

Skilling for Livelihood

Off Farm Development Department



1. The Genesis

Promoting an entrepreneurial culture among the rural youth and encouraging them to start enterprises in the rural off farm sector has been among the thrust areas of NABARD's promotional initiatives over a period of more than three decades. Recognising the need for imparting necessary entrepreneurial skills to the rural youth, NABARD had initiated capacity building measures in early nineties through the introduction of Rural Entrepreneurship Development Programmes (REDPs) and Skill Development Programmes (SDPs). Subsequently, more new models like Micro Enterprise Development Programme, (MEDP) and fees based skill training programmes like PANIIT Model were also introduced.

Cumulatively, NABARD has supported 31,022 REDPS/SDPs, with grant assistance of Rs. 111.72 crore, imparting training to around 8.02 lakh unemployed rural youth as on 31 March 2017. This brochure briefly outline the recent initiatives taken by NABARD towards skill development.



2. NABARD's Skill Policy 2017

Government of India has been giving emphasis on removal of disconnect between demand and supply of skilled manpower, building the vocational and technical training framework, skill up-gradation, building of new skills, and innovative thinking not only for existing jobs but also jobs that are to be created. In tune with GOI's goal, NABARD has developed a structured approach for addressing the skill gap in rural India through demand based and outcome based programmes through the following approaches/Models/Training Partners:

- 1 NSDC affiliated Training Institutes
- 2 Government Agencies
- 3 RUDSETIs/RSETIs
- 4 Corporate Partners
- 5 NGOs/VAs

i. NSDC affiliated Training Institutes

The financial support to these training providers will be based on the cost norms fixed by NSDC and notified by 'Ministry of Skill Development and Entrepreneurship', GoI vide Gazette Notification dated 15/7/2015, 20/5/2016 and 28 /2/2017. Support for training will be provided in the sectors like Textile and Handloom, Tourism & Hospitality Sector, Agriculture, Logistics, Food Industry, Leather, Apparels, Home Furnishings, etc., in collaboration with NSDC/Sector Skill Councils and through discussions with NSDC partners in the respective States/Districts.

ii. Government Agencies

ITIs established and managed by State Governments, State handloom/ handicraft corporations and similar State owned corporations/ State Govt. undertakings/ Panchayat Raj Institutions/ DIC/ Government sponsored institutions/ KVKs/ autonomous institutions set up by Govt. etc. would be eligible for NABARD's grant assistance. NABARD assistance will be supplementary in nature and in case the agencies have budgetary provision, they may have to utilize the same in the agreed proportion.

iii. RUDSETIs/RSETIs

NABARD will support custom made skill training programmes of eligible RUDSETIs/RSETIs. Institutions rated 'AA' by MoRD, GoI. Institutions rated 'AA', 'AB', 'AC' (Institutions in existence for more than 3 years) & 'A', 'B', 'C' (Institutions in existence for less than 3 years) in NE States, Andaman & Nicobar Islands, LWE affected/hilly/backward districts having more of SC/ST population will also be eligible for NABARD's assistance. NABARD will support 50% of the recurring expenditure incurred by RUDSETIs/ RSETIs if the training is sponsored by one bank. If the training is sponsored by two or more banks, the grant assistance will be worked out proportionately.

iv. Corporate Partners

NABARD will partner with CSR Trusts, reputed corporates for taking up skill development activities in non-farm sector, where settlement rate of atleast 60% is assured or where the concerned corporates can absorb them.

v. NGOs/VAs

Good working NGOs and similar agencies will be provided assistance for organizing training of SHG groups/rural youth/school drop outs etc. The support, in the form of grant (towards recurring expenditure only) will be provided only if the organization has established/set up training institute with good infrastructural facilities and placement/settlement rate of atleast 60% is assured.



Success Story

Tari Nayak, Chaibasa, Jharkhand



Being an orphan, Tari's life has always been full of struggle. She was raised up by her uncle and had to work in brick factories to sustain herself. Even though she finished her 12th class from Jhinkpani Kasturba Gandhi Balika Vidyalaya (KGBV Residential School for girls) through the support of local NGOs, she was not able to continue further studies.

A Secondary school teacher motivated her to join PANIIT - Chaibasa Gurukul, which is supported by NABARD, and undergo vocational training so that she could become financially independent. A hard and diligent worker, she is now working at Loyal Textile's Sattur division. She has been appointed as the monitor for the batch. She counsels and motivates other girls in Gurukul to work hard and become independent in life.

3. NABSKILL – Digital interface with NABARD

NABSKILL (www.nabskillnabard.org), is a digital platform of NABARD to capture the details of all stakeholders (Training seekers, Training Providers, Placement Agencies and NABARD) involved in skill development initiatives of NABARD. The portal facilitates online submission of application for the eligible training provider to seek financial support from NABARD towards conduct of various skill training programmes.

The training seeker can view the details of skill courses offered by NABARD supported training agencies. The portal captures the details of training related data viz., trainees' profiles, training programme details, post training settlement rate etc.,

The eligible training provider can check for their eligibility criteria under “Guidelines” in home page and upon successful registration the training provider can apply online for seeking grant support from NABARD.



Success Story

Mr. Sudhakar

Mudagal, Hosanagara, Shivamogga, Karnataka



Mr. Sudhakar had to discontinue his studies after 9th standard due to lack of interest in the education & poor financial condition of the family. After discontinuing the education, he joined the two wheeler garage at Sagara in the year 2008 as an assistant for wage of Rs 600/- per month.

One fine fortunate day his boss encouraged & advised him to join RUDSETI Brahmavar supported by NABARD to learn two wheeler service & repair to become successful entrepreneur. He was selected for training and underwent skill based entrepreneurship training in Two Wheeler servicing. The Soft skills and hard skills developed his confidence during the training period. By the time he completed his training successfully, he was ready a plan to launch his own garage.

He started garage at Hosanagara on February-2015 in the name of Durga Parameshwari Auto Mobile. Now Mr. Sudhakar is a famous mechanic in his area because of his commitment, hard work and dedicated approach. At present, his monthly income is Rs. 20,000 and he has also provided employment to one unemployed youth. He always remembers RUDSETI and NABARD which helped him to become a successful entrepreneur and remembers it for its moral & technical support.

4. Skill Loan Model – PANIIT Gurukul Centres

(a) Pilot Project

- ★ To encourage fee based training, a loan based project of Rs.476 lakh under Rural Innovation Fund was sanctioned to “PANIIT Alumni Reach for India” (PARFI) for setting up 20 gurukuls in 9 states. The grant included Rs.60.00 lakh towards organizational cost, Rs. 60.00 lakh towards start-up expenses and Revolving Fund Assistance of Rs. 356.00 lakh at 1% service charge towards onlending to identified trainees of the 20 Gurukuls.
- ★ The agency has set-up 20 gurukul units as part of the pilot, 7 in Jharkhand, 5 in Tamil Nadu, 2 each in Rajasthan and Bihar, and one each in Chhattisgarh, Odisha, West Bengal and Maharashtra
- ★ Targeted youth were poor youth from naxalite affected areas. 5659 trainees have been trained in 237 batches with 100% placement rate (including self-employment especially in driving, catering). The total recovery rate has been 58% with some of the Jharkhand gurukuls reporting repayment rates of 75-80%.

(b) Institutionalization of PANIIT Model

- ★ Based on the success of the PANIIT model, during 2015-16 the project was institutionalised through sanction of grant assistance of Rs.5 crore to NABFINS (a subsidiary of NABARD) for extending skill loans through Gurukuls set up by PARFI.
- ★ As on 30 September 2017, 2588 candidates have been supported with loan assistance of Rs.3.325 crore.



Designed & Printed at : IMAGE IMPRESSION - 9869534932

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