

**SETTING UP OF EMPLOYMENT - CUM - INCOME
GENERATING UNITS FOR WOMEN**

GOVERNMENT OF INDIA

Department of Women and Child Development
Ministry of Human Resource Development
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Guidelines for Assistance to Project under NORAD

1. BACKGROUND AND INTRODUCTION

Successive Plans have emphasised the need for creating employment opportunities for women. For this purpose a number of programmes have been taken up by the Central and State Governments but earlier efforts have not achieved the desired results primarily because of lack of proper linkages between training, supply of raw materials, quality control, assured marketing managerial skills etc. The industrial policy of the Government of India has also been emphasising the need for setting up of industrial units in the backward areas of the country. It is against this background that NORAD assistance is being utilised.

It is also our endeavour to implement in collaboration with industrial units a scheme which combines the necessary linkages in traditional as well as non-traditional activities. Accordingly NORAD assistance is to be utilised, inter alia, in giving assistance to projects sponsored by public undertaking / corporation / Women's development centres of universities / autonomous organisations / voluntary organisations for setting up of "Employment and Income Generating Training-cum-Employment-cum-production Units for Women." In cases where the sponsoring organisation is not in a position to assume direct responsibility and absorb trainees as its own employees, emphasis should be given on formation of a co-operative of women producers as a modality of employment. Gender based disparities in the choice of trades and the total absence of women from supervisory and managerial cadres are situations which need to be remedied.

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- (iii) War widows.
- (iv) Widows of employee in the above mentioned enterprises / ancillaries / autonomous organisations etc.

The eligibility criteria can be relaxed if necessary to provide better coverage to older women (upto the age of 50) and may also include women whose educational qualifications are confined to the primary level. Preference may also be given to women who are sole earners and heads of households, handicapped or deserted. In the screening and approval or proposals due emphasis should be given to proposal involving low income group.

The State Women's Development Corporations / Departments of Social Welfare / Women's Development will be regularly consulted by the sponsoring organisations to ensure coverage on the above lines.

As stated earlier, the main emphasis of the programme is on income generating activities with the aim of achieving self-reliance on a sustained basis. For this purpose, it is necessary that wherever units with NORAD assistance are organised, the core units (Public / Joint / Private Sector Corporations, Centres for Women's Development Studies in Universities) autonomous organisations will be required to provide

- (a) Identification of the needs including feasibility / marketing studies etc. so as fulfil the criteria prescribed in setting up such a unit.
- (b) A clear assurance for training, supervision supply or raw material, assured marketing etc. to fulfil the objectives of the scheme i.e. income generation on a sustained basis.
- (c) Labour welfare benefits as also minimum wages, according to skill level attained, prevailing in the

states will have to be ensured. The trained women must be considered atleast semi-skilled.

- (d) The unit will also have to issue a formal appointment order specifying the terms of employment once this is given to the women who have been trained.
- (e) A formal certificate specifying the skill attained be given by the organisation to the successful trainees.

PATTERN OF ASSISTANCE :

The Department of Women & Child Development would provide financial assistance for training of the target groups. The assistance would be for the following categories.

- (a) Construction of shed for training-cum-production purpose if required.
- (b) Training cost.
- (c) Stipend to the trainees and attendance performance incentive wherever eligible.
- (d) Training kit necessary for training-cum-production.
- (e) Dermitary facilities for the working women, if required.
- (f) Seed money as initial working capital, if required.
- (g) Day care centre.
- (h) Management training.
- (i) Pre-production activities such as feasibility studies and cost-project activities where necessary.

The extent of assistance will differ from project to project and will depend on the objectives of each project. The rate of

Fresh NORAD assistance is also proposed to be utilised for assistance in the formulation, appraisal and documentation of Projects / Programmes. This is being suggested since it has been a long term demand of NGOs that they be assisted in this regard. Similarly, NGOs have also repeatedly asked for assistance in marketing management and training since they find these are the weak links in the rural areas. Training and disseminating information as also communication and awareness generation are aspects which are necessary for the success of women's development programmes. The need for these has been repeatedly emphasised and it is proposed that some assistance from NORAD be utilised for this purpose.

II. THE SCHEME

The Norwegian Agency for International Development (NORAD) offers assistance for setting up of such projects on a sustained basis for poor and needy women both in urban slums and in rural areas. The following criteria has been emphasised by the donor agency.

- (a) The project must require a substantial financial input.
- (b) Implementation of the project must be the responsibility of the recipient Government or a Non-Governmental organisation acceptable to the government.
- (c) The project must have poor and needy women in urban slum and rural women as a major target group.
- (d) Emphasis of the project must be on income generating activities with the aim of achieving self-reliance on a sustained basis.
- (e) the project must be sustainable on a long term basis.

III. OBJECTIVE :

Certain problems relating to implementation of programmes either Government or NGOs have repeatedly been highlighted such as weakness in the formulation and documentation of projects, lack of tie-up of marketing arrangements, lack of skills, management and training amongst functionaries etc. With a view to promoting women's development as also the voluntary movement in this area it is proposed to provide assistance to enable project to overcome these difficulties.

It has also been found that not much data or information exists on occupational health hazards faced by women in various industries. This is why these areas are being given priority for utilising Norwegian assistance.

IV. METHODOLOGY :

The setting up of income generating units will involve :

- (a) Identification of the public, joint and private sector, central and state enterprises, women's studies centres in Ministries / autonomous organisations / voluntary organisations in the backward regions of the country.
- (b) Identification of ancillaries required by these enterprises. The identification should be such as to include as many labour intensive projects as possible.
- (c) Identification of the target group with priority to the following :
 - (i) Poor needy women in urban slums and rural areas.
 - (ii) Women from weaker sections such as Scheduled Castes and Scheduled Tribes particularly in urban slums and rural areas.

The beneficiary organisation should maintain records of trained women who have been employed and also those who have not yet obtained employment so that they can be contained incase suitable employment opportunities arise. Quarterly progress reports from the organisations during the training period will be obtained. Subsequently after the training completed, six monthly reports upto five years on the employment status of the trainees will be obtained.

ANNEXURE - I

COMPOSITION OF THE SCREENING COMMITTEE

- | | |
|---|----------------|
| (a) Secretary, Department of Women & Child Development | - Chair Person |
| (b) Joint Secretary, Women's Development | - Member |
| (c) Financial Advisor, Dept. of Women & Child Development | - Member |
| (d) Joint Secretary, Dept. of Industrial Development | - Member |
| (e) Director, Office of the Department Commissioner, Small Scale Industries | - Member |
| (f) Executive Director, Central Social Welfare Board | - Member |
| (g) Director / Deputy Secretary, Women's Development | - Member |

ANNEXURE - II

Proforma for project formulation under NORAD

I. INTRODUCTION : This Should Indicate

- Type of project
- Sources of supply of raw material etc.
- Ensured marketing tie-up

(d) The number and background (whether from rural areas belonging to SC/ST/War Window etc.) of the trainees selected for the project.

(e) Duration of the training programme.

II. **Ensuring sustained employment** : Whether sustained employment will be given immediately after the training and what tie-ups have been ensured in this collection should be indicated.

III. **FINANCIAL ESTIMATES** : This should be divided into three parts :

- The total cost of the project : Specific mention should be made of the funding sources which should include equity, Institutional tie-up etc.
- Cost of the project for setting up new units / expansion of unit again indicating different sources of funding.
- Cost of the training component which would be part of (b) above.
- The assistance provided under NORAD is normally confined to Rs. 8.000/- per capita.

Accordingly the total assistance would not normal exceed Rs. 4.00 lacs for 50 beneficiaries.

ANNEXURE - III

PROFORMA FOR APPRAISAL OF PROPOSALS RECEIVED FROM UNITS WHICH ARE TO BE PLACED BEFORE THE SCREENING COMMITTEE

- Details regarding the implementing agency.
- Project details such as number of women to be trained, duration of the training, stipend to be given etc.

assistance to Women Development Centres or suitable NGOs could be enhanced where considered suitable. The sponsoring organisations must indicate in their proposals details of production costs, volume of sale / sale proceeds, sale price etc. for assessing the economic viability of their proposal.

The trainees can be trained both locally and / or through various recognised vocational training institutes where they can learn the necessary technical and / or managerial skills. Basic management education and awareness building should form part of the training course.

For income generating units only such proposals which have high employment potential and low investment will be entertained. Preference will be given to such ancillary units which provides employment to women in non-traditional fields with short duration training say upto one year. The ancillary units thus supported can also be an independent unit having its won status such as Corporation or Co-operative or registered society. In case the training centre is converted into a production centre the sponsoring organisation must continue to support the centre on a long term basis.

In deserving cases assistance from NORAD could continue for one year beyond the training period. This would be for small new units such as co-operatives set up under the aegis of the Women's Development Corporations and other public sector units and assistance would be confirmed to infra-structural support, such as rent of premises, salaries of technical staff etc.

An attendance incentive of Rs. 50 per month in addition to the stipend will be given to the trainees with an attendance record of 75 percent and above.

VI. APPRAISAL SCREENING AND SANCTIONING OF PROJECT :

Wherever the need is felt the services of professional agency for conducting a feasibility study / market analysis can be utilised. Based on the recommendations of the Department of Women's Development the cost of such studies could be reimbursed.

The projects would be appraised at the Government of India level and put up to Screening Committee. The composition of the Screening Committee is at Annexure - I.

The committee can co-opt any other members if it feels it is necessary. To facilitate project formulation and appraisal, performance have been devised. These are attached at Annexure II & III respectively.

VII. MONITORING :

A proper monitoring system is required both at the Central and State levels. The purpose of the monitoring will be not only to assess the performance but also to guide the units.

At the Central level an Advisory Group will review the work of the projects. The composition of the Advisory Group is an Annexure IV.

At the State level a committee will be set up by the State government / UT Admn. concerned which will monitor the programme and suggest ways and means of improving upon the existing projects. It will also serve as a nodal agency for the NORAD assisted projects in the State. The composition of the Committee is at Annexure V.

The State level committee may recommend carrying out feasibility studies, market surveys etc. The committee could develop a list or resource persons / institutions to carry out supportive activities.

**BASIC CRITERIA FOR IMPLEMENTING AGENCY / NGOs FOR
AVAILING NORAD GRANT-IN-AID OF GOVERNMENT OF INDIA**

1. The Organisation should have been registered under societies Registration Act atleast for three years prior to submission of application under NORAD scheme.
2. At least 1/3rd of the member of General Body Managing Committee of the implementing agency should be women.
3. The organisation should not have been black listed by CAPART / CSWB / any other Government organisation / funding agency.
4. The organisation should / must have prior experience in handling income generation activities and development schemes for women. For the purpose of providing sustained employment for women trainees under NORAD scheme, the organisation has to submit documentary proof in support of the following.
 - a. **FOR WAGE EMPLOYMENT**
Assurance letter from the prospective employers to ensure employment of trainees after completion of training.
 - b. **FOR SALF EMPLOYMENT / TRAINING-CUM-
PRODUCTION CENTRE**
 - (i) Assurance letter from the retailer / wholesaler / NGO / reputed firm / Government agency etc. confirming marketing tie-up for sale of finished products.
 - (ii) Assurance letter from the funding agency / commercial banks for providing working funds to the individual production units / training-cum-production centre.

5. The NORAD grant-in-aid shall be limited to the average annual financial turnover during previous year. For the purpose of judging financial soundness submission of audited balance sheet for last three years is essential. The organisation must take up the responsibilities of rehabilitation of women after completion of training period.
6. For sanction of NORAD grant by Government of India a standard norm has been fixed for different activities which is indicated next page for reference of implementing agency. The training budget should be prepared accordingly as per the prescribed norms.
7. The organisation should have adequate facilities personnel & experience to fully implement the project.
8. The organisation / Institution should not run for profit of individual or body of individuals.
9. The implementing agency should have not obtained any grant / loan from any Government / funding agency for similar activities proposed to be applied under NORAD during last 2 years.
10. The target group should be limited to poor needy women of rural area / urban slum and the age group should be between 18-50 years and the ideal group size should be between 20 to 50 women for purpose of training and subsequent rehabilitation.
11. Organisation should submit only one project proposal for consideration under NORAD scheme.
12. The Organisation should undertake to run the project atleast for a period of three years on continuation basis.

(c) Provision of employment at the end of the training indicating also the minimum wages prevalent in the State.

(d) Cost of the project indicating separately :

- (i) Equipment
- (ii) Salary
- (iii) Stipend
- (iv) Raw materials
- (v) Contingencies
- (vi) Creches etc.

(e) Per capital cost of the project.

ANNEXURE - IV

ADVISORY GROUP AT THE CENTRAL LEVEL

- (i) Joint Secretary, Women's Development - Chair Person
- (ii) Representative of Ministry of labour (Women's Cell) Govt. of India - Member
- (iii) Two representative the Non Governmental Organisations - Member
- (iv) Representative of Development Commissioner & small Scale Industries, Govt. of India - Member
- (v) One Technical Representative associated with programmes for women's training - Member
- (vi) Director / Deputy Secretary, Women's Development, Dept. of Women & Child Development Govt. of India Member - Member/Secretary

TERMS OF REFERENCE :

To review the work of the projects and make suggestions for future strategies.

ANNEXURE - V

STATE LEVEL FACILITATING COMMITTEE

- (i) Chief Secretary / Secretary, Social Welfare - Chair Person
- (ii) Director / Department of Social Welfare / Women's Development - Member
- (iii) Representative of two leading NORAD Assisted enterprises - Member
- (iv) Director, Dept. of Technical Education - Member
- (v) Representative of leading NGO - Member
- (vi) labour Commissioner - Member
- (vii) Managing Director, Women's Development Corporation / Director, Social Welfare / Women's Development - Convenor

TERMS OF REFERENCE :

- (i) To monitor programmes run in the State / Union Territory.
- (ii) To suggest ways and means of improving upon the existing projects.
- (iii) To act as a nodal agency for NORAD assisted projects in the State / Union Territory.



APPROVED NORMS UNDER NORAD

Sl. No.	Trade (Code No.)	Duration months	No. of Benf.	Recurring Cost (Rs.)	Non-Rec. Cost (Rs.)	Total
1.	Banana & Sisal Fibre (28)	6	20	181350		181350
2.	Beautician (2)	12	30	141600	50000	191600
3.	Book Binding (16)	6	50	68500	69500	138000
4.	Canteen Management (27)	6	20	84000		84000
5.	Community Health Worker (26)	6	20	95000		95000
6.	Computer (4)	12	60	355000	125000	480000
7.	Consumer Electronics Repair (23)	6	50	127260	42500	169760
8.	Electronic Assembly (22)	12	50	467460		467460
9.	Food Processing (21)	6	50	109950	208850	318800
10.	Hair & Skin Care (13)	6	30	68100	50000	118100
11.	Handloom Weaving (3)	4	50	88200	65000	183200
12.	Hosiery (34)	6	50	128200	51500	179700
13.	Home Science (29)	4	20	51000		51000
14.	Honey Production (17)	6	40	119400	55000	174400
15.	Housekeeping (15)	6	20	176475	30000	206475
16.	Jute Goods Manufacture	6	50	119000	34500	153500
17.	Laboratory Technician (10)	12	20	168000		168000
18.	Lace Making (25)	6	30	18750	78750	97500
19.	Lace (Hand Made)(14)	6	50	44190	13250	57440

20.	Leather (20)	12	30	33600	195300	228900
21.	Mushroom Cultivation (18)	4	30	47225		47225
22.	Office Management (9)	12	30	154800	7900	162700
23.	Radio & TV Training (6)	12	50	252000	78350	330350
24.	Raxine Bag Making	4	20	114450	29000	143450
25.	Screen Printing (11)	12	30	132000	116280	248200
26.	Shoe making (30)	3	25	78500	181125	96625
27.	Secretarial Practice (24)	6	50	122850	90000	212850
28.	Soft toys making (8)	6	30	94500	26650	111150
29.	Typing & Shorthand (2)	12	50	229950	52500	282450
30.	Zari Craft & Patch Work (19)	12	30	418950	40000	4589
31.	Handicrafts (6 months)	6	30	158000		158000

16. Details of Managing Committee members of the organisation

Sl. No.	Name & Address	Male/Female	Age	Occupation	Profession	Monthly Income

NORAD PART - (B - I)

NOTE : There are separate proformae for FRESH PROPOSALS and CONTINUATION PROPOSALS. Applicant Organisations should use appropriate proforma.

FRESH PROPOSALS

1. Name of Trade
2. Trade type (Traditional/Non traditional)
3. No. of beneficiaries to be covered
4. Classification of trainees selected

BPL	OTHERS	TOTAL

5. Source of raw material
 6. **LOCATION OF PROJECT**
 - a) District
 - b) Block
 - c) Town / Village
 7. What was the population of the Village/Town/City where project is to be located (1991 Census) :
 8. Duration of training (Months) :
 9. **PROJECT COST :** (In rupees)
 - A) **Non Recurring :**
 - i) Training / Equipment cost :
 - ii) Furniture and fixtures :
 - iii) Others :
- Total Non recurring :

11. Financial status of the organisation in the last 2 years (Rs. in lakhs)

Year	Income & Exp. Acctt.	Receipt Payment	Surplus	Deficit
199-9				
199-9				

12. Details of grant received from Central Govt./State Govt. and other Govt. agencies in the last 2 years : (Rs. in lakhs)

Sanction Order No.	Date	Amount	Scheme	Address of Funding Agency

13. Details of Foreign Contribution received during last 2 years :

Country	Organisation	Purpose	Amount

[18]

14. Details of office bearers of the organisation :

Sl. No.	Name & Address	Male/Female	Age	Post	Qualification	Profession	Annual Income

15. Details of employees of the Organisation :

Sl. No.	Name & Address	Male/Female	Age	Part-time/ Full Time	Qualification	Post	Monthly Salary

[19]

LIST OF DOCUMENTS TO BE ENCLOSED :

- i) Registration certificate.
- ii) Prospectus or a note giving aims and objects of the organisation.
- iii) Constitution of the organisation/Bye-laws and Memorandum of Association.
- iv) Annual report for the last 2 years.
- v) Audited accounts for the last 2 years.
- vi) Proof of sustained employment in respect of employment oriented training.
- vii) Proof of loan arrangement for production.
- viii) Proof of marketing tie-up in respect of self employment oriented training.
- ix) Detailed cost estimate for training.
- x) List of proposed beneficiaries in the following performa :

Sl. No.	Name of address	Age	BPL	OTHER	TOTAL

PERFORMA FOR CONTINUATION PROPOSAL (B - II)
 [Applicable for existing / running pogrammes]

1. Name and address of NGO :
2. Name of Trade :
3. Details of earlier project sanctioned :

Sanction Order No. and date	Grants	
	Sanctioned	Utilised

4. No. of women who did not complete training and reasons therefor :
5. Average income per month :
6. In respect of self employment training, the No. of women engaged in self employment :
7. No. of them provide with loan :
8. Amount of loan per beneficiary :
9. Gross income per beneficiary per month :
10. Was the earlier project inspected ? If yes please furnish name and address of Inspecting Officer and date of Inspection.
11. Is there potential for further training and employment in the same project area ?
12. If not would you like to relocate the project to an area with better potential ?
13. If yes, please furnish full postal address of new training location :

B) **Recurring :**

- i) Salary of Instructor/Trainers
- ii) Raw material for training :
- iii) Rent :
- iv) Other expenditure :
- v) Contingency Amount for expenses like electricity water, loading of furniture and fitting expenses etc.

Total Recurring :

Grand Total :
(Non recurring+recurring)

10. Cost per trainee :

11. INCOME GENERATION

A) **Details of Employment :**

- i) No of trainees for whom assurances have already been received of employment :
(Documentary proof should be furnished)
- ii) Average Salary per beneficiary per month :
- iii) What is the average distance from Residence of beneficiaries to the proposed work place ?
- iv) Does your NGO take responsibility to provide employment to all trainees within 6 months from completion of training ?

B) **Provide Self employment (Individual or group)**

- i) **Equipment and raw material required per beneficiary for self employment**
(Raw material for one month)

Equipment and Raw Materials	Quantity	Rate	Cost

- ii) Has the NGO made arrangement with any financial institution for loan ? If yes please furnish documentary evidence :
- iii) Does your NGO take responsibility for arranging loan and for marketing of the products ? (documentary proof for marketing tie-up should be furnished) :
- iv) What will be the income from production per beneficiary per month ?

Name of product	Quantity	Sale Price	Total Income	Cost of raw material	Net Income per month
Total-					

- 11. Whether organisation will keep record of employment and furnish half yearly report to the Department ? (Yes/No)
- 12. Whether organisation is prepared to continue the training with recurring cost only for subsequent batches (Yes/No)

Date :

(Signature)

LIST OF DOCUMENTS TO BE ATTACHED :

1. Audited accounts for the NORAD project sanctioned earlier (Receipts & Payments, Income & Expenditure and Utilisation Certificate)
2. Annual report for the last 2 years
3. Employment status of trainees in the last NORAD project :
 - a) For employment related training, information may be furnished in the following performa :

Sl. No.	Name & Address of trainee	Full Postal Address of employer	Distance from Residence	Monthly Salary

- b) For self employment related training :

Sl. No.	Name & Address of trainee	Cost of setting up of prod. unit	Amount of loan provided	Cost of Raw Material for one month	Gross Income per month

4. Proof of sustained employment in respect of employment oriented training.
5. Proof of loan arrangement for production and marketing tie-up in respect of self employment oriented training.
6. Detailed cost estimate for training.
7. List of proposed beneficiaries in this following performa.

Sl. No.	Name & address	Age	BPL	OTHER	TOTAL

14. Are you willing to continue the training programme with only recurring cost at the earlier rate for the same number of trainees ?

INCOME GENERATION

Details of Employment :

15. No. of trainees for whom assurances have already been received of employment :

(Documentary proof should be furnished)

16. Average Salary per beneficiary per month :

17. What is the average distance from Residence of beneficiaries to the proposed work place ?

18. Does your NGO take responsibility to provide employment to all trainees within 6 months from completion of training ?

Provide Self employment (Individual or group)

19. Equipment and raw material required per beneficiary for self employment :
(Raw material for one month)

Equipment and Raw Materials	Quantity	Rate	Cost

20. Has the NGO made arrangement with any financial institution for loan ? If yes please furnish documentary evidence :

21. Does your NGO take responsibility for arranging loan and for marketing of the products ? (documentary proof for marketing tie-up should be furnished) :

22. What will be the income from production per beneficiary per month ?

Name of product	Quantity	Sale Price	Total Income	Cost of raw material	Net Income per month
Total					

23. Whether organisation will keep record of employment and furnish half yearly report to the Department ? (Yes/No)

Date :

(Signature)