

Circular

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**Directorate of Industries & Commerce,
Thiruvananthapuram, dated /07/2007**

**Sub: Guidelines on Entrepreneurship Development Club - Circular
issued - Regarding**

Department of Industries & Commerce, Government of Kerala formulated a scheme to set up Entrepreneurship Development Clubs in schools and colleges of the State to inculcate Entrepreneurial Culture amongst youth and equip them with the skills, techniques and confidence to act as torch-bearers of Enterprise for the new generation.

The objectives of Entrepreneurship Development Club are to inculcate entrepreneurship qualities, to sensitise industrial scenario of the state, to nurture the latent entrepreneurial talent, develop awareness among its members of the attitudes, values, and skills of successful entrepreneurs around the globe etc.

Government has reiterated the importance of Entrepreneurship Development and need for strengthening of Entrepreneurship Clubs in educational institutions and imparting quality training programmes in the Industrial & Commercial Policy 2007

The General Manager concerned shall implement the programme. The guidelines and the format for applying for financial assistance for entrepreneurship development club are appended as Annexures I & II

Director of Industries & Commerce

ENTREPRENEURSHIP DEVELOPMENT CLUB

Kerala, a 100% literate state, has the highest rate of educated unemployed in the country with over four million unemployed youth on the live register of Employment Exchanges. This comprises about 2 million graduates and otherwise technically qualified.

In the course of the last four decades, Kerala has attained worldwide acclaim for its achievements in the social sector, particularly in the health and education system. But the performance in the industrial sector has not been keeping pace with the potential of the State. Government of Kerala has, of late, recognized this factor and have instituted bold and forward looking measures to tap the unique strengths of the State aimed at providing a sustainable stimulus for industrial growth.

Kerala has a high per capita rate of consumption, but it imports a major share of its requirements including food. The educated and technically qualified youth are migrating for want of jobs and sufficient employment opportunities. The abundance of capital and manpower are not being tapped adequately. Keralites are reluctant to invest in economically productive activities even though there is a surfeit of techno-economic talent. The factors contributing to this state of affairs may range from labour market rigidities to the absence of a favourable investment climate. A generation of entrepreneurship has been lost. But the crux of the problem, no doubt, lies conspicuously in the lack of "entrepreneurial skill."

Department of Industries & Commerce, Government of Kerala formulated a scheme to set up "Entrepreneurship Development Clubs" in schools and colleges of the State to inculcate "Entrepreneurial Culture" amongst youth and equip them with the skills, techniques and confidence to act as torch-bearers of "Enterprise" for the new generation.

Mission

To create wealth and employment commensurate with unlimited natural and immense human resource potential of Kerala by developing entrepreneurship in the youth.

Objectives

- To inculcate social virtues i.e., trustworthiness, integrity, hard work, discipline, honesty etc as constituents of entrepreneurship.
- To sensitise students on the real economic and industrial development scenario of the state.
- To make them aware of the unlimited developmental potential of the State.
- To inculcate entrepreneurial culture in students.
- To enable them to take informed decisions.
- To change the mind set on the negative attitude prevailing in the state for taking up entrepreneurship as a career.
- To induct entrepreneurial spirit in the institutions.
- To bring in successful entrepreneur and students on a common platform.
- To motivate the members to venture into the industrial activity.
- To educate members on various dimensions of industry.
- To nurture the latent entrepreneurial talent.

Scope of the scheme

Any College or Higher Secondary School may set up an EDC with at least 25 interested students with a teacher/faculty preferably from Commerce or Economics as Coordinator. In schools the members will be preferably from Classes XI and XII.

The scheme will be implemented in selected Engineering colleges, Polytechnics, Arts and Science colleges and Higher Secondary schools. Government aided and unaided institutions can set up EDCs. Students willing to join the EDC will be enrolled as members.

Functions of the club

- Organise interactive sessions with successful entrepreneurs from outside as well as within the State.
- Organise workshops/debates.
- Organise industrial visits to business enterprises within /outside State.

- Interaction with promotional agencies / successful entrepreneurs / other stake holders
- Exposure to national and international events in various parts of the country related to industrial developments.
- Organize Entrepreneurship Clinics & Entrepreneur Awareness Programme.
- To introduce talented youths to industrial research organizations.
- To familiarize the youths to the latest developments through media.

Implementing agency

District Industries Centre (DIC) concerned will be the implementing agency. General Manager, DIC shall advise the activities and have close liaison in conducting the activities

Financial assistance

Rs.12,000 per annum will be given as grant to each club by the Department of Industries & Commerce . A minimum of 10% is to be contributed by the institution. Funds from other sources can also be pooled. Additional assistance will be considered on merit. The fund can be utilized preferably for the following purposes

- Entrepreneurship motivation of students
- Interaction of students with successful entrepreneurs / investors / stake holders etc.
- Essential exposure visits
- Conducting meaningful surveys related to entrepreneurial development.
- Camp on Entrepreneurial Adventures for Youth
- Entrepreneurship Awareness Camps
- Training Programme on Project Appraisal and Entrepreneur Assessment
- Training Programme on Industrial Project Preparation and Appraisal

Alliance of Industry Research Linkage and ED Club

The objectives of Entrepreneurship Development Club are to inculcate entrepreneurship qualities, to sensitise industrial scenario of the state, to nurture the latent entrepreneurial talent, develop awareness among its

members of the attitudes, values, and skills of successful entrepreneurs around the globe etc.

Industry Research Linkage scheme is an innovative scheme created by the department for supporting research works of R&D institutions and technical institutions. The objectives of the scheme are creation of testing centres & CFC in research institutions, training to entrepreneurs, identifying opportunities, undertaking research projects, commercialising the knowledge of the academic institutions etc. So far the department has supported many research and academic institutions of the state.

As the former scheme is moulding the right entrepreneurs and latter is shaping the appropriate technology, linking of both the schemes can support the industrialisation process of the state with a competitive edge.

Objectives

- To inculcate both the technical skill and managerial skill in budding entrepreneurs
- Feasibility, prototype, and knowledge of the institutional research can be transferred to Entrepreneurship students through the scheme
- Opportunities abound for graduate students to develop independent projects and launch their own careers as researchers while working alongside faculty and assisting in their research.
- Field support from the department, research support from the research institutions and curriculum support from the university can be converged for young entrepreneurs to commercialise the potential projects
- Knowledge has become the new premium fuel for economic growth in the 21st century. Knowledge fuels new ideas and innovations to boost productivity and to create new products, new firms, new jobs, and new wealth. Some analysts estimate that knowledge-based activity accounts for half of the gross domestic product in Western industrialized countries.
- Serve as corporate headquarters for knowledge-based companies / organizations
- Facilitate applied or fundamental research and development of technologies

- Facilitate testing and product prototyping
- Catalyze development and delivery of information technologies, biotechnologies, other scientific areas including service-based businesses
- Incubate knowledge-based business start-ups
- Some of the expected gains are more interdisciplinary research and new innovations, lower transaction cost, more efficient use of science and technology, more discoveries relevant to innovation, more knowledge based businesses and economic growth.

The present ED clubs can be brought under the programme and the linking with the research institutions can be done district wise. District Industries Centres can coordinate the programme.

Escort services for launching the commercial ventures by the ED club members can be provided by the department.

Sanction of assistance

Any institution, which forms the club and opens a Bank Account (joint account of Coordinator and the Head of the Institution) may apply to the General Manager, District Industries Centre for sanction of assistance under the scheme. The application for assistance shall be accompanied by the list of members, Bio data of the coordinator, details of the Bank account and the proposed activities of the club during the year.

General Managers shall forward the applications with the details and specific recommendations to the Director of Industries & Commerce for obtaining the sanction.

50% of the assistance sanctioned will be released along with the sanction. On satisfactory utilization, balance will be released on the recommendation of the General Manager, District Industries Centre. While recommending for the second instalment a clear report on the activities performed shall also to be enclosed.

FORMAT FOR APPLYING FOR FINANCIAL ASSISTANCE FOR ENTREPRENEURSHIP

DEVELOPMENT CLUB

1. Name of Institution :
2. Address in full :
3. No. of members enrolled :
(enclose list of members with details)
4. Name & Designation of coordinator :
(enclose bio-data of coordinator)
5. Bank Account No. :
6. Address of Bank :
7. Activities proposed to be undertaken by the EDC :
(Enclose separate sheet if necessary)

8. Whether I or II instalment :
9. If this is for II instalment, Proceedings No. & date :
of I instalment & Enclose status report

We certify that the conditions for grant of assistance to the club have been complied with.

Signature of coordinator

Signature of Principal

Place:

Date:

OFFICE SEAL

Recommendation of the General Manager, DIC