



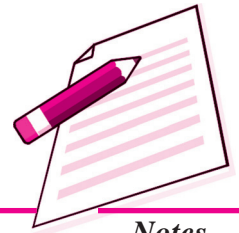
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## 8

## SELF EMPLOYMENT

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Having learnt about the nature and scope of business, business support services, business environment, modern mode of business, forms of business organisations etc. you may be thinking about earning your livelihood. At this stage you have to decide whether to take up a job in an organisation or to start your own business. When you accept an employment in any organisation, you have to perform various jobs as per the requirements of your employer and you may get a fixed amount of income as salary. But, instead of seeking a job, you can also opt to do something on your own to earn your livelihood. You may run a small retail shop, tailoring shop, restaurant, bakery and confectionery, beauty saloon, etc. in your locality. In other words, you may get engaged in trading or manufacturing on a small scale or providing some service for a price. Such economic activities are known as self-employment. In this lesson, let us learn more about the career option of self-employment in business.



### OBJECTIVES

*After studying this lesson, you will be able to:*

- define the term ‘self-employment’;
- recognise the characteristics of self-employment;
- explain the importance of self-employment;
- enumerate the avenues of self-employment;
- explain the meaning and characteristics of small business;
- identify the different types of small businesses;
- describe the importance and scope of small business in India;

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- state the various policies of the Government for promotion of small business; and
- explain the various institutional support provided to small business in India.

**8.1 MEANING OF SELF-EMPLOYMENT**

You know that earning is necessary for a living. Your father, mother, brothers, sisters and others may be engaged in different economic activities through which they earn their livelihood. Have you ever observed their activities? What exactly do they do? Possibly some of them may be working for others in factories, shops, agricultural field etc. and get a fixed amount from their employers for the service rendered by them. These persons are engaged in an economic activity which is termed as wage employment or paid employment. But there are many persons who engage themselves in one occupation or some business which they start and manage on their own. They put in their best effort and take all types of risks to pursue their careers successfully. The entire earning of their work goes to them. All of us have seen small grocery shops, tailoring shops, medical stores etc. in our locality. These are owned and managed by a person, with or without the help of some assistants. Their economic activities are termed as self-employment. So when an individual engages in any economic activity and manages it on his own, it is known as self-employment.

From the above discussion we can analyse the characteristics of self-employment.

**8.2 CHARACTERISTICS OF SELF-EMPLOYMENT**

Following are the characteristics of self-employment:

1. Self-employment involves doing something on one's own to earn one's livelihood.
2. It involves ownership and management of activities by a person although he/she may take the help of one or two persons to assist him/her. Thus, self-employment may provide employment to other persons as well.
3. The earning from self-employment is not fixed. It depends on the income one can earn by producing or buying and selling goods or providing services to others at a price.
4. In self-employment, the owner alone has to take the profit and bear the risk of loss. So, we find a direct link between the effort and reward in self-employment.
5. It requires some amount of capital investment, although it may be small.
6. In self-employment, a person is free to take decisions in respect of running his business profitably and avail of any opportunity that may come up for expansion of his business. It gives complete freedom to work as per one's own will and within the parameters of the prevailing laws.

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Thus, self-employment may be defined as, an economic activity which one may perform on his own as a gainful occupation, and this may consist of producing and selling goods, buying and selling goods, or rendering services for a price.

### 8.3 IMPORTANCE OF SELF-EMPLOYMENT

Career is a way of making one's livelihood. Self-employment is also a career because one may employ oneself in business or in service activities and earn one's livelihood. With growing unemployment and lack of adequate job opportunities, self-employment has become very significant. its importance can be enumerated as follows.

1. **Advantage of Small Business :** Small-scale business has several advantages over large-scale business. It can be easily started, and requires small amount of capital investment. The self-employment involving activities on a small-scale is a good alternative to large scale business which has brought various evils like environmental pollution, development of slums, exploitation of workers, and so on.
2. **Preference over Wage Employment :** In self-employment there is no limit of earnings as is the case with wage employment. In self-employment one can use one's talent for own benefit. The decisions can be taken quickly and conveniently. All these factors act as strong motivators for self-employment to be preferred over wage employment.
3. **Developing the Spirit of Entrepreneurship :** Entrepreneurship involves taking risks because the entrepreneur tries to innovate new products, new methods of production and marketing. Self-employment, on the other hand, involves either no risk or very little risk. But, as soon as the self-employed person starts becoming innovative and takes steps to expand his business, he becomes an entrepreneur. Therefore, self-employment becomes a launching pad for entrepreneurship.
4. **Promotion of Individualised Services :** Self-employment may also take the form of providing individualised services like tailoring, repair work, dispensing of medicines etc. Such services are helpful in providing better consumer satisfaction. These can be easily started and run by individuals.
5. **Scope for Creativity :** It provides opportunity for development of creativity and skills in art and crafts, leading to preservation of the cultural heritage of India. For example, we can see creative ideas reflected in handicrafts, handloom products, etc.
6. **Reducing the Problem of Unemployment :** Self-employment provides opportunities of gainful occupation to those who otherwise remain unemployed. Thus it reduces the problem of unemployment.

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7. **A boon to Under-privileged in Respect of Higher Education :** Everyone may not be able to pursue higher education after Secondary or Senior Secondary examination due to one or the other reason. Such persons can start their career as self-employed in occupations that do not require higher education.

It may be noted that self-employment has been given high priority in government policies and programmes. A number of schemes have been initiated all over the country to encourage entrepreneurship and self-employment.



### INTEXT QUESTIONS 8.1

1. Define the term 'Self-employment' in your own words.
2. Which of the following examples indicate self-employment? Put a tick mark in the box if your answer is Yes.
  - (a) A worker working in a factory.
  - (b) A person running his stationery shop.
  - (c) A person working as manager in a bank.
  - (d) A person running a chemist shop.

## 8.4 AVENUES OF SELF-EMPLOYMENT

After learning the importance of self-employment you may be motivated to start your own enterprise even if it is on a small scale. But, what are the areas in which you can successfully run your enterprise? Before choosing a suitable career in self-employment you must have some idea about the avenues in which self-employment opportunities are available. Let us categorise the avenues of self-employment into the following broad areas.

1. Trading;
2. Manufacturing;
3. Professionals; and
4. Individualised services.

Let us discuss further about all these areas.

1. **Trading :** You know that trade involves buying and selling of goods and services. With small amount of investment one can start and run a small trading unit. You can think of starting a small grocery or stationery shop in your locality. If you are able to invest more capital and ready to take risk, then wholesale business is a

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good option for you. One can also take up some agency business or become a stockist. The real estate business which is booming now-a-days can also be a lucrative alternative.

2. **Manufacturing :** One can start a small industry of manufacturing bricks, or producing bakery items or confectionery. All these businesses require small amount of capital and simple equipment. Farming is another such area in which a person can work all alone or take the help of one or two persons. This is an age-old area of self-employment. Orchards, dairy, poultry, sericulture, fisheries, horticulture, etc. are good examples of avenues of self-employment.
3. **Professionals :** Occupations that require special knowledge and training in a particular field also provide opportunities of self-employment. Lawyers, doctors, chartered accountants, architects and journalists fall in this category. However one has to follow certain code of conduct framed by their association and need specialised knowledge and training.
4. **Individualised Services :** Tailoring, motor repairing, hair cutting, fashion designing, interior decoration etc. are some of the business activities, which provide individualised services to the consumers. These can be easily started and run by individuals. These activities are based on the personal skills of those who perform them. Blacksmiths, carpenters, goldsmiths are all self-employed persons.

You choose the area of your interest to pursue the career in self-employment. If you decide to start a small business of your own, you must have complete knowledge about the line you choose and the scope and importance of small business in our country, including the government policy and institutional support for its promotion. In the next sections, you will learn about these aspects of small business in detail.

### 8.5 MEANING OF SMALL BUSINESS

When somebody asks you, 'what is a small business', you would say that a business which is:

- small in size,
- requires low capital investment,
- employs small number of workers,
- volume or value of output is low, may be called as small business.

Yes! You are right. The size, capital investment, number of employees, volume of output as well as value of output etc. are the general parameters of measuring a business enterprise.

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We may define a small business as a business which is actively managed by its owners, operating within the local area and relatively small in size. However, the Government of India has considered the fixed capital investment in plant and machinery as the only criteria to define a small industrial unit in our country. Upto the year 1958, an industrial unit in which fixed capital investment was less than Rs. 5 lakh and employing workers of upto 50 if using power, and upto 100 if not using power was considered as a small business. This limit has been changed by the government from time to time. In the year 1960, the employment criterion was dropped. As per the latest changes with effect from 21 December 1999 the investment limit in plant and machinery of small scale sector has been raised upto Rs. 10 million (one crore). The plants and machinery may be held on ownership basis, on lease or on hire purchase. The limit of rupees one crore is subject to the condition that the unit is **not** owned, controlled or subsidiary of any other industrial undertaking.

### 8.6 CHARACTERISTICS OF SMALL BUSINESS

From the above discussion now we can identify the main characteristics of small business as:

- (i) A small business is usually owned and managed by one or a few persons.
- (ii) The owners take active participation in day-to-day activities of business.
- (iii) The participation of owners in the management helps in taking quick decision.
- (iv) The area of operation of a small business is limited. It generally caters to the need of the local people.
- (v) The small business units are generally labour intensive and thus require less capital investment.
- (vi) It generally uses local resources for its operation. The small-scale manufacturing units are usually located near the source of raw material, labour etc.
- (vii) Gestation period (the period that a business waits to get return on its investment) is short.
- (viii) The operation of a small business is flexible. It can easily change its nature, area of operation, process of production etc. as per the change in social, political and economic conditions.



### INTEXT QUESTIONS 8.2

1. State the meaning of small business in your own words. Give your answer in not more than 30 words.

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2. Identify the category (avenue) of self-employment from the following. Mention your answer in the box given against each statement.

- (a) Samnan is a farmer having four acres of land. He has employed three people to look after his fields and orchards.
- (b) Ranjeet runs a small departmental store in the the central market of the city.
- (c) Gopal's mother is a doctor who runs her own clinic.
- (d) Karan's father takes orders and makes furniture.
- (e) Hari repairs gold chains and other ornaments.



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## 8.7 TYPES OF SMALL BUSINESS

In India we find different types of small business. They may be categorised on the basis of investment in fixed capital in plant and machinery or on the basis of nature or place of operation. Following are some of the main types of small business.

- (a) Small-scale industries
- (b) Tiny industries
- (c) Ancillary industrial undertakings
- (d) Village industries
- (e) Cottage industries
- (f) Micro Business enterprises
- (g) Small- scale Service and Business (industry related)
- (h) Trading units

Let us have a brief idea of these small business.

- (a) **Small-scale Industries :** A small-scale industrial unit is one in which fixed capital investment in plant and machinery does not exceed Rs. One crore. In case of certain export promotion units this investment ceiling can be raised upto Rs. 5 crores.
- (b) **Tiny Industries :** A business unit whose total fixed capital investment in plant and machinery does not exceed Rs. 25 lakhs is called a tiny industry.
- (c) **Ancillary Industrial Undertakings :** When a small-scale industry supplies not less than 50% of its production to another industry, it is called as ancillary industrial undertaking. The fixed capital investment limit of Rs. One crore also applies to it. If an ancillary unit is owned by some other business unit, it losses it status of small business.
- (d) **Village Industries :** A unit that is located in rural area and whose fixed capital investment in plant and machinery does not exceed Rs. 50, 000 per artisan or worker is termed as village industry.

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- (e) **Cottage Industries :** These are small manufacturing units producing simple products involving some specific art or skill like handicrafts, filigree etc. They use simple equipments with indigenous technology for production. Cottage industries are carried on wholly or primarily with the help of members of the family either on a whole or part-time basis. These units are not defined by the ceiling of capital of investment.
- (f) **Micro Business Enterprises :** The fixed capital investment in plant and machinery of these enterprises does not exceed rupees one lakh.
- (g) **Small-scale Service and Business (Industry related) Enterprises (SSSBE):** In these businesses the investment limit in fixed assets of plant and machinery does not exceed Rs. 10 lakhs. The main business enterprises included under this category are – Advertising agency, marketing consultancy, Typing centre, Photo copying centre (Xeroxing), Industrial testing laboratory, Auto repair and garages, laundry and dry cleaning, tailoring, STD/ISD booths, beauty parlor, crèches, etc.
- (h) **Trading Units :** These are usually in the form of small retailers found in the market places.

### 8.8 IMPORTANCE OF SMALL BUSINESS IN INDIA

Having discussed the meaning, characteristics and different types of small business let us now look at its importance. Small business enterprises are found everywhere. They play a major role in the socio-economic development of any country. In view of India's scarce capital resource and abundant labour and natural resources, small-scale enterprises have been given an important place in the economic planning of the country. In India small-scale enterprises account for 35% of the gross value of the output in the manufacturing sector, 80% of the total industrial employment and about 45% of the total exports. Besides these contributions, the importance of small-scale business is increasing day by day due to the following factors.

1. The small business enterprises are capable of generating immediate and large-scale employment opportunities in our country.
2. They require less capital investment as compared to large scale business enterprise.
3. The cost of production is less due to use of local resources and less establishment and running cost.
4. The small industries help in effective mobilisation of the untapped resources of the country. With the help of local resources and indigenous technology, world-class products can be produced by village and cottage industries.
5. Small industries promote balanced regional development of the country. These can be easily set up at the source of resources that leads to overall economic development of that place.



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6. The small industries help in improving the national image by exporting quality products to foreign country. The Indian handicrafts, handloom products, filigree, appliqué works have a high demand in international market.
7. Small enterprises help in raising the standard of living of people. The people get employment or can start their own enterprises easily. They get variety of quality products for their daily consumption and use.

### 8.9 SCOPE FOR SMALL BUSINESS

The scope for small business is vast covering a wide variety of activities starting from retailing to manufacturing. There are some specific areas of economic activity which can be effectively and successfully managed by forming small business enterprises. Let us discuss about the scope for small business.

1. Trading which involves buying and selling of goods and services requires less capital and time to start. This area of economic activity is dominated by small-scale entrepreneurs.
2. The activities which require personalised service like motor repairing, tailoring, carpentry, beauty parlour etc. are run by establishing small business.
3. It is the best option for those who do not like to be an employee, but become self-employed. People can work independently by running a small enterprise of their own.
4. For products and services, which are of less demand or their demand is limited to any specific area, the small-scale business is most suitable for them.
5. A large industrial unit cannot run smoothly without the support of small units. These industrial units often depend upon the small units (ancillary industrial undertaking) to get some parts or spares, which cannot be profitably produced by them.
6. In the era of business process outsourcing (BPO), many new areas have opened up for small business enterprises.
7. The business enterprises, which require constant touch of the owners with customers as well as the employees, can only be successfully run in the form of small enterprises.



### INTEXT QUESTIONS 8.3

1. Name any two specific areas of economic activity, which can be effectively managed by small business enterprises.

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2. Identify the type of small scale industries on the basis of fixed capital investment in plant and machinery.
  - (a) Total amount of fixed capital investment in plant and machinery does not exceed Rs. 25 lakhs.
  - (b) The total amount of fixed capital investment in plant and machinery does not exceed Rs. One lakh.
  - (c) The total amount of fixed capital investment in plant and machinery is less than one Crore and more than Rs 25 lakhs.
  - (d) The total amount of fixed capital investment in plant and machinery does not exceed Rs. 10 Lakhs.
  - (e) The total amount of fixed capital investment in plant and machinery does not exceed Rs. 50,000 per artisan.

**8.10 GOVERNMENT POLICY TOWARDS SMALL BUSINESS**

The Government of India has given special importance to small business enterprises due to their vast potentiality for development of social and economic conditions of the country. Several kinds of assistance and support are announced from time to time keeping in view the changing economic conditions. The following are some of such steps taken by the Government for development of small business in India.

1. It provides liberalised credit policy like, less formalities to process the loans and advances, loans at concessional rate, etc.) for small scale industries.
2. To keep away from the competition with large scale industries, the Government of India has reserved about 800 items for exclusive production by small scale industries.
3. It provides concession and exemption in excise and sales tax to the small scale units. The excise exemption has raised from Rs. 50 lakh to Rs. One crore for small industries.
4. The Government also gives preference to the products of small enterprises while purchasing stationery and other items for its own consumption and use.
5. For promotion, financing and development of small-scale industrial enterprises several institutes like Small Industrial Development Bank of India (SIDBI), National bank for Agriculture and Rural Development (NABARD), District Industries Centres (DICs) etc. have been set up by the Government.
6. The Government of India has set up separate Ministry of Micro, Small and Medium Enterprises (<http://msme.gov.in>) for effective planning and monitoring of the development of small business enterprises in the country.

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7. To provide benefits of its plans and policies to large number of industries, it has lowered the investment limit from Rs. 3 crore to Rs. One crore.
8. The Government provides capital subsidy of 12 % for investment in technology in select sectors of small-scale business.
9. To encourage total quality management (TQM) the Government provides grant of Rs. 75,000 to each units that obtains ISO 9000 certification.
10. To provide finance, design and marketing support to handloom sector it has launched the Deendayal Hathkargha Protsahan Yojana.
11. The Government of India has permitted upto 24 % of total shareholding of small-scale units by other industrial units.
12. The Government provides land, power and water etc. at concessional rates to small business enterprises.
13. Special incentives are also provided for setting up of small enterprises in rural and backward areas.
14. The Government encourages to establish small-scale industry by providing developed land and industrial estates.

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### 8.11 INSTITUTIONAL SUPPORT TO SMALL BUSINESS

To start and run a business enterprise one requires various resources and facilities. These may be in the form of technical, financial, marketing or training support. Such support is provided by the Government by establishing different institutions or organisations from time to time. Let us now learn about some of such institutions and their role in providing support.

1. **National Small Industries Corporation Ltd. :** The National Small Industries Corporation Ltd. (NSIC) was set up in the year 1955 to promote, aid and foster the growth of small industries in India. It provides wide range of promotional services to small-scale industries. It provides machinery to small-scale industries under hire purchase schemes and also on lease basis. It helps in export marketing of the products of small-scale industries. It also helps in development and upgradation of technology and implementation of modernisation programme of small-scale industries.
2. **State Small Industries Development Corporations :** The State Small Industries Development Corporations (SSIDCs) are set up in various states of our country to cater to the developmental needs of small, tiny and village industries. Their main functions include procurement and distribution of scarce raw materials, supply of machinery on hire purchase basis, and providing marketing facilities for the products of small-scale industries.

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3. **National Bank for Agriculture and Rural Development :** The National Bank for Agriculture and Rural Development (NABARD) was set up in 1982 as an apex institution for financing agricultural and rural sectors. It provides financial assistance through Regional Rural banks and cooperative banks to agriculture, small-scale, cottage and village industries, handicrafts and other allied activities in rural areas.
4. **Small Industries Development Bank of India :** The Small Industries Development Bank of India (SIDBI) was set up in 1990 as a principal financial institution for promotion, financing and development of small-scale industrial enterprises. It acts as an apex institution for all banks providing credit facility to small-scale industries in our country.
5. **Small Industries Service Institutions :** The Small Industries Service Institutions (SISIs) are set up to provide consultancy and training to small enterprises. These institutions render technical support service and conduct entrepreneurship development programmes. They also provide trade and market information to small-scale industries.
6. **District Industries Centres :** For promotion of small industries in our country District Industries Centres (DICs) are set up at district level. They conduct industrial potential survey keeping in view the availability of resources. Their main function includes implementation of various schemes of central and state governments. They appraise the worthiness of various proposals of the entrepreneurs to establish new units, guide them in choosing suitable machinery, equipment and raw materials.



### INTEXT QUESTIONS 8.4

1. Mention any five supports provided by SISIs to small-scale industries.
2. Mention the full form of the following in the space given below.
 

|          |           |            |
|----------|-----------|------------|
| (a) DIC  | (b) SIDBI | (c) NABARD |
| (d) NSIC | (e) SSIDC |            |



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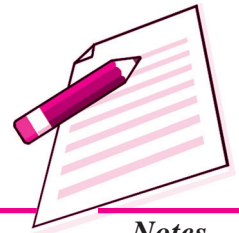
- Any economic activity which one may perform on his own as a gainful occupation is termed as self-employment. Such an activity may consist of producing and selling goods, buying and selling goods, or rendering services for a price.

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- Importance of Self-Employment:
  - ▶▶ Advantage of small business
  - ▶▶ Preference over wage employment
  - ▶▶ Developing the spirit of entrepreneurship
  - ▶▶ Promotion of individualised services
  - ▶▶ Scope for creativity
  - ▶▶ Reducing the problem of unemployment
  - ▶▶ A boon to under-privileged in respect of higher studies
- Avenues of self-employment: Before choosing a suitable career in self-employment one must have an idea about the various avenues like trading, manufacturing, professional occupation and individualised services.
- A business which is small in size, requires less capital investment, employs less number of workers, volume or value of output is less, may be called as Small Business.
- Characteristic of Small Business: It is owned and managed by one or few persons. The owner takes active participation in day to day management. Small businesses are generally labour intensive and require less capital investment. These units use local resources and are established mainly to cater to the needs of local people. The operation of a small business is more flexible and requires smaller gestation period.
- On the basis of fixed capital investment in plant and machinery, small businesses in India are classified as (a) Small-scale industries; (b) Tiny industries; (c) Ancillary small industry; (d) Village industries; (e) Cottage industries; (f) Micro business enterprises; (g) Small- scale service and business (industry related) enterprises; and (h) Trading units.
- Importance of small Business in India: Small scale business contribute about 35% gross value of output in manufacturing sectors, 80% of total industrial employment and 45% of total exports. They generate employment opportunities, require less capital investment, promote balanced regional development, improve standard of living of the people and exports quality products.
- Scope for Small Scale Business: The scope for small scale business is vast covering a variety of areas like trading, personalised services, produce products and service for local area, etc.

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- The Government of India provides several assistance and support to small business enterprises. These include: liberalised credit policy, capital subsidy, concession and exemption in excise and sales tax, special support for promotion, financing and development of small-scale industries through SIDBI, NABARD, and DICs. It also provides land, power and water etc. at concessional rate to small business enterprises. It has established separate ministry for the over all development of small industries in our country.
- The Government provides technical, financial, marketing and training support to small business enterprises by establishing various organisations like NSIC, SSIDC, SIDBI, NABARD, SISI and DICs.



#### KEY TERMS

|                          |                  |                      |
|--------------------------|------------------|----------------------|
| Ancillary small industry | Cottage industry | Gestation period     |
| Micro business           | Self-employment  | Small-scale industry |
| Tiny industry            | Village industry |                      |



#### TERMINAL EXERCISE

##### *Very Short Answer Type Questions*

1. What is meant by term 'Self-employment'?
2. State any two characteristics of small business.
3. What is tiny industry?
4. Mention any four types of business enterprises included under Small-scale Service and Business (Industry related) Enterprises.
5. Enumerate any four types of small-scale industries found in India.

##### *Short Answer Type Questions*

6. Mention any four characteristics of Self-employment.
7. Explain any two avenues of self-employment.
8. State any four characteristics of small business.
9. Describe the role of SIDBI and SISI in providing support to small business in India.
10. What are the areas in which small-scale business enterprises can be successfully established?

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### Long Answer Type Questions

11. Explain any four points of significance of self-employment.
12. State and explain any four types of small industries.
13. Describe the various institutional support provided to the small business in India.
14. State any six assistance and support provided by the Government of India for development of small-scale business.
15. Describe the importance of small business in India.
- 16. After passing Class 12, Apoorva wants to start her own manufacturing business on a small-scale. Her father has promised her to meet her initial financial requirement. She has advised that there number of a government agencies providing help in various fields and she can approach them. Name such agencies and state the nature of assistance these can provide in starting small businesses.**
- 17. Amogh when sees his father, who is working in a reputed company on a high position, coming from office quite late and exhausted Most of the times he is tense because of work, he decides never to go for wage employment and will start his own busines in life. Explain him the various avenues of self employment so that he may start weighing advantages and disadvantages of each one of them.**



### ANSWERS TO INTEXT QUESTIONS

- 8.1** 2. Yes – ‘b’ and ‘d’
- 8.2** 2. (a) Manufacturing, (b) Trading, (c) Professional Occupation  
(d) Individualised Service, (e) Individualised Service
- 8.3** 1. (a) Trading, (b) Personalised services (or any other)
2. (a) Tiny Industry, (b) Micro Business Enterprises,  
(c) Small-scale Industry (d) SSSBE, (e) Village Industry.
- 8.4** 1. (a) Consultancy, (b) Training, (c) Technical support service  
(d) Entrepreneurship development programmes  
(e) Provides trade and market information
2. (a) District Industries Centre  
(b) Small Industries Development Bank of India  
(c) National Bank for Agriculture and Rural Development  
(d) National Small Industries Corporation  
(e) State Small Industries Development Corporations

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**MODULE - 3***Prepare for  
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Survey about 5 to 6 small business units in the nearby area and study in detail regarding the following:

- a) Avenue of Self-employment
- b) Capital investment
- c) Type of Small business
- d) Govt. support to these small businesses
- e) Problems faced by these units (if any)

**ROLE PLAY**

Ramesh was a brilliant student but his friend Suresh was not upto the mark. But both of them were very good friends. After completing Secondary course Ramesh went to the nearby city for higher studies. During the vacation when Ramesh came to his village he found Suresh moving here and there and that he has discontinued his studies. He was also looking very tense.

Here is the abstract of their conversation.

Ramesh : What happened to you? You look upset.

Suresh : I have discontinued my studies and now I don't want to be a burden on my parents. I want to earn my livelihood. I have to choose a suitable career.

Ramesh : Why do not you start a small business?

Suresh : Small business! I do not have any idea about it.

Ramesh : Okay. Come with me. I shall tell you about it in detail.

Ramesh explained to Suresh about the meaning, characteristics and scope of small business in our country. He also explained to him about the Government as well as various institutional support provided for development of small business.

Choose a role for yourself and one for your friend and continue the conversation.

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