise as well as the age of enterprise on their average monthly income, both the factors are cross-tabulated as presented in Table 11.

**Table 11: Co-relation between Selecting Enterprise and Average Monthly Income of AME**

Average monthly income after coming ASA	Selection of Enterprise Done			
	By the AME himself/herself	On the advice of the mentor	On the advice of a family member/friend/relative	Total
Less than Rs. 1000 pm	8.3	10.7	1.6	20.6
Rs.1001 to Rs. 2500 pm	11.8	5.8	1.4	19.0
Rs.2501 to Rs. 5000 pm	19.6	7.8	0.7	28.0
More than Rs. 5000 pm	18.1	13.9	0.4	32.3
Total	57.8	38.2	4.0	100.0

a.) The data (Table 11) reveals that more than half of the respondents said that they had selected their enterprises by themselves.

b.) Among those AME who had selected their enterprises by themselves, 19.6 percent of them were from the income category of Rs.2501 to Rs. 5000 per month.

c.) On the other hand, of the AME who followed their Mentor's advice for selecting the enterprise activity, 13.9 percent of them earned more than Rs. 5000 per month.

d.) Among AME who went by their family members'/friends' guidance, 1.6 percent of them earned less than Rs. 1000 per month.

**Table 12: Co-relation between Age of Enterprise and Monthly Income of AME**

Average monthly income after coming ASA	Age of Enterprise				Total
	Less than 6 months	From 7 to 12 months	From 13 to 24 months	More than 24 months	
Less than Rs. 1000 pm	5.6	5.5	6.3	3.5	20.9
Rs.1001 to Rs. 2500 pm	2.4	8.4	7.0	1.1	18.9
Rs.2501 to Rs. 5000 pm	1.5	12.6	7.9	6.0	27.9
More than Rs. 5000 pm	1.9	6.5	10.6	13.3	31.7
Total	11.3	33.1	31.8	23.9	100.0

a.) The data in Table 12 provides a breakdown of the average income of the AME in relation to the age of their respective enterprises. It can be inferred that, with the increase in the age of their enterprises, there is an appreciation in the monthly income of AME. Thus there is a direct proportion between the age of the enterprise and the income levels (Figure 8)

b.) The data further revealed that 31.7 percent of the AME earned more than Rs. 5,000 per month. Out of which, 12.9 percent have had their enterprises running for more than 24 months, 10.6 percent had their enterprises operating for 13 to 24 months, 6.5 percent had their enterprises in business for 7 to 12 months, and 1.7 percent had their enterprise age of fewer than 12 months.

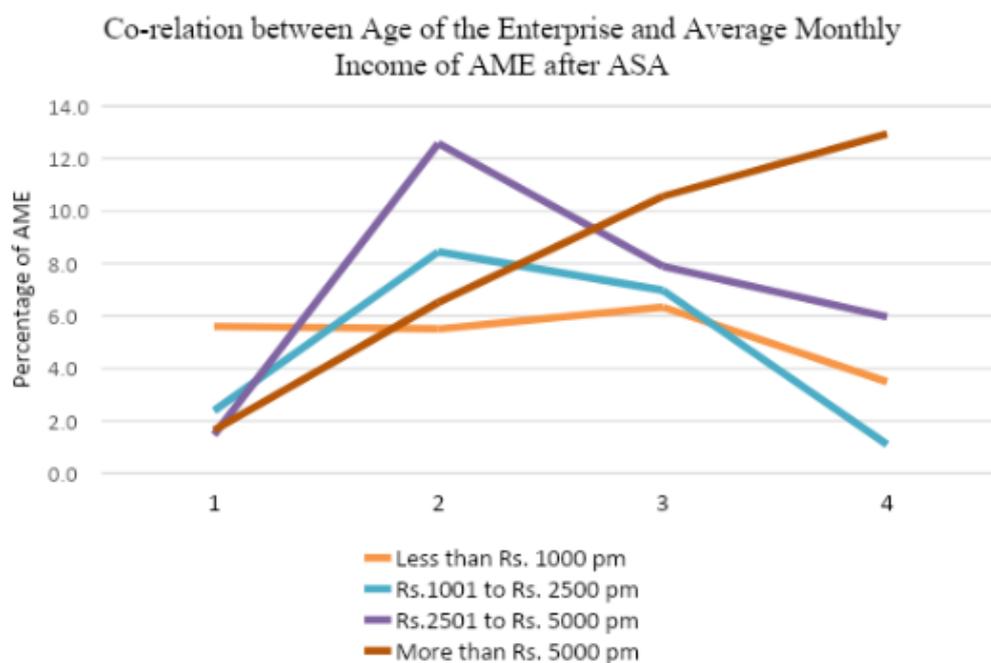


Figure 8: Co-relation between Age of the Enterprise and Monthly Income of AME after ASA

**Table 13: Comparison of monthly income before and after coming into fold of ASA**

Income Range	Average Monthly Income Before Coming in ASA			Average Monthly Income After Coming in ASA		
	Female	Male	Total	Female	Male	Total
Less than Rs. 1000 pm	28.5	20.4	48.9	12.9	8.9	21.8
Rs. 1001 to Rs. 2500 pm	16.5	16.0	32.5	12.0	8.3	20.3
Rs. 2501 to Rs. 5000 pm	3.0	8.9	11.9	13.8	14.0	27.8
More than Rs. 5000 pm	2.0	4.8	6.8	11.3	18.8	30.1
Total	50.0	50.0	100.0	50.0	50.0	100.0

a.) A closer inspection of the data in Table 13 shows that before the commencement of ASA, nearly half of the AME population had an income of less than Rs. 1000 per month. As the Project went along, it was seen that the number of AME earning less than Rs. 1000 per month fell by nearly half after the ASA project. Thus, it could be concluded that the incomes of AME in the lowest slab of income (in the study) had decisively improved after coming into the ASA fold.

b.) Furthermore, the number of AME earning more than Rs. 5000 per month before the ASA increased to almost four times after the ASA intervention. Thus, it could be inferred that the income of AME in the highest slab of income (in the study) had substantially improved after coming into the ASA fold.

c.) An increase of income by 9.3 percent in female AME (in the slab of earning more than Rs. 5,000) was observed after they came under the ASA Project. These findings are corroborated by other research studies that were done using surveys or administrative data (Baliga, V. et al., 2021; Sathya, 2019), where an increase in the income of women in entrepreneurship was observed.

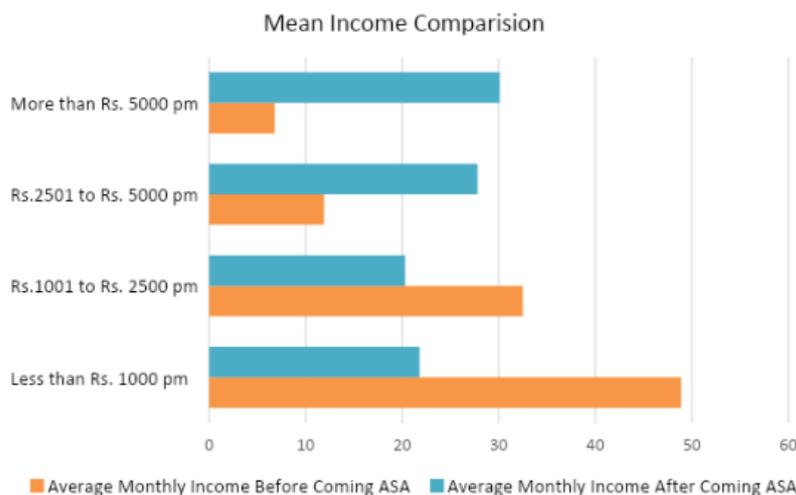


Figure 9: Comparison of Mean Income of AME before and after ASA

## 4.5 Challenges faced by AME in establishing their enterprises

The success of rural entrepreneurs is hampered by a number of factors, including the availability of adequate and timely credit, vocational skills, technology, management of books of accounts, marketing, societal restrictions, etc., and the challenges become more severe, specifically for women. The constraints (as studied in the Project) faced by the AME for their enterprise activity have been listed in Table 14.

**Table 14: Consolidated Gender-wise constraints (In Percent)**

Constraints	Female	Male	Total
Loan	36.0	37.2	73.1
Accounting	2.0	1.2	3.2
Promotion and marketing	5.9	9.1	15.0
Skill	2.0	4.3	6.3
Others	0.8	1.6	2.4
Total	46.6	53.4	100.0

a.) In the ASA Project, access to loans for their enterprises had been one of the major constraints (73.1 percent), with the highest loan constraint reported in Rajasthan (89.4 percent) and the lowest reported in Maharashtra (31.7 percent). This is corroborated by a similar study conducted by Manikandan, 2022, where he concluded that for aspiring business owners, specifically in rural areas, obtaining a loan is a significant barrier.

b.) As evident from Table 5.13, no cases of gender-specific challenges were seen in the ASA Project. It is to be noted that the lack of access to credit had been a constraint in the Project irrespective of gender, i.e., both men and women have faced a paucity of funds, at 36 percent and 37.2 percent, respectively.

Similar findings were stated by Manikandan (2022) and Tanwar and Bhardwaj (2022); due to a lack of tangible security and credit in the market, the majority of rural businesses struggle to obtain outside funding.

c.) The second-biggest (15 percent) challenge that AME faced in the running of their enterprises was the promotion and marketing of their enterprises. Most often, rural business owners struggle with marketing challenges, including a lack of market knowledge as they struggle to understand the current market trends since consumer tastes, preferences, and fashion change daily, which results in a loss of markets and clients (Suma and Hemalatha, 2022). In a study by Tanwar and Bhardwaj (2022), the cost of promotional efforts was often not considered, as there wasn't a significant financial outlay for marketing initiatives

## 4.6 Significance of ASA in the livelihoods of AME

Through the development of economic entities, entrepreneurs create wealth by diverting resources away from less productive uses and towards more productive ones and serve as catalysts for economic development and as agents of social transformation and change by making efficient and effective use of the resources available to the country (Ch Das Asst, 2014).

Under the ASA Project, AME has been receiving constant guidance from the Mentors. It is obvious that appreciation in income levels was not the only benefit accrued by AME. Many other tangible and non-tangible benefits percolated to AME of the ASA Project. Tables 15 and 16 attempt to depict the 'indirect benefits' received by AME.

**Table 15 Co-relation between Sources of Finance and Enterprise Status (In Percent)**

Sources of Finance	Status of Enterprise				Total
	There has been substantial improvement in the income from the enterprise	There has been a nominal increase in the income from the enterprise	There has been no change in the income from the enterprise	Income level has declined	
Self-Finance	75.9	22.8	1.0	0.3	100.0
From relatives / friends	82.8	15.1	2.2	0.0	100.0
From Bank	76.8	20.7	2.4	0.0	100.0
From SHG / Federation	76.7	19.5	3.4	0.4	100.0
From MFI	9.1	90.9	0.0	0.0	100.0
From moneylender	44.0	49.0	5.0	2.3	100.0

a.) It could be observed from Table 15 that 75.9 percent of AME, who had pooled their own money for the establishment of business, stated to have substantial improvements in the income from their enterprise. At the same time, none of the self-financed AME reported a decline in their income.

b.) Only 2 percent of AME, who had invested in their enterprises through loans from the moneylender, reported a decline.

c.) For investments made through loans from MFIs, the majority (90.9 percent) stated to have got a nominal increase in their incomes.

d.) However, when it came to raising financial resources from relatives, banks, and SHGs/Federations, a good proportion of AME reported a significant increase in the income from their enterprises.

**Table 16: State-wise reported benefits of ASA**

States	Benefits of ASA									Total
	Enterprise strengthened livelihood status	Convergence with government scheme	Enterprise growing and is expected to improve	Enterprise overcome challenges of Covid-19 Pandemic	ASA project was not of much help in entrepreneurship establishment	ASA project was of nominal help in entrepreneurship establishment	Enterprise imbued sufficient skills and confidence in AME	Mentor of ASA Project infused a motivation to achieve success	N/A	
Bihar	67.7	0.0	9.2	16.0	0.3	0.3	1.7	1.4	3.4	100.0
Chattisgarh	48.3	2.6	9.9	15.9	0.0	5.3	3.3	9.3	5.3	100.0
Jharkhand	74.0	0.0	6.0	10.0	0.0	0.0	4.0	0.0	6.0	100.0
Madhya Pradesh	29.5	0.0	27.3	33.1	0.0	0.0	5.0	3.6	1.4	100.0
Maharashtra	85.4	0.0	0.8	4.1	0.0	0.0	2.4	0.0	7.3	100.0
Odisha	64.5	0.0	25.7	0.0	0.0	0.0	3.3	6.6	0.0	100.0
Rajasthan	63.1	0.0	26.3	3.1	0.0	0.0	3.1	3.8	0.6	100.0
Uttar Pradesh	65.0	1.3	13.4	14.6	0.0	0.0	3.2	0.6	1.9	100.0
Total	61.7	0.5	15.2	12.6	0.1	0.7	3.0	3.3	2.9	100.0

a.) More than half of the AME (61.7 percent) stated to have ‘strengthened their livelihood status’ through the ASA Project (Table 16). Such observations are supported by various other studies, including those of Eze et al. (2012); Ismail (2018); Sumathy and Velmurugan (2019); and Suma and Hemalatha (2022), which show that rural entrepreneurs play an important role in the standard of living improvement, and balanced regional development.

b.) The highest proportion of AME who claimed to have ‘strengthened their livelihoods’ was in Maharashtra (85.4 percent), and the lowest was in Madhya Pradesh (29.5 percent).

c.) The highest number of AME reporting that their enterprise was ‘growing gradually’ was in Madhya Pradesh (27.3 percent), followed by those from Rajasthan (26.3 percent).

d.) 12.6 percent of the AME in the ASA Project claimed that they could ‘overcome the challenge of the COVID-19 pandemic’ with confidence due to the ASA Project.

e.) About 3.3 percent of AME proclaimed to have been significantly ‘motivated’ for success due to ASA Project.



**Table 17: Status of the Enterprises with respect to their Locations (In Percent)**

Place of Enterprise	More new products in the existing enterprise and/or new activities have been taken up	There has been a nominal increase in the product diversification.	There has been no change in the product diversification from the enterprise	Product diversification in the existing enterprises has declined.	Total
From Home	35.1	11.9	5.1	0.4	52.4
Own shop	12.9	6.4	0.7	0.0	20.0
In local rural weekly market	5.2	0.9	0.4	0.1	6.6
In the nearest town	2.3	0.6	0.0	0.0	2.9
Rented Space/Shop	5.5	1.2	0.1	0.0	6.8
Through another trader	0.7	0.1	0.1	0.0	0.9
At Village Community Centre	0.5	0.1	0.0	0.0	0.6
Door to door	3.0	0.1	0.1	0.2	3.4
At prominent space in village	2.1	0.7	0.0	0.0	2.8
Other	1.9	1.6	0.0	0.1	3.6
Total	69.1	23.6	6.5	0.8	100.0

a.) About one-third of the total AME had stated that they had undertaken product diversification to the existing enterprise. This was most pronounced in the case of the AME doing business from their home.

b.) A minuscule proportion of AME (0.2 percent) responded that their enterprise's product diversification had declined.

c.) 12.9 percent of the AME who opted to start their enterprise at their own shop were able to take up more 'new products and/or new activities' in their existing enterprises.

**Table 18: Gender-wise breakdown of Enterprises' Activity (In Percent)**

Activity chosen	Female	Male	Total
Kirana Shop	6.3	12.1	18.4
Cyber Café	0.7	2.6	3.2
Vegetable Cultivation	3.4	5.5	8.9
Tailoring	8.8	1.4	10.1
Buffalo	1.4	2.4	3.7
Goat rearing	8.1	4.3	12.4
Poultry	1.5	2.3	3.7
Trading of Clothes/garments	1.7	1.6	3.2
Mushroom cultivation	0.6	0.4	1.0
Cow	3.1	1.3	4.4
Other	9.6	21.1	30.8
Total	45.1	54.9	100.0

Table 18 and Figure 10 present the types of enterprises taken up by the AME under the Project. The highest number of enterprises established by AME was kirana shops (grocery shops) at 18.4 percent, followed by goat rearing (12.4 percent) and tailoring (10.1 percent). The category 'other' enterprises include - spice making, furniture, flower cultivation, pottery, photography, trading of jute items, mechanics, fish farming, etc.

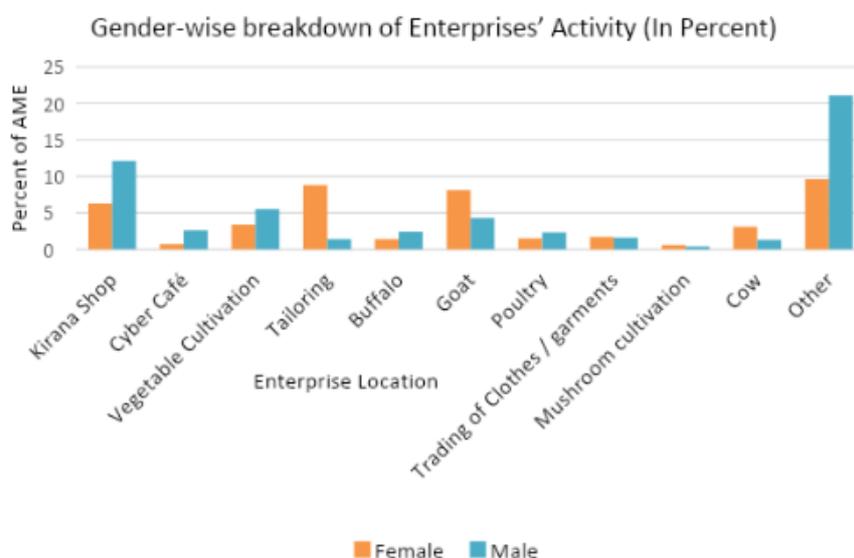


Figure 10: Gender-wise breakdown of Enterprises' Activity (In Percent)

#### 4.7 Inferential statistical correlations

Statistical tests were used to determine the relationships between the different variables. The results of the test are displayed in Table 19.

**Table 19: Summary of the Statistical Test Results**

Variables	Null Hypothesis	p-value	Result	Inference
Selection of Enterprise and Gender	The distribution of enterprise chosen is the same across categories of gender.	.790	Accept the null hypothesis.	No statistically significant relationship was found between Gender and Choice of Enterprise
Average Monthly Income after ASA and Gender	The distribution of Average Monthly Income After Coming ASA is the same across categories of gender.	.000	Reject the null hypothesis.	Significant relationship was present in the Gender of AME and their Monthly Income after ASA
Status of Enterprise after ASA and Way of Selection of Enterprise	The Status of Enterprise is the same across categories of Enterprise Selection	.001	Reject the null hypothesis.	Significant relationship was present in the Status of Enterprise after ASA and Way of Selection of Enterprise
Source of Finance and Diversification of Enterprise of AME	The distribution of Diversification of Enterprise is the same across categories of Sources of Finance	.000	Reject the null hypothesis.	Significant relationship was present in the Source of Finance and Diversification of enterprise of AME
Constraints Average Income of AME after ASA	The distribution of Constraints faced by AME is the same across categories of Monthly Income of AME	.566	Accept the null hypothesis.	No statistically significant relationship was found between Constraints faced by AME and Average Income of AME after ASA
Average Monthly Income and Selection of Enterprise	The distribution of Monthly Income of AME is the same across categories of Selection of Enterprise	.070	Accept the null hypothesis.	No statistically significant relationship was found between Average Monthly Income of AME and Selection of Enterprise
Average Monthly Income and Selection of Location of Enterprise	The distribution of Monthly Income of AME is the same across categories of Selection of Location of Enterprise	.007	Reject the null hypothesis	Significant relationship was present in the Average Monthly Income of AME and Selection of Location of Enterprises

1.) When the test of significance was conducted on the two dependent variables (i.e., an activity chosen and average income per month after ASA), controlling for gender, at a significance level of 0.05, the following inferences were deduced:

i.) It was found that no statistically significant association was present between the female AME and their choice of enterprise, which implied that the AME had selected the activity for their enterprise irrespective of their gender.

ii.) However, a significant relationship was found between the gender of AME and their average monthly income after the ASA Project.

2.) After testing the presence of a significant association between the status of AME of overall sales after coming into the fold of ASA and selection of enterprise, a significant association was found between the factor variables as the significance score was less than 0.05. This meant that the AME who had selected their enterprises by themselves were more likely to have positive results in their enterprise.

3.) A test of significance between the source of finance and diversification of enterprise of AME was conducted. It was seen that a significant association was found between the two variables, which implied that the diversification of the enterprises was not independent of the sources of finance. AME, who had self-financed their enterprise, was able to diversify more in their work.

4.) The Mann-Whitney U test was used to evaluate the data in order to determine the effect of constraints on the average monthly income of the AME after coming into the fold of ASA. It was observed that no significant effect was present between the two variables, implying that the constraints faced by the AME had no significant impact on their income from the enterprises.

5.) A Two-way ANOVA test was used to check the relationship between the monthly income of AME and their 'selection of enterprise'. The findings revealed that enterprise selection had no significant impact on their average monthly income

6.) Similarly, a two-way ANOVA test was used to determine the association between the monthly income of AME and their 'selection of the location' of their enterprises. A statistically significant relationship was found between enterprise location selection and the average monthly income. Thus it could be interpreted that the AME who chose the location of their enterprises on their own had a higher monthly income.

## 4.8 Feedback by AME

When evaluating the success of any company or enterprise, economic metrics, including earnings, sales, profit, and inventories as current assets, are used. The substrata of entrepreneurship training programs can be the larger economic characteristics, including income, savings, profit, borrowing access, and asset ownership (Baliga, V. et al., 2021). The AME were asked to submit their feedback based on how they saw their enterprises evolving throughout the intervention. The responses are presented in Figure 11 and Table 20.

Feedback by the AME (In Percent)

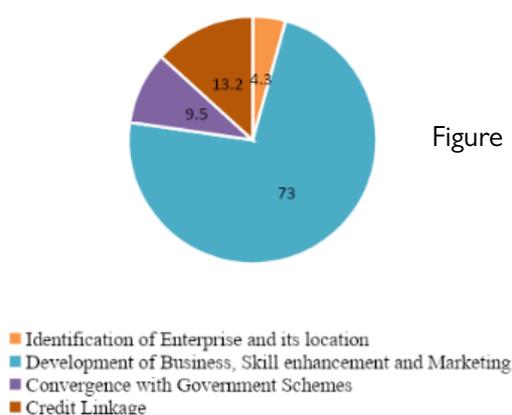


Figure 11: Feedback by the AME (In Percent)

i.) It was noted that about three-fourths (73%) of the AME felt that through the ASA Project, they received proper guidance from their 'Mentors' on the development of enterprise, skill enhancement, and marketing, which enabled them to develop their enterprise properly.

**Table 20: Feedback by the AME (In Percent)**

Feedback	Percent
Identification of Enterprise and its location	4.3
Development of Enterprise, Skill enhancement, and Marketing	73.0
Convergence with Government Schemes	9.5
Credit Linkage	13.2
Total	100

ii.) About 13.2 percent of respondents reported that the Mentors specifically helped them in credit linkage with various financial sources.

iii.) Approximately 9.5 percent of AME claimed to have benefited from convergence with government programs. AME would not have known about this otherwise. The Mentors guided and ushered the AME to benefit from relevant government policies, which aided the AME in strengthening their livelihoods.

iv.) The appropriate selection of the business activity and its location were critical aspects of this intervention. About 4.3 percent of AME respondents said they were guided meticulously on these aspects.





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