



Shyam Surat Yadav showing one of his 9 looms at his carpet workshop

Acceleration of medium-large scale enterprises under Work4Progress (W4P) Acceleration Phase

In the month of April, the Work4Progress (W4P) team from DA conducted a survey on the needs of enterprises to create more jobs. The survey was primarily carried out in the districts of Mirzapur and Bhadohi in eastern Uttar Pradesh under the W4P Acceleration Phase programme. The objective of the survey was to understand the needs of entrepreneurs and assess their requirements for loans.

From a list of 35 enterprises having more jobs, selected entrepreneurs were assessed based on their revenue, investments, and the number of workers employed. A further lens was used to select the entrepreneurs where two of these factors overlapped in addition to the type of enterprise they operate.

We reached out to ten entrepreneurs ranging from camphor manufacturers to garment manufacturers with each exhibiting new and innovative ideas that they have implemented. Most of the entrepreneurs that we assessed had set up their enterprises by pooling their own savings and availing the relevant government schemes. Many now want to expand their operations further and have been seeking loans to improve their technologies and processes. However, lack of credit history and improper formal documentations have led to rejection of loans from banks.

For example, Keshav Dubey, a youth of 25 years, operates a camphor manufacturing enterprise. Having done his due diligence, he has realised that the size of the camphor slabs he manufactures is large, which often results in damage during shipping. He plans to purchase a new die that will reduce the

camphor slab size. Johar Ansari, on the other hand, has a fairly large garment manufacturing enterprise employing 25 local youths, mostly young women. He requires finance to purchase larger machines for washing and drying garments as the demand for his products is increasing. Shyam Surat Yadav, a carpet manufacturer in Bhadohi is looking to add more handlooms to make carpets, meeting its growing demand in the market as compared to the hand-tufted carpet which is much more labour-intensive and time-consuming to produce.

Three of them applied for loans multiple times from banks but got rejected. Hence, a need for providing loans to these types of entrepreneurs from alternate channels is emerging.

Realising the potential of these enterprises to create many more meaningful jobs, we are mapping the financial requirements of entrepreneurs and connecting them to possible opportunities for availing credit beyond banks.