

plummeted 42 per cent. The trigger for this sudden rush among PSU banks to come

chair on the status of the bank's estimated 39 borrowers having

Source: RBI/Bank annual reports

reacting to an application filed by a Haryana-based RTI activist, had

as long as 50 months, she asserted at the results briefing on February 12.

The Indian Express Tuesday, February 16 2016 Page No. 13

NEW POLICIES

'Start-up initiative could jumpstart employment generation'

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IN QUEST for expansion, our economy has acquired the dubious distinction of having high unemployment numbers, despite being one of the fastest growing in the world. One of the major challenges for India, is to provide employment to a growing number of literate and aspiring youths. More than one million youths per month are joining the country's already bulging pool of unemployed workforce.

India must have a strategy to unleash the potential of youths for productive usage and provide meaningful opportunities for their participation in the growth journey, thereby fueling its economic growth targets. All these, necessitate to make our growth model not only inclusive, accommodative and participative but also employment-centric. This will help us reap benefits of favourable demography, besides providing direct and effective intervention to remove despondency among millions of marginalised citizens and uplift their quality of lives.

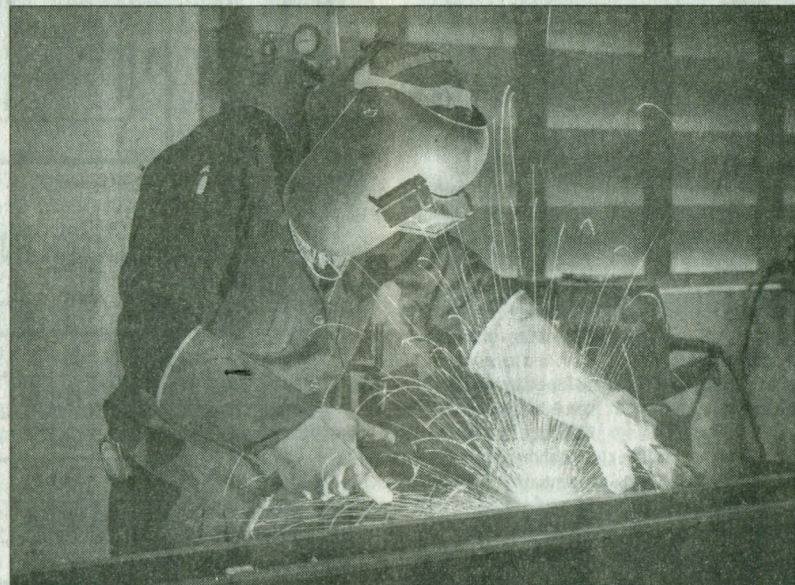
During the initial plan periods, India pursued the trickle down strategy for mainstreaming millions of underprivileged, but didn't receive much success. This disappoint-

ing experience calls for a direct, inclusive and participatory growth model with greater orientation towards employment generation.

Failure to provide employment may aggravate unrest among the youth denying the nation the benefits demographic dividends. Time window available to address this issue is shrinking fast and we may lose this opportunity for ever. Hence, for stable, sustainable & equitable growth, the speed of providing solution assumes significance. All these demand an urgent job-centric economic growth model with its focused & direct interventionist approach to the targeted segments of *aam aadmi*.

The government's schemes like Stand up India and Startup India are designed as umbrella initiatives aimed to steer a series of other initiatives already undertaken, like Make in India, Digital India, Skilling India, MUDRA among others. These have potential to trigger an economic revolution.

The Stand up India initiative is aimed at promoting growth of entrepreneurs among the downtrodden, by providing local employment, through appropriate hand holding backed by concessional funding from banks. Start up India on the other hand is targeted at promoting innovative ideas to bring solutions in the areas of affordable health-



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care, education, social infrastructure etc with the use of technology as a driver and enabler.

Stand-up India is, thus, envisaged to impart direct and focused interventions guided towards segments like SCs/STs and women to bring them in the mainstream of the economy. This will catalyse their entrepreneurial potential to stimulate bottom-up growth. Similarly, Start-up India is aimed at exhorting new generation aspirational youths, who largely belong to the *aam aadmi* fold and also have greater risk appetite to jump and pursue high-risk-high-return structured entrepreneurial business models.

Innovation led start ups have to be thus seen in the context of achieving high growth at fast pace, while providing jobs to youths.

Many of these start ups are focused to address the societal problems through innovative solutions, be it drinking water, sanitation or rural healthcare among others. Competitive market funding of these start ups are driven largely by the leverage, outreach and the likely benefit to ultimate consumer viz. cost reduction, savings, efficient usage of resources etc. Many funds are registered as Social Venture Funds for Start ups having greater social impact.

For understanding the efficiency of the Start up India action plan, it is worth looking

Remaining Part

back at Small Industry Development Bank of India (SIDBI's) experience in funding start ups. SIDBI has been supporting start ups and early stage enterprises through contribution to various venture funds and has so far supported 88 different funds and has assisted 612 units, out of which 530 were MSMEs.

The Fund of Funds architecture, galvanises inclusive growth, driven by innovative and disruptive business models of assisted units, while providing employment to educated and skilled youths. Flow of private capital will inject greater resilience in the ecosystem. It is proving to be one of the efficient financial leveraging structures compared other contemporary PPP models.

These two initiatives duly nestled with drives like MUDRA, Make in India and Digital India etc., would India fuel India's pace to achieve long cherished goals of highly participative, universally inclusive and delightfully desirable economic ambience. These will also accomplish our global growth ambition of being a dominant international player based on our economic strengths.

The writer is chairman and managing director of the Small Industries Development Bank of India (SIDBI)