

## Role of RSETI to scale-up self-employment: Field based study

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### Abstract

Unemployment is a serious issue in our country as lakhs of youths have been entering in job market every year but supply is not as per demand. In India, the unemployment rate means the number of people actively looking for a job as a percentage of the labour force (tradingeconomics.com/india/unemployment-rate). The unemployment rate in India is reported by the Ministry of Labour and Employment, Government of India. According to the statistics, unemployment rate in India decreased to 4.90 percent in 2013 from 5.20 percent in 2012. A case from a secondary source is presented here. During 2015, 23 lakh people applied for 368 posts of peon in the State Secretariat of Uttar Pradesh. Among the applicants, 255 candidates with a PhD degree and more than two lakh hold B.Tech, B.Sc., M.Com and M.Sc. degrees. So to address the issue of unemployment self-employment is one of the important alternatives. Here role of Rural Self-Employment Training Institute, popularly known as RSETI, which is managed by banks with active co-operation from the Government of India and State Government for promoting self-employment has been discussed with case studies.

**Keywords:** Case Study, RSETI, Self-employment and Unemployment.

### Introduction

#### Unemployment in India

Unemployment is a serious issue in our country as lakhs of youths have been entering every year in job market but supply is not as per demand. In India, the unemployment rate means the number of people actively looking for job and it is measured as percentage of total labour force and total number of persons seeking job (tradingeconomics.com/india/unemployment-rate).

Unemployment rate in India is reported by the Ministry of Labour and Employment, Government of India. According to the statistics, unemployment rate in India decreased to 4.90 percent in 2013 from 5.20 percent in 2012. From 1983 to 2013 average unemployment rate was 7.32 percent, with an all-time high of 9.40 percent in 2009 and a record low of 4.90 percent in 2013. On the other hand, as per the website of [www.indexmundi.com/india/unemployment\\_rate.html](http://www.indexmundi.com/india/unemployment_rate.html), unemployment means percent of the labour force that is without jobs. As revealed from the website the rate of unemployment may be seen in table-1.

**Table 1:** Unemployment rate in India (%)

Year	Rate of unemployment
2002	8.8
2003	9.5
2004	9.2
2005	8.9
2006	7.8
2007	7.2
2008	6.8
2009	10.7
2010	10.8
2011	9.8
2012	8.5
2013	8.8

Source: [www.indexmundi.com](http://www.indexmundi.com)

As evident from the above table that unemployment rate is high in our country. Deterioration of law and order in any area can be attributed inter alia, to unemployment. While I was in Kashmir valley many persons told if unemployment was addressed then extremist issue would be neutralized to a great extent. Same I have heard while I visited across Assam as most of the ULFA youths were unemployed. It is pertinent to mention that as per one Assamese weekly, unemployed youths registered in different employment exchanges in Assam crossed 22 lakh in 2011 against this backdrop only 455 youths were provided employment in the state through employment exchanges in 2011 (Asam Bani).

Referring to 68<sup>th</sup> Round NSS Report it may be mentioned that employed persons are categorized into three broad activity-groups according to their status of employment. These broad groups are:

- (i) self-employed,
- (ii) regular wage/salaried employees and
- (iii) Casual labour. In the total workforce of usual status at the all-India level, the share of self-employed, regular wage/salaried employees and casual labour were 52 per cent, 18 per cent and 30 per cent, respectively. In the rural areas, the share of self-employed, regular wage/salaried employees and casual labour were 56 per cent, 9 per cent and 35 per cent, respectively. In the urban areas, the share of self-employed and regular wage/salaried employees in the total workforce of usual status were 42 per cent and 43 per cent, respectively and the rest (15 per cent) was casual labour. The share of regular wage/salaried employment in the total workforce of urban areas was much higher as compared to the corresponding share of the rural areas - about 43 per cent in urban areas and about 9 per cent in the rural areas. The share of casual labour in the total workforce of rural areas was

about 35 per cent as against the corresponding share of 15 per cent in the urban areas.

Another serious issue pertains to unemployment may be cited from a news item during recently “23 lakh people applied for 368 posts of peon in the state secretariat of Uttar Pradesh. Among the applicants, 255 candidates with a PhD degree and more than two lakh hold B. Tech, BSc, M.Com & MSc degrees. This episode reflects our mind set and dealing with the youths. It may be mentioned that 44.79 million Indian youths were unemployed in 2012 and the rate was higher among educated youths than their illiterate counterparts. One out of every three graduates is unemployed in India. In Jharkhand, about 42 percent households are with unemployed persons. The situation is alarming as unemployment not only has financial impact but also has many social impacts like increase in cases of theft, violence and other criminal activities” (*Nav Bharat Jagriti* Kendra News Letter, January-March 2016).

To address the issue of unemployment self-employment is one of the important alternatives. And in this regard two cases drawn from RSETI’s training are presented. RSETI popularly known as Rural Self Employment Training Institute is managed by the banks with active co-operation from the Government of India and State Government. To mitigate the unemployment problem the Institution has been set up to ensure necessary skill training and skill up gradation of the rural below poverty line (BPL) youths. The data provided by National Center for Excellence of RSETIs (*rsetmonitoringcell.org*) reveal the fact that from 1<sup>st</sup> April 2011 to 31<sup>st</sup> march 2016 altogether 18.46 lakh youths have been trained in the country and of which 11.18 Lakh have been settled. Again out 11.18 Lakh, 9.94 Lakh was settled through self-employment and 1.24 lakh was provided with wage employment. Two cases from the field study are presented here.

### Case 1

*Fulchand Shaikh* is from *Pratappur* village in Murshidabad District of West Bengal. He could not continue his study after 10<sup>th</sup> standard because of family problem. On the other hand, he was looking several years to get a suitable job but was unsuccessful. One day he came to know about RUDSETI as that time RUDSETI (Rural Development and Self Employment Training Institute), a society established jointly by three agencies i.e. Syndicate Bank, Canara Bank and *Sri Manjunatheswara* Trust based at *Ujire* in Karnataka was functioning in few districts of the country which of course, later on speared over across India as RSETI concept. He was trained at RUDSETI, *Berhampore*, West Bengal in mobile repairing and after the training he received loan from local Regional Rural Bank (RRB) viz., *Bangiyo Gramin Vikash Bank, Rukunpur* branch to the extent of Rs. 70,000 and from his side invested another Rs. 30,000 and thus with a sum of Rs. 1 Lakh, he started his own mobile repairing unit “*Subho Enterprise*”. By involving in the business, he was earning monthly on an average of Rs. 8 0000 as reported in April 2016.

### Case 2

*Sri Ch. Ashok* is the resident of *Dichpally* village, of *Dichpally mandal*, Nizamabad district of Telangana. He studied up to Intermediate level but after the death of his father (small

businessman) *Sri Ashok* had to take responsibility of the family. He was interested in Multi Phone Servicing trade and accordingly attended a training programme in November 2014 at RSETI of State Bank of Hyderabad in Nizamabad itself. After completion of training, he established a mobile shop with his own funds of around Rs.1.50 Lakh under the banner of “*Ganesha Mobiles Sales & Services*” at *Dichpally* village. According to him, average monthly earning hovers around Rs. 13000.

### Conclusion

In the above discussion *albeit*, two are the simple cases but lakhs of youths have been befitted under RSETI as right type of training has facilitated them to settle in right economic venture. Another advantage is that RSETI training helps to get bank loan easily those who are interested to have it.

### References

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