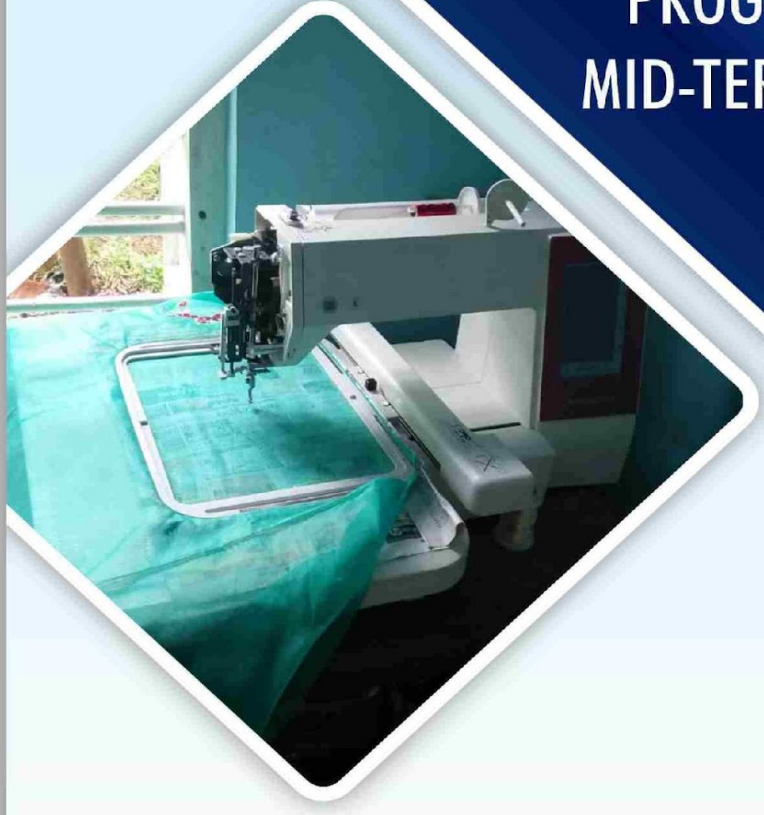
सत्यमेव जयते

Ministry of Rural Development
Government of India

START-UP VILLAGE ENTREPRENEURSHIP PROGRAMME : MID-TERM REVIEW



Report by
Quality Council of India
for NRLM, MoRD.

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Glossary

AAP	Annual Action Plan
BAP	Block Anchor Person
BLF	Block Level Federation
BMMU	Block Mission Management Unit
BNSEP	Block Nodal Society for Enterprise Promotion
BPM	Block Project Manager
BRC	Block Resource Centers
CAPI	Computer Assisted Personal Interviewing
CB	Certification Body
CBO	Community Based Organisation
CEF	Community Enterprise Fund
CIF	Community Investment Fund
CLF	Cluster Level Federation
CMRC	Community Managed Resource Centre
CRP-EP	Community Resource Persons–Enterprise Promotion
DAY-NRLM	Deendayal Antyodaya Yojana-National Rural Livelihood Mission
DIC	District Industries Centre
DMMU	District Mission Management Unit
DPM	District Project Manager
DPR	Detailed Project Report
EC	Empowered Committee
EDP	Entrepreneur Development Program
EMI	Easy Monthly Instalment
FACT	Fertilizers and Chemicals Travancore
FGD	Focus Group Discussion
FLC	Financial Literacy Centers
GOT	General Orientation Training
GP	Gram Panchayat
GST	Goods and Services Tax
HOC	Hindustan Organic Chemicals Ltd.
ICAR	Indian Council of Agricultural Research
ICT	Information Technology and Communication
IT	Information Technology
KEL	Kerala Electrical & Allied Engineering Co.Ltd.
KHDP	Kerala Horticulture Development Programme
KII	Key Informant Interview
KVIC	Khadi and Village Industries Commission

MBA	Masters in Business Administration
MCPE	Monthly Per Capita Expenditure
MCPs	Micro Credit Plans
MEC	Micro Enterprise Consultants
MIMI	MICA Indian Market Intelligence
MIS	Management Information Systems
MoRD	Ministry of Rural Development
MoU	Memorandum of Understanding
MP	Madhya Pradesh
MPI	Market Potential Index
MSME	Micro, Small and Medium Enterprises
NABARD	National Bank for Agriculture and Rural Development
NABCB	National Accreditation Board for Certification Bodies
NCR	National Capital Region
NMMU	National Mission Management Unit
NOC	No Objection Certificates
NREGA	National Rural Employment Guarantee Act
NRLM	National Rural Livelihood Mission
NRO	National Resource Organisation
NSSO	National Sample Survey Office
PAN	Permanent Account Number
PIA	Project Implementation Agencies
PMKVY	Pradhan Mantri Kaushal Vikas Yojana
PRIs	Panchayat Raj Institutions
PTS	Performance Tracking System
PVTGs	Particularly Vulnerable Tribal Groups
PwDs	Persons with Disabilities
P&L	Profit and Loss
QCI	Quality Council of India
RF	Revolving Found
RFP	Request for Proposals
RSETI	Rural Self-Employment Training Institute
RUDSETI	Rural Development and Self-Employment Training Institute
SBM	Swachh Bharat Mission
SC	Scheduled Caste
SDG	Sustainable Development Goals
SECC	Socio Economic Caste Census
SHG	Self Help Groups
SMMU	State Mission Management Unit

SPM	State Project Manager
SRLM	State Rural Livelihoods Mission
ST	Scheduled Tribe
SVEP	Start-up Village Entrepreneurship Programme
UP	Uttar Pradesh
VAT	Value Added Tax
VE-IT	Village Enterprise – IT Application
VFPCK	Vegetable and Fruits Promotion Council Kerala
VO	Village Organization
YP	Young Professional

ACKNOWLEDGEMENTS

The conceptualization, planning and execution of this study is the outcome of tireless efforts and convergence of experience of countless people.

We are indebted to the leadership and direction of Ms. Nita Kejriwal (Jt. Secretary, MoRD), Ms. Anita Baghel (Director, MoRD), Mr. Adil Zainulbhai (Chairman, QCI) and Dr. R. P. Singh (Secretary-General, QCI).

We are grateful to the beneficiaries and officials of SVEP for providing their constant support through the course of the study.

The meaningful discussions and suggestions from MoRD staff was instrumental in completion of the study. It was due to the close cooperation between them and QCI officials which has helped complete this study in the best collaborative spirit.

Executive Summary

Start-up Village Entrepreneurship Program (SVEP), a centrally sponsored programme implemented as a part of Deendayal Antyodaya Yojana-National Rural Livelihoods Mission (DAY-NRLM) intends to play a critical role in bridging the consistent gap in capital and technical support to rural enterprises. The programme is expected to promote 1.8 lakh enterprises in 125 blocks in 24 states in four years and create employment for 3.78 lakh rural poor in four years beginning from 2015. SVEP proposes to address issues related to – missing financial, incubation and knowledge ecosystems for rural startups.

Quality Council of India, conducted a mid-term evaluation for SVEP. The objective of the mid evaluation as mentioned in the Terms of Reference issued were "To enable the project to reflect on the outcomes and to develop the learning for the improvement of upcoming activities, as well as for the identification of potential strategies for ensuring the sustainability of project outcomes, especially the sustainability of the business support services which are essential to ensure the continuity of eco-system for entrepreneurship in the village". Quality Council of India (QCI) followed a mixed research method to conduct the mid-term evaluation of SVEP. This was done by understanding the scheme through secondary documents, conducting multiple field visits to understand the on-ground situation, using the learning for building an ecosystem for data collection based on technology, enabling rapid scaling up of research operations and developing focused and directed tools for data collection with due checks and balances for all processes.

The detailed research implementation plan for conducting the study on mid-term evaluation of SVEP is provided below:

The evaluation used a mixed method involving qualitative and quantitative research designs. Quantitative research design was an important component for evaluating the performance of the scheme in terms of the outcome indicators of the projects as compared to the targets set out. Qualitative research design was employed to understand why certain intended/ unintended outcomes have occurred and to also help understand the expectations of the various stakeholders with respect to the implementation of the project. A CAPI platform was used by QCI that involved features such as flagging, geo-tagging and time-stamping of images. This enabled real-time monitoring of the data being captured and thus ensured data quality and integrity.

FINDINGS

Type of enterprises promoted under SVEP

In terms of type of enterprises in the sample of entrepreneurs interviewed, around 55 % of the enterprise were doing trading activities. This largely included activities like Kirana Shop, Vegetables Shop, Cloth Shop, Cosmetic Shop, Snacks Shop, Tea Shop etc. Around 11% of the entrepreneurs surveyed were involved in manufacturing activities. This was largely around Furniture Making, Handloom weaving, Pickle Production, Weaving Unit, Dona Pattal Manufacturing, Handicrafts, Broom Making etc. 34 % of the households reported being involved in various service enterprises, largely Tailoring, Flour Mill, Centring, Transportation, Beauty Parlour, Hotel, Barber Shop etc.

Social impact of the program:

The SVEP project was targeted towards the vulnerable sections of the community and it has been successful in terms of delivering the outcomes for the weaker and vulnerable sections. This includes the women, entrepreneurs with lower educational status and also the people from SC, ST and OBC categories.

Inclusion of SC/ST entrepreneurs in SVEP

Analysis of entrepreneurs' profiles across the seven locations depict that the sample of the study involved entrepreneurs from different social categories. 82% of entrepreneurs across the blocks reported being from SC, ST and OBC categories. In Chumukedima, 98% of entrepreneurs interviewed were from ST category and in Dhanarua around 75% of entrepreneurs reported being OBC. The percentage of SVEP enterprises run by entrepreneurs of the SC and ST category in all the blocks surveyed was around 42% which was higher than the proportion of SC and ST category of population in these blocks which stood at around 39%.

Inclusion of women in SVEP

In terms of division by gender, it was found that in all the blocks across the states 75% of the enterprises were owned and managed by women. This figure was low in Moraul and Tappal at 37% and 38% respectively and high in Mohol, Rajpur, Vadavucode, Chumukedima and Dhanarua. This is a positive statistic compared to the NSSO survey of 2015-16 on micro enterprises which says that only 19.5 % of all micro enterprises are women owned / managed.

Inclusion of illiterates and lesser educated in SVEP

During the mid term evaluation, it was found that around 25% of the entrepreneurs reported being illiterate. The number of illiterate entrepreneurs was very high in Dhanarua, Rajpur and Moraul at 41%, 45% and 35% respectively. In terms of educational attainment of the entrepreneurs surveyed, we found that across the states around 59% of the entrepreneurs have studied below 8th grade.

In terms of the support to existing vs new enterprises of enterprises, we found that around 20% of the enterprises considered for the survey were existing enterprises and remaining 80% are new enterprises promoted under the SVEP project. As per the project guidelines, maximum of 25% of existing enterprises can be supported under SVEP.

The fact that the SVEP has been successful in motivating illiterate and less educated women from the SC/ST communities to take up enterprises for the first time (80% enterprises are new) shows that the project has been successful in creating a positive movement towards including these otherwise excluded groups into running businesses. As is pointed out later, 99% of the enterprises supported under SVEP are making profit.

This is a heartening outcome as it proves that a targeted project for poverty alleviation, run by the government can motivate vulnerable and otherwise excluded groups into starting enterprises and running them profitably. The strength of the SHG eco-system in mobilizing these entrepreneurs, empowering them and giving them the confidence and support to take the risk of starting enterprisers also needs to be acknowledged.

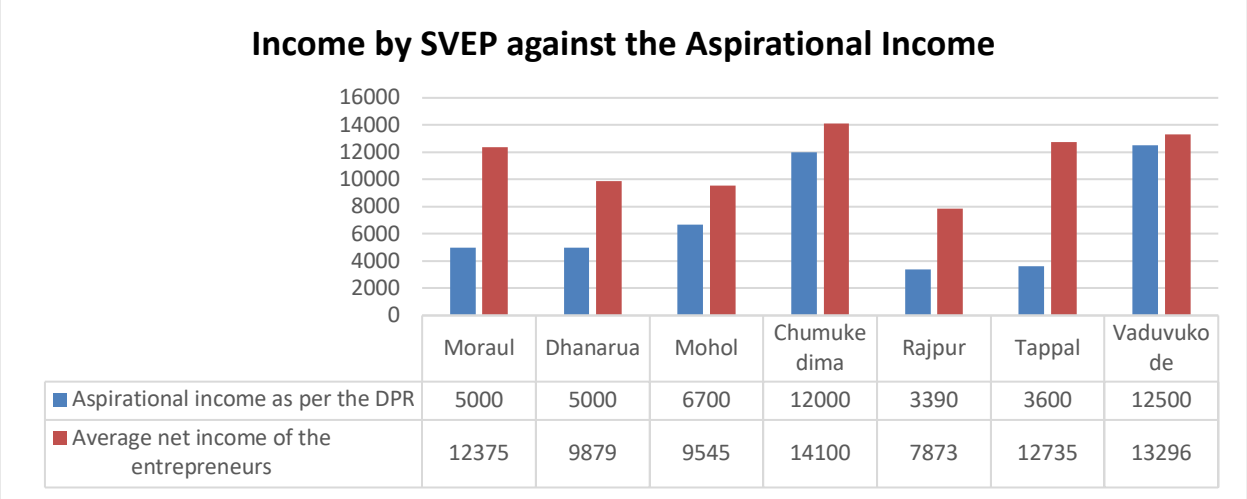
Overall, through the MIS data and the sample details we find that the program has been successful in targeting the vulnerable beneficiaries to start enterprises and run them successfully. This also indicates that the program and CRP-EPs were effective in triggering and motivating multiple first-generation entrepreneurs.

This data was also checked with the SVEP MIS data across the blocks and it was found that the program has had an inclusive approach with a special focus on the backward categories, women and people with low educational status.

Economic Impact of the Program

The evaluation study found that the impacts on the microenterprises of entrepreneurs included (i) capital-funded business growth, (ii) an apparent increase in net income, (iii) an increase in business assets, and (iv) creation of additional employment.

We compared the current income of the entrepreneurs to the aspirational income reported by them while enrolling in the program. **In all the blocks surveyed, the average gross income of the entrepreneurs is higher than the aspirational income stated by them from the enterprise at the time of starting the enterprise.**



	Moraul	Dhanarua	Mohol	Chumukedima	Rajpur	Tappal	Vaduvukode
Aspirational income as per the DPR	5000	5000	6700	12000	3390	3600	12500
Average net income of the entrepreneurs	12375	9879	9545	14100	7873	12735	13296

On looking through the profitability of the enterprises, **we found that 99% of the enterprises were profitable, 1% was in break-even and none were under losses**. **57% of the total household income is through the enterprises promoted under SVEP.** The category-wise figures suggest that for manufacturing this figure is 50%, for the services it is 60% and for trade it is 58%.

The mid-term evaluation study indicates that the average monthly revenue for an enterprise was around INR 39000 with enterprises in Vadavucode having highest figures with an average in excess of INR 1 lakh per month. Looking through the revenue details for enterprises by different types, we found that the manufacturing enterprises reported highest average monthly revenues at INR 47800, followed by service enterprises at INR 41700 and trading enterprises at around INR 36000.

In terms of improvement in the financial status of the entrepreneurs, **we found that the around 96% of the entrepreneurs reported an enhancement in savings.** This is an important proxy indicator as increase in savings would also denote an enhancement in income for the entrepreneur. The increase in savings is a further indicator that the income from the SVEP supported enterprises has been substantial and has led to a surplus being available over meeting the normal household expenses and the for meeting the business

related expenses and EMI payments. This can be further understood as income enhancement as an output of the program.

The fact that the aspirational income has been exceeded by the profits from the business and the enterprise contributes more 50% of the household income, shows that the income from the SVEP promoted enterprises has become the major source of income and not merely one of the many sources of income for the family.

The SVEP (among the sampled entrepreneurs) has been able to support viable businesses that have generated surplus and led to increase in household savings after meeting cash requirements for the loan servicing and household consumption needs.

This coupled with the targeted social impact on vulnerable sections, shows that the program has a positive impact on rural livelihoods and incomes.

Findings around the Financial Ecosystem

70% of the entrepreneurs interviewed reported that taking loans from CEF was easy. CEF has been an important factor for the setting up of the enterprises and resultant income increase.

The mid-term evaluation study indicates that the entrepreneur's need fulfillment ratio i.e., the ratio of own capital investment vs. CEF sanctioned averaged at 40% for all blocks for all sectors and varied from 37% for the business sector of services to 39% for manufacturing and 42% for trade.

Generally, it is assumed that an own contribution of 10% to 20% is good practice but 37% funding from other sources is high indication that the requirement of funds for enterprises is high and CEF has not been able to fulfill the same. Along with this, the entrepreneurs also reported that there is not enough money in CIF to lend to these enterprises.

Also, in many cases at least during the first year of roll-out of SVEP, the time for disbursement of around 60 days on an average was a major impediment in setting up enterprises, as per entrepreneurs. For consideration, the other alternatives in the formal financial ecosystem released the funds in longer time than 60 days. The respondents reported that the release of CEF was a rigorous exercise and the due diligence and process involved in the same takes some time for the disbursal.

The CEF was expected to help enhance creditworthiness of the village entrepreneurs and also showcase the ability of the community institution led enterprise capital provisions to demonstrate disciplined credit behaviour. But, good credit record of the entrepreneurs did not necessarily translate into enhanced bank's confidence in the unorganized sector and very little credit support was received from banks for SVEP entrepreneurs.

Many entrepreneurs reported that the conditions to avail CEF, like income and credit appraisal of the entrepreneur and feasibility study of the enterprise were rigorous. Appraisal of loans by nodal-CLF based on enterprise sector and regional benchmarks most often led to lower loan being sanctioned for the entrepreneur.

The study clearly establishes that the CEF was an important enabling factor for the setting up of enterprises as the alternative funding options are more difficult to access. The major reasons for reduction of CEF loan amount from applied loan amount is reported as follows:

a) Amount requested did not match the actual requirement
b) Entrepreneur did not have the required understanding of the business

c) Project approval committee was not confident about the repayment capacity of entrepreneur. The risk taking capability of the Community institutions is low and in quite a few cases the funds requested for by the entrepreneur from the CEF as part of the business plan were reduced and a loan for a lesser amount was released from the CEF.

Findings around Incubation and knowledge ecosystem

The confusion about the nuts and bolts of establishing and managing a successful microenterprise program has reduced after the first year of the SVEP programme.

The implementation of this component of the program was limited implementation problems around uncertainties with eligibility criteria, slow implementation at places, low uptake, complex processing and budgetary procedures. CRP-EPs have been used to support entrepreneurs with a view to increasing survival rates for start-ups and innovative enterprises.

The delays in the block due to a long time taken for setting up the processes of payment of CRP-EP honorarium with resultant delays in CRP-EP payments, slow release of CEF to the Nodal CBOs all have impacted the creation of the knowledge eco system.

Due to the initial delays, the CRP-EPs and PIA's (including the NROs) time in majorly devoted to motivating and starting new enterprises to meet the targets rather than in building the knowledge ecosystem.

Another major problem with project performance associated with the incubation role was related to quality of supervision, irrespective of whether projects achieved their objectives.

Problems are associated with inadequate performance of implementing agencies, often resulting in implementation delays.

CRP-EPs provide support for enterprise-based activities to rural poor through entrepreneurial capacity building, skill enhancement, need based finance, facilitation of bank linkage and continuous nurturing support for setting up and running viable village enterprises, using the institutional platform of SHGs and their federations under NRLM.

The mid-term evaluation study (full sample) indicates that the entrepreneurs received support from the CRP-EPs in following aspects – selecting business models (31%), document preparation (60%), accessing loans – CIF/CEF (37%), setting up business (17%), bank linkage (23%) and book keeping (37%).

Though the CRP-EPs have got adequate training, the numbers were low in most blocks leading to lower handholding and support for growth.

SUGGESTIONS

Financial ecosystem: Key suggestions

Provision of subsequent loan: The pressure to meet total enterprise support targets and give loans to new applicants was conflicting with the needs for subsequent loans by existing applicants, thereby impacting the growth of the microenterprises seeking additional funding for growth. Therefore, SVEP should facilitate new funds for the entrepreneurs who have grown in size though this was a part of program design. This would improve the program sustainability, a critical measure of success of a microenterprise loan program. The ability of the created/ supported microenterprises to grow over time will vastly improve if this is done.

This will also help enroll new entrepreneurs without compromising the growth of the existing enterprises. For SVEP to be a successful and sustainable program, it should incorporate components beyond a stand-alone loan program to include a deeper client support system that could stand the test of time.

Better facilitation of bank linkage for loan: The BRC needs to be further strengthened and trained to understand loan fund policies and procedures of banks better to be able to develop successful financial

linkages of entrepreneurs with banks for loans under MUDRA or other schemes. Finance and other resources of the formal banking system for long-run credit should be mobilised and made available to the SVEP entrepreneurs. Getting banks involved at the initial stage of SVEP offers the parties (SVEP, entrepreneurs and banks) opportunities to be familiar with each other, and may subsequently improve the sustainability of enterprises when they get financial assistance from banks. This can be effectively done by **creating a connection between the banking system and existing SVEP ecosystem through a formal guideline** laying out the detailed criteria of this connection building scheme. The initial entrepreneur screening should be followed by referrals to the banks about the potential of the enterprise. The involvement of the Financial Inclusion (FI) teams at the national and state level in facilitating loan requirements of the SVEP enterprises was also low, and needs to be improved. Given the fact that the FI teams have been successful in raising a large amount of bank linkage for the SHGs, shows that their involvement shall help the loaning to the SVEP entrepreneurs from the banks.

The success shown by the Maharashtra team (Swayam Shikshan Prayog) in arranging loans from banks by organizing confidence building meetings of the bank managers with SVEP entrepreneurs shows that if the bankers sensitization meetings organized by the FI teams include sensitization and exposure to SVEP and its entrepreneurs, then the bank linkage of the SVEP entrepreneurs may improve in all the blocks.

Incubation and knowledge ecosystem: Key suggestions

Range of services provided by CRP-EP and BRC should be improved: The BRC needs to be provided further support to assist lower income entrepreneurs to create their own independent sources of income through successful enterprises. The problem of high turnover of BRC members needs to be addressed and greater number of women need to be selected as BRC members and also as CRPs. Even when the BRC members' motivation is based on social as well as economic values, they are hard pressed in terms of time to address the problems of the entrepreneurs.

The number of CRPs needs to be increased. The CRP-EPs need to provide greater support in finding markets, access to raw materials and other intermediate inputs. Greater attention needs to be provided to non-growing microenterprises with small profits. This can be addressed by guiding the entrepreneur to put in efforts to reduce costs, increase sales or switch to product lines that yield higher returns.

More training needs to be provided to CRP-EP and Entrepreneur: This should be backed with post training follow-ups to check retention and interest. After selection, the trainings of CRP-EPs need to be certified under SVEP. The training needs to be standardized and greater focus should be paid on the training on financial management.

Need for a more user friendly performance tracking system and training on the same: Though, the performance tracking system has been put in place in all blocks, CRP-EPs find it difficult to input the record of sales, expenses, withdrawals from business, profit and loss for the entrepreneurs. The CRP-EP collects this data from the entrepreneur on a weekly basis. Since they lack time, it is difficult for them to fill it in the performance tracking system and as a result it is not being used at many places. More training and support needs to be provided to both CRP-EPs and entrepreneurs and the system should be simplified to make it more widely usable.

Need to strengthen BRC: BRC has been set up as the base for implementation of SVEP in the blocks and forms an important part of the institutional and contractual arrangements for block level operations. More needs to be done to design them as a single point solution for enterprise promotion, so that they are able to address the needs and grievances of the community through information availability, business plan processing, documentation support and funding (via CEF). Their role especially in facilitating start-up support and handholding of entrepreneurs through CRP-EPs and monitoring the progress and timely loan repayment of enterprises need to be improved. The various committees within the BRC that have been formed, like executive and approval committee need to be strengthened further. The role of the PIA in

providing handholding support to BRC especially in establishing the norms, terms and conditions for the operations of the BRC should be phased out gradually so that the program becomes sustainable after the PIA's withdrawal.

CONCLUSION

The programme was able to play a critical role in bridging the gap in capital and support for rural enterprises specially for those operated by the vulnerable sections. It has been able to motivate the vulnerable sections, illiterate, women from SC/ST communities to become first time entrepreneurs and start enterprises.

The evaluation indicates that the activities supported under SVEP enhanced the effectiveness of public expenditures through the programme and helped build and support early-stage rural enterprises by providing them with a range of critical services, such as business development support, mentoring, finance, as well as access to the banking system.

In terms of the overall outcome achievement by the program, we found that the program has been successful in providing easy access of credit to the entrepreneurs in the rural areas. Along with this, it is encouraging to note that the support received by enterprises for improvement of incubation ecosystems has also been satisfactory and has led to availability of business support services in the project areas.

The study shows that there can be some improvement in implementation of activities to improve the knowledge ecosystem. We found that the SVEP beneficiaries were still not aware about the financial management techniques and their demand of higher ticket size of the loan and lower interest rate appears misplaced. Apart from this, it was also found that the BRC as an institution was still not strong enough. There were also issues with the tracking system for monitoring of the enterprises.

The analysis of the data at the broader level indicates that entrepreneurs that the program had a positive impact for the beneficiaries. The program has been able to reach the socially backward classes and also been able to involve people from lower educational qualification to start enterprises. The impact was largely reported strengthening of livelihood, substantially higher income generation and improvement in savings.

The entrepreneurs reported that due to the SVEP project they have had improvement on capital-funded business growth, an apparent increase in net income, an increase in business assets, and creation of additional employment and generation of inner surplus to lead to an increase in savings. Entrepreneurs also reported an improvement in many other aspects of their life such as general health status, education of children, condition of sanitation, nutrition and the social standing of their household in the community. The analysis of data collected from various stakeholders indicates that the SVEP scheme has been instrumental in propelling the enterprises to a shift towards a pathway of formalized set-up; there is an increased understanding of business ecosystem among the entrepreneurs, savings for individual entrepreneurs has enhanced and records pertaining to business and personal cash flows are also maintained. It was encouraging to note that many entrepreneurs reported that they were using the profits for reinvesting in the business for its expansion.

SVEP with minor modifications in its design and implementation protocols can go a long way in motivating the vulnerable sections of rural folks to take up livelihood enhancing and succeed in the same.

1. Introduction

India's impressive growth trajectory has not translated into a corresponding increase in jobs and of every 12 million Indians who join the workforce each year, less than 1 million are able to find meaningful, dignified and adequately remunerative work in the formal economy. The rest struggle in situations of unemployment and disguised underemployment. Microenterprises could play an instrumental role in addressing this challenge as they create local jobs in large numbers and have a significant consequential effect on economic resilience and social well-being.

Over 90% of India's population is engaged in the unorganised sector for their livelihood. In rural areas, a large section is either self-employed or engaged in agriculture. It has been observed that poor families have need of diverse income sources to broad base their livelihood in order to sustain themselves. Livelihood diversification in rural India could lead to an overall economy-wide increase in productivity, and facilitate swifter structural transformation and poverty reduction. The role of the non-farm sector is crucial for job creation. There is an opportunity to diversify the portfolio of economic opportunities available to rural households, thereby enabling greater rural income.

Male outmigration from the rural areas has influenced changes in women's work and roles in both farm and non-farm work. It has also brought in changes in intra-household decision-making, and women are taking up a key role in supporting livelihoods, but they continue to lack adequate access to finance, market and tailored extension services to move up in the value chain. Of the non-farm livelihoods, skill based work and small enterprises are important sources of income, and the government has stepped up its efforts to foster the growth of the same through the NRLM programme. However, it has been realised that in the absence of adequate business skills and lack of financial support, these small and microenterprises engaged in non-farm livelihoods struggle to survive and often either fail or become stagnant. While the government envisages the expansion of small and micro-enterprises as one of development priorities for job creation and economic development, their growth has been subpar.

Obstacles to their growth include weak downstream linkages, a regulatory framework, which undermines their competitiveness, limited access to financial services, poor support services for micro-enterprises and challenging logistics. Slow expansion of small and micro-entrepreneurship limits the potential development of job-creating value-adding activities, and stymies profitable linkages with small-holder producers. Global evidence shows that strong forward and backward linkages are associated with high employment multipliers through the creation of direct and induced jobs in related enterprises.

Creating an inclusive entrepreneurship ecosystem is critical to ensure the sustainability of the enterprises of tomorrow that will absorb the growing workforce. Job and entrepreneurship opportunities for large sections of the economically active population, particularly youth and women, remain limited. This is closely linked to the lack of an enabling ecosystem for innovation, entrepreneurship and incubation at the individual level and at the economy-wide level, and limited services delivery that underpin development of new economic opportunities. Globally important accelerators and incubation initiatives have recently emerged but these remain concentrated around big cities. Also, opportunities to use disruptive technology to decentralize such efforts remain unexplored. Constraints faced by women entrepreneurs – who dominate the rural non-farm employment space – are especially severe. Considering that the SDG strategy reconfirms India's commitment to closing the gender, social group, and geographical location-related development lacunae and moving towards shared prosperity for all its citizens, creating inclusive entrepreneurship ecosystem in rural areas is critical to minimize these gaps.

1.1 SVEP – propelling entrepreneurship in rural areas

Over the past several years, a consistent gap in capital and support for rural enterprises has been highlighted. Start-up Village Entrepreneurship Program (SVEP) intends to play a critical role in bridging this gap. The

programme builds and supports early-stage rural enterprises by providing them with a range of critical services, such as business development support, mentoring, finance, as well as access to the banking system along with guidance for convergence and integration with other government schemes. All this is based on the conviction that SVEP will give a push to non-farm livelihoods, especially skill based work and small enterprises, thereby creating jobs and stimulating long-term economic growth and produce social benefits. Above all, the programme is so designed as to democratise entrepreneurship by putting funding decisions into the hands of community based organisations themselves. Enterprises in their early stages and new enterprises, which would otherwise have found difficulty in getting off the ground are being promoted and supported.

SVEP is a part of the Deendayal Antyodaya Yojana-National Rural Livelihoods Mission (DAY-NRLM), a centrally sponsored programme implemented since June 2011. SVEP is a budget announced scheme and was approved in May 2015 as a sub-scheme under the NRLM and the guidelines were issued on 15thJune 2015. The objective of SVEP is to help the rural poor come out of poverty by helping them set up enterprises and provide support till the enterprises stabilize. It focuses on providing sustainable livelihoods and self-employment opportunities with financial assistance and training in business management of soft skills while creating local community cadre for promotion of enterprises. The programme is expected to promote 1.8 lakh enterprises in 125 blocks in 24 states in four years and create employment for 3.78 lakh rural poor in four years beginning from 2015. The SVEP proposes to address three major problems of rural start-ups – missing financial, incubation and knowledge ecosystems.

1.2 Strategy, Objectives and Components of SVEP

Through the program, the rural entrepreneurs get technical as well as financial support such that the enterprises (both existing and newly promoted) would be profitable.

The SVEP is implemented in a project mode through the State Rural Livelihoods Missions (SRLMs). The state may select Project Implementation Agencies (PIAs) to support it in the implementation. The PIAs selected by the state are eminent organizations, which have done considerable work in the area of promoting diversified non-farm rural livelihoods.

The current pattern of central assistance for SVEP projects is 60:40 (center-state) in respect of projects implemented in major states, while in the north-eastern and Himalayan states the ratio of central to state assistance is 90:10. The ceiling on administrative cost of SVEP projects is 6% of the total approved cost.

1.3 Key Activities

The activities undertaken under SVEP are consistent with the larger objectives of promoting village entrepreneurship across the country. More particularly, the emphasis has been on the following activities:

- Developing a cadre of Community Resource Persons–Enterprise Promotion(CRP-EP);
- Setting up of Block Resource Centers (BRC) in all the SVEP blocks. The BRC monitors and manages the CRP-EPs, appraises SVEP loan applications and acts as the repository of enterprise related information in the block;
- Promoting individual and group enterprises;
- Set-up and promote enterprises spread across manufacturing, trading and services;
- Building capacities of entrepreneurs to understand markets and run businesses profitably; and
- Use of ICT to create standard modules for minimizing the transmission loss in technical aspects like business plan and profit & loss account preparation.

1.4 Expected Outcomes

The following outcomes are expected from SVEP interventions:

- Increased understanding of business by entrepreneurs in the rural areas;

- A trained cadre of CRP-EPs in the local area to support the rural entrepreneurs;
- Willingness and positive outlook of entrepreneurs towards the services of CRP-EPs;
- Training and certification of CRP-EPs for providing business support services;
- E-learning modules developed on all the identified areas for effective dissemination of important business concepts across the country;
- Net increase (matched with aspirational income as defined in the DPR) in the incomes of entrepreneurs on a sustainable basis;
- BRCs, set-up across the country, have sustainable revenue model to operate effectively and are not dependent on outside funding after the project period.

The first two years of the project implementation focused on mobilising communities, setting up and strengthening of community structures, training and capacity building on business management aspects for the BRC members, creating a cadre of CRP-EPs, intensive training of the cadre of CRP-EPs, supporting and scale-up of existing enterprises as well as establishing and supporting of new enterprises. The upcoming years will see the project scaling up in the existing blocks and new blocks being added to SVEP fold.

2. Methodology for evaluation

2.1 Purpose of the evaluation

The current mid-term evaluation will enable the project to reflect on the outcomes and to develop the learning for the improvement of upcoming activities, as well as for the identification of potential strategies for ensuring the sustainability of project outcomes, especially the sustainability of the business support services, which are essential to ensure the continuity of ecosystem for entrepreneurship in the village. The findings can be used for:

- Assessing the contribution towards the outcomes achieved by the project so far;
- Learning on best practices for improving the strategy/approach in other blocks;
- Providing recommendations on key areas such as new enterprises, CRP-EPs and support to entrepreneurs; and
- Help the stakeholders take steps for improving the program – going forward.

Quality Council of India (QCI) followed a mixed research method to conduct the mid-term evaluation of SVEP. This was done by understanding the scheme as stipulated by MoRD, conducting field visit to understand the on-ground situation, using the learning for building an ecosystem based on technology, enabling rapid scaling up of operations and developing focused and directed tools for data collection with due checks and balances for all processes. The detailed research implementation plan for conducting the study on mid-term evaluation of SVEP is provided below:

Phase 1: Pre-Execution Stage

Meetings of MoRD and QCI: These meetings were held to finalize the type of approaches to be taken for conducting the qualitative, quantitative and process studies. The brief sample of stakeholders, questionnaires for interviewing each stakeholder and the key performance indicators for each questionnaire were discussed with the MoRD.

Secondary Research: QCI conducted secondary research of the existing literature (Detailed Project Reports, Guideline document etc.,) related to SVEP to comprehend the various complexities associated with the scheme, the role of each stakeholder and understand the aims and objectives of the programme.

Field Visit: QCI along with representatives from MoRD undertook a field visit to Tappal Block (Aligarh) on 23rd April, 2019, to ascertain the actual work being undertaken on-ground and understand the on-ground complexities faced by the several stakeholders at the village level.

Finalization of methodology, sampling and questionnaires: Following the field visit to Tappal Block, QCI in consultation with MoRD, finalised the methodology and questionnaires for conducting the mid-term evaluation of SVEP:

a. **Finalization of research design:** Post conducting the pilot at Tappal Block, QCI finalized the research design to be undertaken for conducting the study. It was decided to use a mixed method involving qualitative and quantitative research designs to undertake the study. Quantitative research design was an important component for evaluating the performance of the scheme because any conclusion drawn on the basis of numbers and analysis will only help analyse the performance of the scheme vis-à-vis the targets of the scheme. Qualitative research design was employed to understand why certain intended/ unintended outcomes have occurred and to also help understand the expectation of the various stakeholders with respect to the scheme.

b. **Development of methodology:** Post finalization of the research design, QCI finalized the methodology to be adopted for conducting the survey for the mid-term evaluation and process evaluation of SVEP. A 4-stage approach would be employed for conducting the evaluation of SVEP. Each stage would be conducive to generating a specific outcome and ease the transition onto the next stage.

c. **Finalization of sampling and sample plan:** QCI, in consultation with MoRD, finalized the sample for each set of stakeholders for undertaking the study. Few revisions were made to the sample by MoRD such as i. Removal of CRP (non-SVEP) from the study ii. Number of CLFs to be reduced to one per block iii. Replacement of VO (Non-SVEP) with SHG (Non-SVEP) and iv. Number of Village Organizations (SVEP) reduced to one per village

d. **Development and finalization of questionnaires in consultation with MoRD**: Structured objective questionnaires were employed by QCI to interview the sampled entrepreneurs, CRP-EPs, SHG office bearers, VO office bearers, CLF office bearers, while structured questionnaires comprising of subjective and objective questions were employed for interviewing the BRC office bearers, to gather insights from the interview to be used in both mid-term evaluation and process evaluation. Secondary data gathered from the BRCs with respect to the achievement of targets given by the mission were also evaluated to draw conclusions about the study. For conducting the process evaluation of SVEP, QCI conducted semi-structured interviews with the PIA/ NRO staff, Nodal SPM, NRLM staff at the national level and with the bank officials. A semi-structured interview was appropriate as it allows evolution of new ideas and components to be deliberated upon on the basis of the interviewee's response. The interviewer had specific topics and questions around which the discussions revolved, which enabled her/ him to get maximum insights out of the interviews. QCI also conducted 3 semi-structured focus group discussions (FGDs) in each block-with the entrepreneurs and CRP-EPs, with the community-based organisations responsible for channelization of funds and support to the beneficiaries and one with officials at state, district and block level to understand the efficiency of the process and to get maximum inputs from the stakeholders with respect to improvements required in the scheme. The FGDs assisted in estimating the aspirations of the beneficiaries and recording the best practices in each block.

e. **Development of Field Survey Plan:** Post finalization of the questionnaires, a field movement plan was drawn up by QCI. The time taken for conducting interviews of each stakeholder was ascertained and accordingly the number of assessors to be sent per village was determined. A detailed survey plan was prepared.

f. **Translation of questionnaires:** Post approval of MoRD on the questionnaires, each of the questionnaires was translated to Hindi to assist the assessors conduct the study.

g. **Development of CAPI platform:** The approved questionnaires were uploaded onto the CAPI platform with all necessary checks and balances to leave no room for error. The answer choices for each question were coded to assist in data analysis in the later stages of the project. The CAPI platform used by QCI involves features such as flagging, geo-tagging and time-stamping of images and real-time monitoring of the data being captured by the assessor to maintain integrity of the data captured.

h. **Pilot of CAPI questionnaires:** Post uploading the questionnaires on the CAPI platform, QCI team conducted a pilot in one of the SVEP block (Tauru) to test the questionnaires. The questionnaires were subject to changes after evaluating the learnings from the pilot conducted. The pilot consisted of testing all the questionnaires.

Phase 2: Execution Stage

Selection of field team: QCI engaged with Certification Bodies (CBs) for conducting the on-field assessments of SVEP.

Training of field team: After identifying the potential list of assessors meeting the selection criteria, QCI trained a pool of approximately 50 assessors. 2 training sessions of 2-days each were conducted simultaneously, one in English (for assessors from Kerala and Nagaland) and another in Hindi (for assessors from Bihar, UP, MP and Maharashtra).

Deployment of assessors for survey: Post finalization of assessors from each state undertaking the study, the assessors were deployed as per the field assessment plan. Survey of one block was conducted primarily to check whether changes in the assessment plan and questionnaires are required. Post successful completion of the assessment of the first block and making the necessary changes, the remaining 6 blocks were assessed in 3 phases, assessing 2 blocks simultaneously at one point of time. During the survey, data was collected by interviewing the entrepreneurs, CRP-EPs, office bearers of SHGs, office bearers of non-SVEP SHGs, office bearers of VOs, office bearers of CLFs and office bearers of BRC.

Quality assurances: A dedicated team of people was set up as a part of the study to continuously monitor and review the information being collected on ground. The team ensured that the information collected is legitimate and relevant evidences are collected to substantiate the claims made by the stakeholders.

In-depth interview and focus group discussions: After concluding the survey phase, in-depth interviews and focus group discussions (FGDs) were conducted to gain insights for the process evaluation study. The in-depth interviews and FGDs were based around a semi-structured questionnaire, consisting of focus points around which the discussions revolved. Both, the in-depth interviews and FGDs were subject to audio recordings and documentation.

Documentation of the best practices A detailed questionnaire and an in-depth documentation was administered in the form of case studies to highlight the best cases identified on the field.

Phase 3: Data Analysis and Report Formulation

Data cleaning and analysis: The data analysts at QCI cleaned and analysed the data as per the key performance indicators post successful completion of the survey, in-depth interviews and focus group discussions. The inferences drawn were then documented as a part of the draft mid-term evaluation report and process evaluation report. The complete set of data collected by QCI is being submitted to MoRD in electronic format.

Reports: Preparation and submission of draft reports was followed by receipt of critical feedback from MoRD and submission of final report. A final presentation on the key findings of the project was done by QCI at MoRD as a part of the scope of work.

2.2 Tools used for evaluation of SVEP

i) Beneficiary Interview questionnaires

QCI employed structured questionnaires for conducting the direct interviews with a sample of beneficiaries of the SVEP - entrepreneurs and CRP-EPs. The interviews were aimed at gauging the overall understanding of the scheme amongst the various stakeholders and the actual impact of the scheme with respect to the objectives ascertained at the start of the project for the concerned section of stakeholders. The interviews allowed QCI to understand the outreach of the scheme, the challenges that the beneficiaries faced and based on this suggest measures along with identifying the best practices observed on-field for better off-take of the project. The structured questionnaires were focused towards identifying the impact brought about in the rural ecosystem in terms of key attributes such as availability of finance and disbursing of the loans, strengthening of livelihood and income generation, improvement in village economy, training and support, awareness etc., after the SVEP was implemented.

ii) Key Informant Interview (KII) questionnaires

The interviews were also used to identify whether the entrepreneurs are receiving adequate guidance with respect to developing their knowledge, gaining new business ideas, training in soft skills, planning, risk assessment, working capital requirements, accounting, monitoring, costing and pricing, understanding seasonal demands of business, etc. The ease of disbursement of loan, availability of loans from different financial sources, the interest levied on it, the method of loan repayment, facilitation by CRP-EPs, etc. were

studied in detail to understand the actual working of the process and how the problems faced by the beneficiaries are being handled by CRP-EPs.

QCI employed structured questionnaires for conducting the KIIs with a sample of the community-based organizations in the 7 identified blocks. The main stakeholders in the KIIs were office bearers of SHGs, non-SVEP SHGs, Village Organizations, Cluster Level Federations and Block Resource Centres.

The KIIs consisted of qualitative and quantitative data points that were used for both mid-term and process evaluation studies. These interviews not only helped QCI to strengthen the process of implementation of the scheme but also to understand the impact of the scheme on the functioning of these organizations and their members. The KIIs helped QCI to identify the best practices that have been adopted by the community-based organizations and how they can be replicated at other blocks/ villages.

2.3 Tools used in process evaluation of SVEP

i) In-depth Interview

QCI conducted in-depth interviews of the various stakeholders responsible for implementation and execution of the SVEP. These interviews were subject to audio recording and included qualitative and descriptive questions, which helped capture the stakeholders' vision, perception and expectations and unfolded complex problems. These interviews enabled QCI to understand the problems from the implementation and execution point of view along with a comprehensive understanding of how the dynamics of the three ecosystems - financial, incubation and knowledge are functioning for the current status of implementation of the SVEP.

As per the expectation of the Ministry, QCI made sufficient efforts to conduct in-depth interviews with selective NRLM staff, nodal SPM, PIA/ NRO staff and bank officials.

ii) Focus Group Discussions (FGDs)

QCI conducted three focus group discussions per block to gain insights about the fidelity of the entire project when different stakeholders are brought onto the same platform. To maintain the homogeneity of the groups, the composition of the groups were: (1) *Beneficiaries:* Entrepreneurs and CRP-EPs (2) *Members of CBOs:* CLF-VO-SHG network in the block and elected Gram Panchayat representatives and (3) *Scheme Implementers:* District, State and national level officials such as BPM (SVEP), BPM (NRLM), DPM, SPM (non-farm livelihood), PIA/NRO staff at the state level and PIA/NRO staff at the block level.

The FGDs conducted by QCI were subject to audio recording, transcription and translation to identify the main bottlenecks in the process, ascertain aspirations of the beneficiaries and get core insights from the project implementation teams at national, state and district levels. It also provided qualitative insights of the opinions, expectations and vision that the different stakeholders have towards the project.

QCI made sufficient efforts to invite the stakeholders as mentioned in the contract and informed them about the particulars (venue, time, etc.,) of the FGDs.

2.4 Sampling Plan

For the purpose of evaluation, 16 oldest blocks of SVEP implementation have already been chosen from 6 selected states through purposive sampling. Out of the 16 selected blocks, 7 blocks have been selected though a process of random sampling for the study.

State	Block	Sample									
		Villages	SHGs (5 per village)	Enterprises	CRP-EPs	BRC	CLFs (Nodal)	VO (SVEP)	SHG (Non SVEP)	FGDs	Best Practices
UP	Tappal (Aligarh)	6	30	108	9	1	1	6	5	2	
MP	Rajpur (Barwani)	10	50	188	9	1	1	10	5	2	
Bihar	Dhanarua (Patna)	4	20	107	7	1	1	4	5	2	
	Moraul (Muzaffarpur)	4	20	168	6	1	1	4	5	2	
Kerala	Vadavucode (Ernakulam)	5	25	104	9	1	1	5	5	2	
Maharashtra	Mohol (Solapur)	10	50	208	15	1	1	10	5	2	
Nagaland	Chumukedima	4	20	155	9	1	1	4	5	2	
Total (N)		**43**	**215**	**1038**	**64**	**7**	**7**	**43**	**35**	**14**	**20**

Table 1: Sampling followed for the mid-term evaluation

Detailed Sampling Methodology

QCI used a methodology of multi-stage sampling to conduct the mid-term evaluation of SVEP. From the list of 16 blocks provided, 7 blocks from 6 states have been selected by a method of random sampling and in consonance with the MoRD.

Stage 1: Selection of blocks: In the first stage, the total population of 10648 enterprises and 275 CRP-EPs spread across 16 blocks in 6 states were divided into clusters as per their blocks. After dividing the total number of beneficiaries as per the blocks, 7 out of 16 blocks were sampled on a random basis.

Stage 2: Estimation of number of entrepreneurs and villages per block: 1038 enterprises (23% of the enterprises) from 7 blocks and 43 villages (10% of villages in each block) were selected by QCI to be a part of the study. These enterprises were selected by a method of stratified random sampling. At the outset, for the purpose of selecting stable and relevant enterprises, enterprises older than 1.5 years were extracted from the SVEP MIS database. The enterprises older than 1.5 years were then divided into stratum as per the number of enterprises in each village.

State	Nagaland	Bihar	Bihar	Maharashtra	Madhya Pradesh	Uttar Pradesh	Kerala
Block	**Chumukedima**	**Dhanarua**	**Moraul**	**Mohol**	**Rajpur**	**Tappal**	**Vadavucode**
Villages	Diphupar A	Barni	Abdulpur Raini	Angar	Bhagsur	Itwarpur	Airapuram
	Padumpukhuri	Dhanarua	Dholi	Arjunsond	Bhami	Jaidpura	Kunnathnadu
	Purana Bazar	Pabhera	Kumhar apakar	Degaon	Bilwani	Malav	Pattimattom
	Tenyiphe 1	Sasona	Pilkhi	Hivare	Indarpur (Rehatiya)	Mevgarhi	Puthencruz
				Kamti (B)	Julwaniya Road	Taharpur	Thiruvaniyoor
				Korawali	Morgun	Tappal	
				Kurul	Nagalwadi Buzurg		
				Malikpeth	Rangaon Road		
				Patkul	Salkheda		
				Shej Babhulgaon	Temla (Panwa)		

Table 2: List of villages

Stage 3: Selection of Villages: Post estimation of the number of villages to be selected from each block, the villages were sorted in descending order and villages with the maximum number of enterprises were selected to be a part of the study. 10% villages from each block were selected for intensive study such that they fulfil the criteria of having the maximum number of enterprises and also have trading, services and manufacturing types of enterprises in the villages.

Stage 4: Selection of Final List of Enterprises: At the outset, the enterprises which were at least 1.5 years old were extracted from the SVEP MIS. Subsequently, QCI randomly sampled the required number of enterprises from each village with a buffer of 10%. A check was done on whether the composition of the sample in terms of the proportion of enterprises in services, trading and manufacturing is similar to the overall programme. The composition between the sample and the total universe was similar, which indicates the robustness of the sample.

Stage 5: Selection of Community Resource Persons-Enterprise Promotion (CRP-EPs): As per the contract, 50% of the existing CRP-EPs in a block had to be sampled. To the extent possible, QCI attempted to sample CRP-EPs, which have been providing services for at least 1.5 years. In some states such as Maharashtra, the CRP-EPs of highest vintage were selected.

Stage 6: Selection of BRC: The BRC from each block was self-selected to be a part of the study, since there is only one BRC per block.

Stage 7: Selection of Nodal CLF: Nodal CLF from each block was selected to be a part of the study except in Chumukedima where it remains to be set up.

Stage 8: Selection of Village Organisations (VOs): As per revisions to the sample size, 1 Village Organisation per sampled village had to be selected to be a part of the study. The BPM-SVEP were requested to furnish the required number of VOs federated into the Nodal CLF. In total, 43 Village Organizations were selected for the study from across 7 blocks. The VO questionnaire was administered to the indicated VOs.

Stage 9: Selection of Self-Help Groups (SHGs): As per the contract, 5 SHGs per sampled village had to be selected such that the SHGs fall under the purview of SVEP. The BPM-SVEP were requested to identify SVEP SHGs from the NRLM MIS database. Subsequently, the required number of SHGs were selected from each sampled village though a method of random sampling. In total, 215 SHGs were selected for the study from across the 7 blocks.

Stage 10: Selection of Non-SVEP SHGs: The BPM SVEP were requested to identify non-SVEP SHGs from the NRLM MIS database. Subsequently, 5 SHGs, which are not a part of SVEP, were selected from each block through a method of random sampling. In total, 35 non-SVEP SHGs were selected for the study from across the 7 blocks.

Detailed Survey Implementation Plan

QCI conducted a three-layer evaluation of the SVEP (i) Mid-Term Evaluation, (ii) Process evaluation and (iii) Identification and documentation of 20 best practices in SVEP blocks across the country by using tools such as structured, semi-structured and unstructured questionnaire for interviewing the beneficiaries, key informants, implementation staff and other relevant stakeholders.

QCI formulated a field movement plan which involved conducting the on-field assessments in such a way that 2 blocks were surveyed in parallel. The deployment of assessors per village was dependent on the number of surveys to be conducted in each of the villages in a particular block. Based on the pilot study conducted, the time required to complete each survey was computed by QCI and extrapolated into the number of forms that can be filled by a single assessor in a particular day. Time required to complete the assessment was approximately 20 days subject to on-ground issues.

3. Profile of the Entrepreneurs

This section analyses the socio-economic, employment and natural resource aspects, access to infrastructure and facilities, status of social mobilisation and institution building under NRLM, poverty and livelihoods context of the study blocks.

3.1 Socio-Economic and Livelihood Profile of Entrepreneur

The project design was based on a rigorous analysis of the existing situation of the pilot blocks based on a holistic understanding of the demographic and socio-economic aspects, literacy, employment and natural resource profile, access to infrastructure and facilities and the status of social mobilisation and institution building under NRLM. The caste and gender based disaggregated data on ownership of SVEP enterprises collected during the stratified sample study was analysed by social categories and gender. This helped immensely in sector-based profiling along with its analysis and further planning.

Analysis of the entrepreneurs profile indicates that the programme was inclusive and that women and men from various social categories such as SCs, STs, minorities and persons with disabilities have been included. There has been a consistent effort to include women from especially poor and socially vulnerable backgrounds in all the blocks. This provides scope for enhancing coverage while broad basing social inclusion. The distribution of entrepreneurs in terms of their caste, minority status and persons with disabilities is provided in the charts below.

3.1.1 Category-wise distribution of entrepreneurs

The percentage of scheduled tribe (ST) entrepreneurs was highest in Chumukedima at 98% followed by Rajpur at 55%. In all other blocks, the percentage of ST entrepreneurs ranged between 0 to 2%. This was largely because of the low percentage of ST population in these blocks rather than an attempt at exclusion.

The percentage of scheduled castes (SC) entrepreneurs was highest in Mohol at 31% followed by Tappal (27%), Dhanarua (22%), Vadavucode (18%) and Moraul (15%). In the remaining two study blocks – Rajpur (3%) and Chumukedima (nil) the percentage of SC entrepreneurs was minimal or null. The figures for percentage of entrepreneurs - category-wise were representative of the population caste-wise ruling out any chance of exclusion.

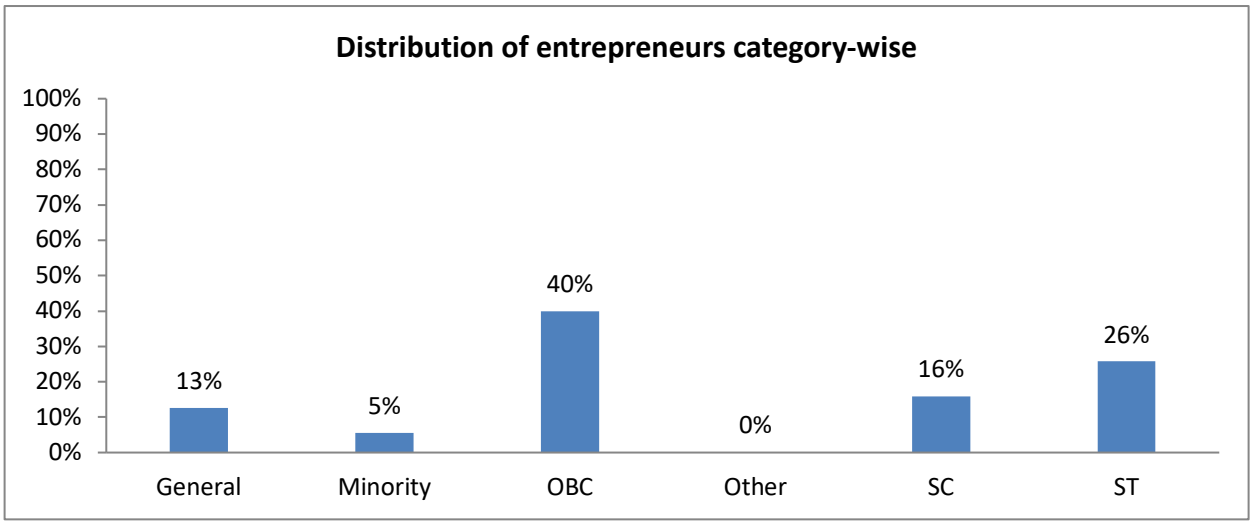


Chart 1: Distribution of entrepreneurs category-wise

Category	General	Minority	OBC	Other	SC	ST	Total (N=1060)
Numbers	134	58	424	2	169	273	1060
Percentage	13%	5%	40%	0%	16%	26%	100%

Table 3: Distribution of entrepreneurs category-wise

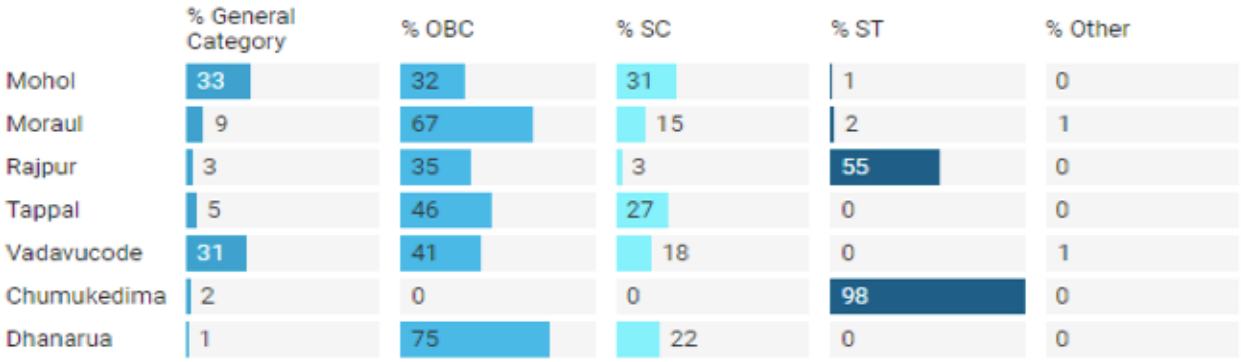


Chart 2: SC/ST and category distribution of entrepreneurs (Block-wise analysis)

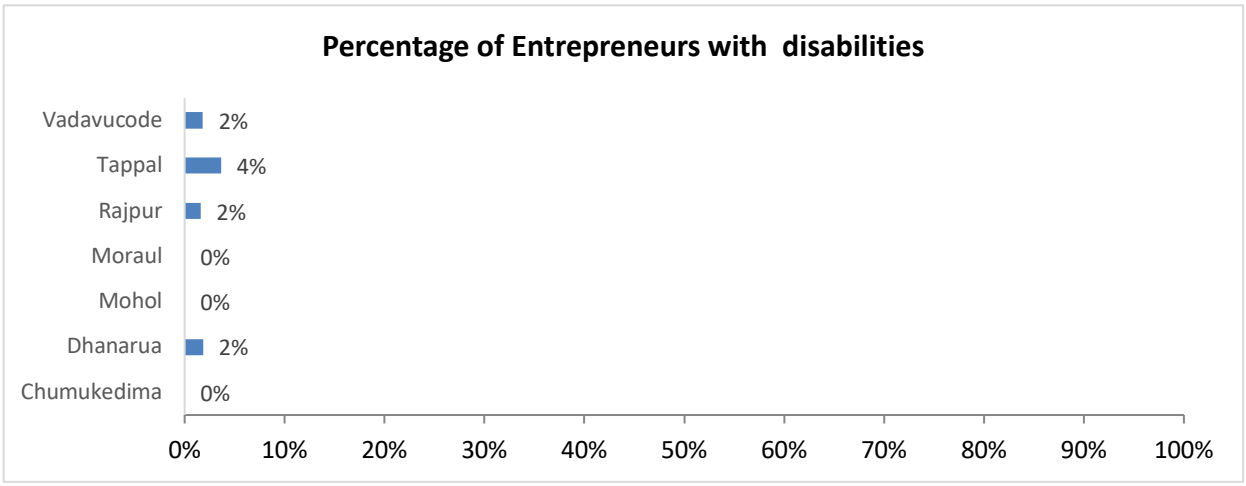


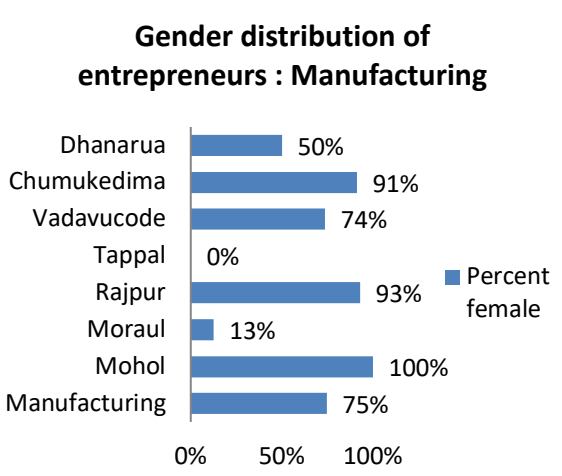
Chart 3: PwD benefitting from the scheme (Block-wise analysis)

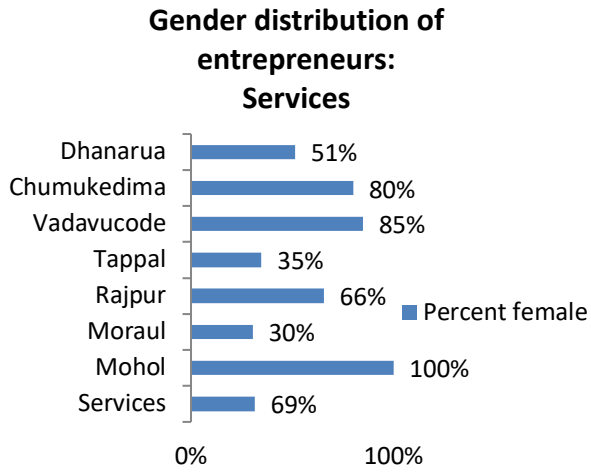
3.1.2 Persons with disabilities

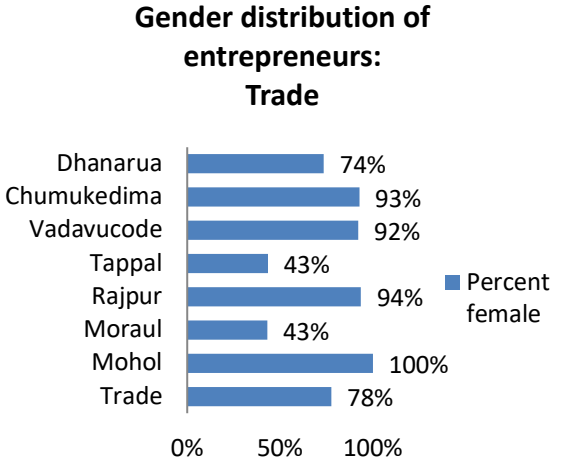
Of all blocks, Tappal had highest percentage (4%) of entrepreneurs with physical challenges while Mohol, Moraul and Chumukedima did not have any. In Rajpur, Vadavucode and Dhanarua 2% of the entrepreneurs were physically challenged. In most states, the Ministry of Social Justice has prioritised physically challenged people for encouraging them to take up enterprise development especially in trade and services. Loans bundled with subsidy component are available at low interest rates through the Disabled Finance Development Corporation (DFDC) to set up small units depending on the physically challenged entrepreneur's physical circumstances. SVEP, a non-subsidy based scheme encourages the physically challenged to take up loans. SVEP is preferred by many in spite of the lack of a subsidy component because the physically challenged get not just finance but handholding support to develop a proper business plan, support with maintaining the profit and loss account and in running of the business. Still, even after consistent efforts, the project has not been able to benefit the PwD category as envisaged.

3.1.3 Gender analysis

Gender inequality produces diverse constraints for men and women to engage in enterprise development. Women entrepreneurs face gender-based barriers in setting up enterprises particularly in rural areas. They do not have the same access to networks as men and face difficulties in doing so among other things, owing to a lack of property and inheritance rights. They lack titles to assets that can be offered as collateral for loans and lack access to formal finance. Business development service providers do not offer enough time or effort to target women entrepreneurs. They do not offer flexible arrangements in respect of the timing and location of service delivery to women. Also, women often experience harassment in registering and operating their enterprises. The SVEP as a gender focused programme aims to ensure that all development efforts take into account the experiences, needs, and contribution of women by removing these structural barriers.







Sector specific gender distribution of entrepreneurs			
Block Names	**Manufacturing (No.)**	**Service (No.)**	**Trade (No.)**
Mohol	14	93	102
Moraul	2	14	46
Rajpur	13	42	103
Tappal	0	16	26
Vadavucode	14	45	35
Chumukedima	41	20	88
Dhanarua	1	18	53
Total	**85**	**248**	**453**

Chart 4: Sector specific gender-wise distribution of entrepreneurs

Table 4: Sector specific gender distribution of entrepreneurs

The block-wise and sector-wise analysis of percentage of women involved in manufacturing indicates very high figures (75%) for the overall sample. The inter block distribution indicates very high figures for Mohol (100%), Rajpur (93%) and Chumukedima (91%). The figure for Dhanarua is 50%. The figure was low for

Moraul and just 13% of the entrepreneurs were women. The data for Tappal indicates that no woman entrepreneur under SVEP is involved in manufacturing.

The block-wise and sector-wise analysis of percentage of women involved in services indicates moderate figures for the overall sample in all blocks at 69%. The inter block distribution indicates very high figures for Mohol (100%), Chumukedima (80%), Vadavucode (85%) and Rajpur (66%). The figures for Dhanarua are good at 51% of women entrepreneurs. The figure was moderate for Tappal at 35% and for Moraul at 30% of women entrepreneurs.

The block-wise and sector-wise analysis of percentage of women involved in trade indicates moderate figures for the overall sample in all blocks at 78%. The inter block distribution indicates very high figures for Mohol (100%), Chumukedima (93%), Vadavucode (92%), Dhanarua (74%), Rajpur (94%). The figures were moderate for Tappal and Moraul at 43% of entrepreneurs being women.

A qualitative assessment of attitude, motivation, and risk factors governing SHG members' choice for self-employment was done through the FGDs. This helped understand the factors motivating women entrepreneurship such as to overcome poverty, sustainable income, difficulty in accessing other employment, inspiration from successful micro-enterprise units, availability of subsidy etc.

The findings reveal that in Tappal, Moraul and Dhanarua, the low percentages of women entrepreneurs can be attributed to lack of adequate family support especially from male members, poor bargaining position, psychological barriers to entry due to lack of experience, lack of knowledge, lack of societal support, and difficulties in accessing public institutions to get loans to set up a business. In all the blocks, the programme had created awareness among the women as well as tried to sensitize the society to encourage women in enterprise development. Women's capacities had been built so they could participate effectively in the decisions related to setting up of enterprises.

An immediate impact is the material change in access to and control over material resources, in level of income. There are cognitive changes in term of level of knowledge, skills, and awareness of the macro-environment. Most women reported improvement in purchasing power as well as ability to take greater responsibility of the household's financial needs. There is a marked change in their perception of individuality, interests, and values thereby boosting their self-esteem.

Even in blocks such as Tappal women entrepreneurs reported that they have begun to travel to faraway places for raw material procurement and marketing of the finished products. They have begun to deal with banks, state and market, and this has helped them understand contractual agreements and improved their bargaining & negotiating power. Most women had received training as well as financial services and this increased their access to material resources and imparted them knowledge on enterprise development. Most women responded that they are now able to interact effectively in the public sphere. More efforts over time will build their capacities further in enterprise development considering the differences in the barriers of entry that exist for the two genders.

3.1.4 Educational attainment of entrepreneurs

The percentage of 10^{th} pass sector-wise for the study sample is 20% and was equally distributed across the three sectors - manufacturing, trade and services. The percentage of 12^{th} pass sector-wise for the study sample ranges between 10% for manufacturing to 14% in services, showing a more or less equal distribution across the three sectors - manufacturing, trade and services. Around 25% of the entrepreneurs were illiterate, and the proportion of illiteracy by sectors shows 30% were from trade, 25% from manufacturing and 17% from services. 17% each of entrepreneurs were either 5^{th}pass or 8^{th}pass. 6% of the entrepreneurs were graduates and 1% had done a diploma.

Qualifications	Mohol	Moraul	Rajpur	Tappal	Vadavu-code	Chumu-kedima	Dhanarua	Overall
% Illiterate	16%	35%	45%	20%	3%	12%	41%	25%
% 5th Pass (Primary)	25%	14%	27%	15%	9%	3%	17%	17%
% 8th Pass (Middle School)	20%	20%	14%	22%	8%	19%	14%	17%
% 10th Pass (Secondary)	22%	14%	7%	18%	34%	36%	15%	20%
% 12th Pass (Higher Secondary)	11%	13%	6%	15%	25%	14%	11%	13%
% ITI	0%	0%	0%	1%	3%	0%	0%	0%
% Diploma	0%	0%	0%	2%	4%	1%	0%	1%
% Graduate	4%	5%	1%	7%	12%	13%	1%	6%
% Post Graduate	1%	0%	0%	0%	3%	2%	1%	1%

Table 5: Block-wise analysis of educational attainment of entrepreneurs

Overall, the project was successful in creating the social imp act in the community. The SVEP project was targeted towards the vulnerable sections of the community and it has been successful in terms of delivering the outcomes for the weaker and vulnerable sections. This includes the women, entrepreneurs with lower educational status and also the people from SC, ST and OBC categories. Analysis of entrepreneurs' profiles across the seven locations depict that the sample of the study involved entrepreneurs from different social categories. 82% of entrepreneurs across the blocks reported being from SC, ST and OBC categories. In Chumukedima, 98% of entrepreneurs interviewed were from ST category and in Dhanarua around 75% of entrepreneurs reported being OBC. The percentage of SVEP enterprises run by entrepreneurs of the SC and ST category in all the blocks surveyed was around 42% which was higher than the proportion of SC and ST category of population in these blocks which stood at around 39%. In terms of division by gender, it was found that in all the blocks across the states 75% of the enterprises were owned and managed by women. This figure was low in Moraul and Tappal at 37% and 38% respectively and high in Mohol, Rajpur, Vadavucode, Chumukedima and Dhanarua. This is a positive statistic compared to the NSSO survey of 2015-16 on micro enterprises which says that only 14% of all micro enterprises are women owned / managed. During the mid term evaluation, it was found that around 25% of the entrepreneurs reported being illiterate. The number of illiterate entrepreneurs was very high in Dhanarua, Rajpur and Moraul at 41%, 45% and 35% respectively. In terms of educational attainment of the entrepreneurs surveyed, we found that across the states around 59% of the entrepreneurs have studied below 8th grade. In terms of the support to existing vs new enterprises of enterprises, we found that around 20% of the enterprises considered for the survey were existing enterprises and remaining 80% are new enterprises promoted under the SVEP project. As per the project guidelines, maximum of 25% of existing enterprises can be supported under SVEP. The fact that the SVEP has been successful in motivating illiterate and less educated women from the SC/ST communities to take up enterprises for the first time (80% enterprises are new) shows that the project has been successful in creating a positive movement towards including these otherwise excluded groups into running businesses. As is pointed out later, 99% of the enterprises supported under SVEP are making profit. **This is a heartening outcome as it proves that a targeted project for poverty alleviation, run by the government can motivate vulnerable and otherwise excluded groups into starting enterprises and running them profitably. The strength of the SHG eco-system in mobilizing these entrepreneurs,**

empowering them and giving them the confidence and support to take the risk of starting enterprisers also needs to be acknowledged.

Overall, through the MIS data and the sample details we find that the program has been successful in targeting the vulnerable beneficiaries to start enterprises and run them successfully. This also indicates that the program and CRP-EPs were effective in triggering and motivating multiple first-generation entrepreneurs. This data was also checked with the SVEP MIS data across the blocks and it was found that the program has had an inclusive approach with a special focus on the backward categories, women and people with low educational status.

3.1.5 Primary sources of livelihood of entrepreneurs

The study indicates that between 96 to 100% of entrepreneurs depend on SVEP for their livelihood. There are some enterprises based on availability of resources and these were expected to be seasonal enterprises, each running for about 4-months. The SVEP ecosystem through the CRP-EPs and BRC keeps an eye on the seasonal aspects related to various kinds of enterprises – to help them maximize incomes based on seasonal demand and minimize losses due to seasonal stocks left with them due to the end of seasonal demand. Mostly the entrepreneurs in all blocks were dependent on monthly incomes and not seasonal incomes barring Dhanarua for the business category of manufacturing (50%). The business sector-wise analysis suggests that 84% of entrepreneurs in manufacturing depend on monthly incomes, 93% entrepreneurs in services and 93% in trade depend on monthly incomes.

3.2 Financial Ecosystem pre-SVEP: Role of SHG/Banks

Banks play a key role in successful implementation of SVEP for critical funding of business enterprises but most banks find the transaction cost of doing business with micro-enterprises unviable. Bank managers find it unviable to perform 'due-diligence' for scattered village enterprises that are characterized by tangled cash flows and deficient books of accounts. Barriers to credit and financial markets were a particularly severe problem for small-scale businesses. The mid-term review revealed that prior to SVEP the rural micro-enterprises were facing difficulties in accessing adequate credit at a reasonable cost. The poor in particular, did not have access to bank finance and the mechanism of finance from moneylenders or MFIs or SHGs was not suited for businesses. Enterprises need working capital finance and start-up finance, with some moratorium and flexible repayment schedules. The prevailing loans from MFIs and SHG's were of a fixed tenure with monthly EMIs which did not lend itself to enterprises with seasonal demand and supply cycles.

In all the blocks, entrepreneurs faced financial exclusion and felt the need to bridge the financing gap through establishing efficient and effective institutional platforms of the rural poor that have access to finance. SVEP addressed this gap by providing a loan to the entrepreneur for start-up, from a dedicated community investment fund, vested with a block level community based organization (CBO). Post start-up, the enterprise's business performance and loan repayment history to the CBO is captured in the software and is supposed to be provided to the banks while applying for a loan for scaling up the enterprise.

3.3 Type of enterprises

The broad business sectors were - Animal Husbandry – Subsistence, Animal Husbandry – Business, Livestock Products, Production, Services, Trading, Mixed and Unclassified.

Trade dominated the business categories (manufacturing, services and trade) among the entrepreneurs followed by services in all blocks, except in Chumukedima where manufacturing came second after trade. The qualitative analysis indicates that because Chumukedima block is located in the immediate periphery of Dimapur, the commercial hub of Nagaland, people of the block resort to and hence the both for services as well as for the purchase for household consumption people of the block resort to bigger markets. The consumption and demand in the block is high, purchase within the block is low. Almost 40 percent of the

people who are listed in the village population are not permanent residents of the block and live on a permanent basis in Dimapur town. This contributed to the demand-supply gap of the block.

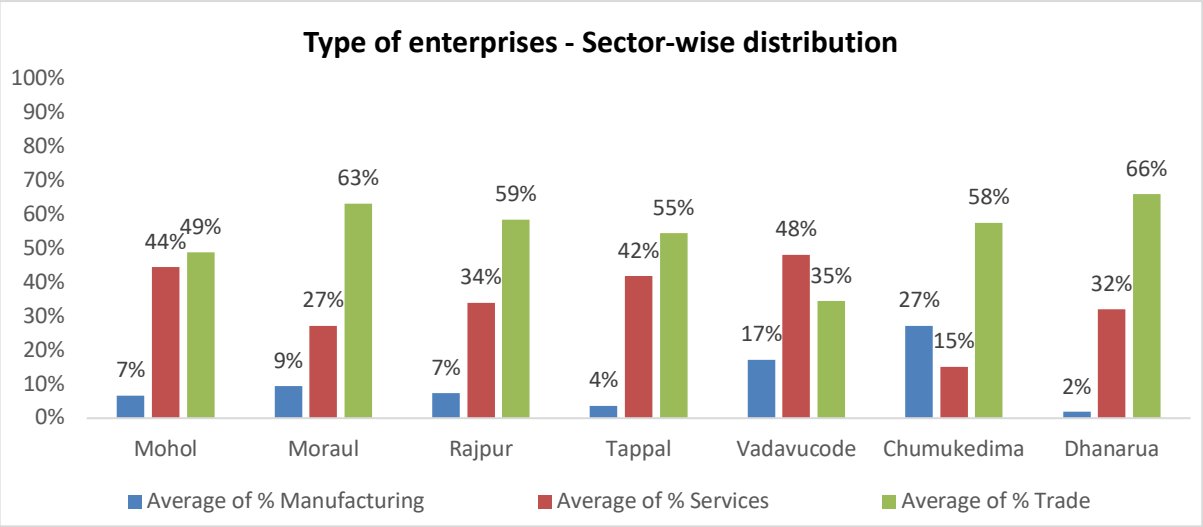


Chart 5: Type of enterprises - Sector-wise distribution block-wise

Block	Manufacturing (N=114)	Services (N=362)	Trade (N=584)
Mohol	14	93	102
Moraul	16	46	107
Rajpur	14	64	110
Tappal	4	46	60
Vadavucode	19	53	38
Chumukedima	45	25	95
Dhanarua	2	35	72

Table 6: Block - sector specific number of entrepreneurs

In some blocks such as in Vadavucode (Kerala), it was observed that the ownership by women is proportional to the overall ownership patterns across all business categories. The caste composition of women owned enterprises was also analysed to ascertain trends. In Vadavucode, it was found that fewer women belonging to SC category own enterprises, while the share of women-owned enterprises among the general category shows a relatively higher proportion.

The specific activities under each of the business categories (trade, services and manufacturing) were:

Sr. No.	Trade	No. of Enterprise	Services	No. of Enterprise	Manufacturing	No. of Enterprise
1	Kirana Shop	183	Tailoring	121	Furniture Making	25
2	Vegetables Shop	64	Flour Mill	35	Handloom weaving	17
3	Cloth Shop	60	Centring	27	Pickle Production	9
4	Cosmetic Shop	39	Transportation	27	Weaving Unit	7

5	Snacks Shop	35	Beauty Parlour	17	Dona Pattal Manufacturing	6
6	Animal Husbandry	21	Hotel	15	Handicrafts	5
7	Tea Shop	17	Barber Shop	10	Broom Making	4
8	Flower Nursery	13	Internet Services	10	Cake Making	4
9	Sweet Shop	11	Welding	8	Concrete Brick Blocks	3
10	Fish Shop	10	Catering	7	Papad making	3

Table 7: Specific activities under each of the business categories (trade, services and manufacturing)

Trade and services constituted the majority of enterprises such as kirana shop, vegetable shop, cloth shop, cosmetic shop, snacks shop, animal husbandry, tea shop, furniture making and handloom weaving.

More details on specific activities under each of the business categories (trade, services and manufacturing) are available in the Annexure (Table 1)

4. Project Contribution to the Objectives: Impact

4.1 Performance of Entrepreneur

The age-wise analysis of the entrepreneurs indicates that a large proportion of the entrepreneurs belong to the three age groups 18 to 25 years, 26 to 35 years and 36 to 45 years. This pattern is similar for all business categories be it trade, manufacturing or services. The age-wise break-up for each of these categories is that in manufacturing, 23% of entrepreneurs are in 26-35 years age-group, 35% of entrepreneurs are in 35-46 years group, 27% are in age-group of 46 to 55 years, while 13% belongs to age-group of above 55 years. Of all the blocks, Mohol has the highest percentage of entrepreneurs from manufacturing in the two age-groups – 26-35 years (43%) and 36-45 years (36%). The figures for Rajpur and Tappal of entrepreneurs in these two age-categories are also high for manufacturing. The figures stand at Rajpur: 26-35 years (29%) and 36-45 years (36%) and for Tappal all entrepreneurs are from either of these two age categories 26-35 years (25%) and 36-45 years (75%).

The age-wise break-up for services category suggests that 39% of entrepreneurs are in 26-35 yrs age-group, 33% of entrepreneurs are in 36-45 yrs group, 12% are in age-group of 46 to 55 while 6% belongs to age-group of above 55 years. In Tappal, 22% of the entrepreneurs are from the age-group 18 to 25 years. The age-wise distribution of entrepreneurs from\ services background block-wise suggests that the highest distribution is in age-groups 26-35 years and 36-45 years in Mohol - 48% and 30%, Rajpur – 48% and 31% and Tappal – 46% and 26% respectively.

The age-wise break-up for trade category suggests that 33% of entrepreneurs are in 26-35 yrs group, 32% are in age-group of36 to 45 years while 9% belongs to age-group of 46-55 years. The block-wise analysis indicates that a majority of entrepreneurs from Mohol belong to age-group of 26-35 years (39%) and 36 to 45 years (31%). The corresponding figures for Rajpur are 26-35 years (39%) and 36 to 45 years (37%) and for Tappal are 26-35 years (40%) and 36 to 45 years (30%).

Difference between actual & aspirational income (Pre-SVEP)			
Category	**Manufacturing (N=114)**	**Services (N=362)**	**Trade (N=584)**
All blocks	**67%**	**67%**	**68%**
Mohol	53%	54%	53%
Moraul	94%	87%	81%
Rajpur	73%	57%	65%
Tappal	69%	80%	73%
Vadavucode	81%	71%	76%
Chumukedima	59%	64%	68%
Dhanarua	67%	90%	79%

Table 8: Difference between aspirational and actual monthly income pre SVEP (Block-wise and sector-wise analysis)

The study reveals that the entrepreneurs reported a huge difference between aspirational and actual monthly income pre SVEP. The difference between actual income and aspirational income was – 67% for manufacturing as well as services and 68% for trade. The difference was highest for Moraul (94%) and Vadavucode (81%) for the business category of manufacturing. It was highest for Dhanarua (90%) and Moraul (87%) for the category services. It was highest for Moraul (81%) and Dhanarua (79%) for the category trade. The mid-term study revealed that the enterprise planning and analysis of the enterprise environment took into consideration aspects related to village size, distribution of population across villages, state of infrastructure and amenities such as proximity to institutions (colleges/schools), markets, national highways, bus stands, big towns, industries etc.

4.1.1 Strengthening of Livelihood and Income Generation post SVEP

The evaluation study generally found that the impacts on the microenterprises of entrepreneurs included (i) capital-funded business growth, (ii) an apparent increase in net income, (iii) an increase in business assets, and (iv) creation of additional employment. The dependence on SVEP income is significant at 57% for all blocks an all categories. The category-wise figures suggest that for manufacturing it is 50%, for services 60% and for trade 58%. The figures are highest for the category of manufacturing in Tappal (100%) and Rajpur (81%). The figures are highest for the category of services in Rajpur (79%) and Moraul (69%) and Tappal (68%). The figures are highest for the category of trade in Tappal (78%) and Rajpur (70%).

Category	Dependence on SVEP income		
	Manufacturing (N=114)	Services (N=362)	Trade (N=584)
All Blocks	**50%**	**60%**	**58%**
Mohol	55%	57%	53%
Moraul	77%	69%	58%
Rajpur	81%	79%	70%
Tappal	100%	68%	78%
Vadavucode	60%	44%	57%
Chumukedima	36%	62%	50%
Dhanarua	70%	66%	53%
Total			**57%**

Table 9: Percentage of total income derived from SVEP

The analysis of the entrepreneurs indicates over 80-100% percent of entrepreneurs reported improvement in savings after SVEP.

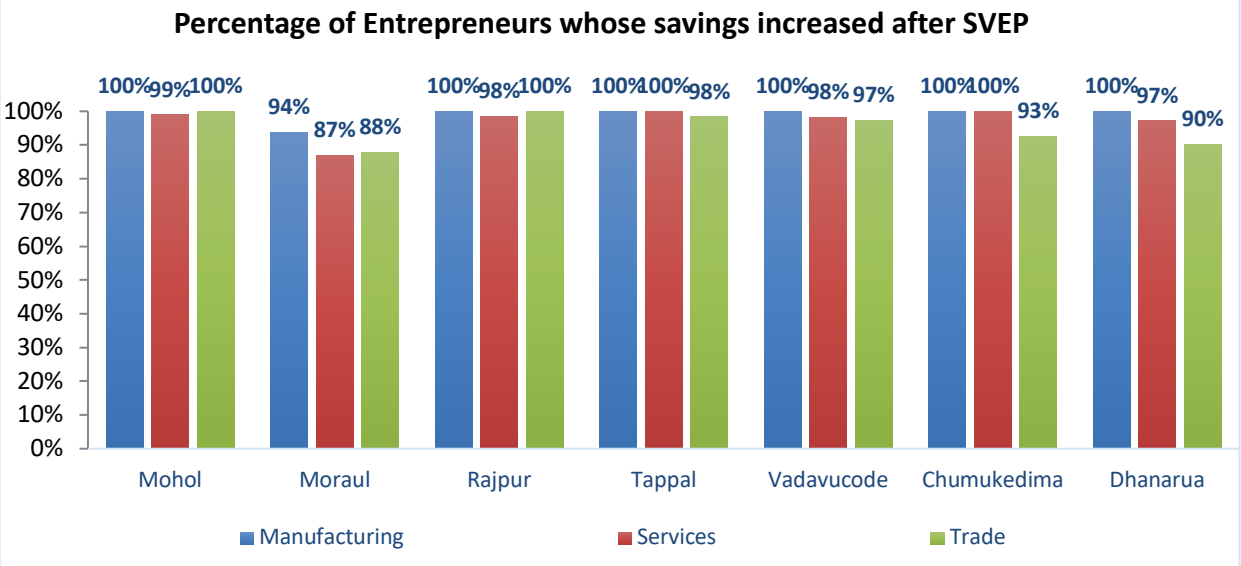


Chart 6: Percentage of entrepreneurs whose savings have increased after SVEP

The evaluation study generally found that the impacts on the microenterprises of entrepreneurs included (i) capital-funded business growth, (ii) an apparent increase in net income, (iii) an increase in business assets, and (iv) creation of additional employment. Entrepreneurs also reported an improvement in many aspects of their life such as health, education of children, sanitation, nutrition and social standing. The economy has also shifted to a more formalized set-up; people have started understanding how to do business, have

begun savings and maintaining cashbooks not only for businesses but also for personal uses. Many reported that they were using the profits for reinvesting in the business for its expansion.

	Health	Education	Sanitat-ion	Nutrition	Financial support to family	Livelihood	Business expansion	Social standing
Manufact-uring (N=114)	**47%**	**46%**	**17%**	**12%**	**76%**	**71%**	**24%**	**45%**
Mohol	29%	36%	0%	0%	86%	57%	21%	14%
Moraul	75%	69%	56%	13%	25%	31%	19%	6%
Rajpur	93%	50%	7%	7%	57%	100%	7%	36%
Tappal	100%	100%	100%	100%	100%	100%	75%	100%
Vadavucode	11%	42%	11%	0%	95%	53%	26%	37%
Chumuke-dima	38%	38%	2%	16%	91%	87%	27%	71%
Dhanarua	100%	50%	100%	0%	0%	50%	0%	0%

Table 10: Top 3 aspects of entrepreneur's life which have been positively impacted after SVEP: Manufacturing

As reported by entrepreneurs, the top three aspects that have been positively impacted after SVEP for entrepreneurs in business category manufacturing are financial support to family, livelihood and health for most blocks. For Tappal, all areas were positively impacted right from health, education, sanitation, nutrition, financial support to family, livelihood, social standing and business expansion.

	Health	Educa-tion	Sanita-tion	Nutrition	Financial support to family	Liveli-hood	Business expansion	Social standing
Services (N=362)	**48%**	**54%**	**15%**	**9%**	**71%**	**65%**	**26%**	**34%**
Mohol	40%	44%	0%	0%	72%	37%	11%	18%
Moraul	50%	61%	17%	7%	54%	50%	11%	7%
Rajpur	63%	45%	2%	0%	55%	98%	27%	34%
Tappal	96%	96%	61%	61%	93%	96%	65%	76%
Vadavu-code	8%	34%	11%	0%	92%	53%	40%	53%
Chumuke-dima	24%	36%	0%	8%	88%	84%	28%	56%
Dhanarua	60%	71%	37%	3%	49%	60%	14%	9%

Table 11: Top 3 aspects of entrepreneur's life which have been positively impacted after SVEP: Services

The top three aspects that have been positively impacted after SVEP for entrepreneurs in business category services are financial support to family, livelihood and education for most blocks. For Tappal, all areas were positively impacted right from health, education, sanitation, nutrition, financial support to family, livelihood, social standing and business expansion.

	Health	Education	Sanita-tion	Nutrition	Financial support to family	Liveli-hood	Business expansion	Social standing
Trade (N=584)	**51%**	**48%**	**17%**	**15%**	**68%**	**64%**	**27%**	**27%**

Mohol	43%	49%	0%	1%	75%	27%	21%	7%
Moraul	42%	47%	22%	16%	46%	53%	21%	7%
Rajpur	65%	31%	0%	0%	69%	93%	32%	22%
Tappal	97%	95%	58%	58%	92%	97%	65%	83%
Vadavu-code	8%	18%	3%	0%	76%	66%	29%	39%
Chumuke-dima	33%	39%	7%	25%	87%	78%	19%	53%
Dhanarua	58%	61%	47%	11%	43%	44%	11%	1%

Table 12: Top 3 aspects of entrepreneur's life which have been positively impacted after SVEP: Trade

The top three aspects that have been positively impacted after SVEP for entrepreneurs in business category trade are financial support to family, livelihood, health and education for most blocks. The other areas that have been positively impacted are sanitation, nutrition, social standing and business expansion.

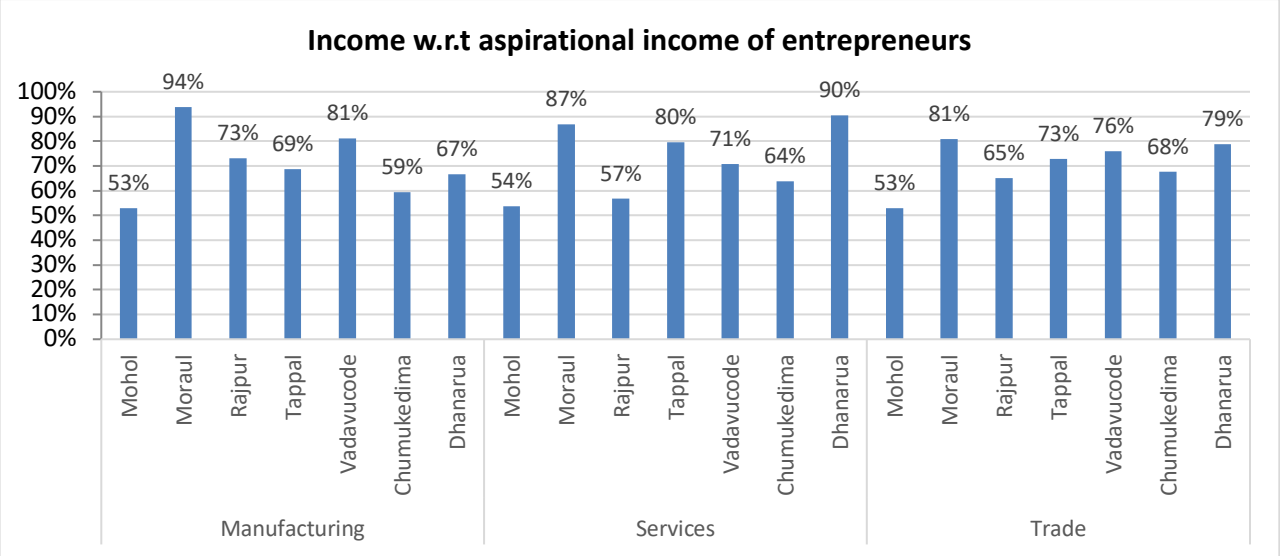


Chart 7: Income w.r.t aspirational income of Entrepreneurs

Availability of Finance and Disbursement of the CEF and other Loan

The study indicates that accessibility to banks was 100% for all blocks for the sector manufacturing, while it was 100% for the four blocks (Rajpur, Tappal, Vadavucode and Chumukedima) for services sector and 98%, 76% and 94% for Mohol, Moraul and Dhanarua respectively. Accessibility to banks was 100% for the four blocks (Mohol, Rajpur, Tappal and Chumukedima) for trade sector and 94%, 97% and 93% for Moraul, Vadavucode and Dhanarua respectively.

This banking sector interface has been strengthened as a part of SVEP with the help of business plan, credit appraisal and low cost real time tracking mechanism under the VE-IT backend, thereby making it easier for the village entrepreneurs to access bank finance for their business.

As a part of the NRLM programme, Community Investment Fund (CIF) is provided against Micro Credit Plans (MCPs) as seed capital to SHG federations at cluster level to meet the collective credit needs of the members through SHGs/VOs and to meet the working capital needs of the collective activities at various levels. CIF is not provided under SVEP. The Community Enterprise Fund (CEF), on the other hand is a dedicated loan on the lines of the Community Investment Fund provided under NRLM, for the pilot block

under SVEP to give out loans to the entrepreneurs. CEF is provided only under SVEP against approved and viable business plans in the blocks.

As per the guidelines, the upper limit of CEF for individual entrepreneurs is Rs. 1 lakh and for group enterprises is Rs. 5 lakhs. The CEF loan is provided at 12% rate of interest per annum to start new enterprise or diversify/expand existing enterprises as per the needs of individual businesses, as appraised by the Block Resource Center (BRC) set up under SVEP. CEF is used to purchase capital goods, raw materials, working capital etc. The CEF helps to enhance credit-worthiness of the village entrepreneurs and also showcase the ability of the community institution led enterprise capital provisions to demonstrate disciplined credit behaviour. This also helps to enhance bank's confidence in the unorganised sector. The CEF is generally not enough to start-up the enterprise and the entrepreneur has to finance it from some other source – internal finance or external sources.

The mid-term evaluation study indicates that the entrepreneur's need fulfillment ratio i.e., the ratio of own capital investment vs CEF sanctioned is lowest for the business sector of services at 37%. The figures for manufacturing at 39% and trade at 42% take the overall entrepreneur need fulfillment ratio to 40% for all blocks all sectors. A reason for the poor need fulfillment ratio for services category vis a vis trade and manufacturing could be that the enterprises in this category are yet to break-even but may have a better potential eventually than the latter two categories.

For the business sector of manufacturing an inter-block analysis suggests that the figures are highest for Dhanarua at 86% which is followed by Rajpur at 64% and Chumukedima at 61%. The figures for Tappal are lowest at 10% while that for Mohol (44%), Moraul (37%) and Vaduvacode (24%) are low to moderate.

For the business sector of services an inter-block analysis suggests that the figures are highest for Rajpur at 59% which is followed by Dhanarua and Chumukedima at 55%. The figures for Moraul are moderate at 46%. The figures for Tappal (30%), Mohol (28%) and Vaduvacode (21%) are low indicating a poor need fulfillment ratio.

For the business sector of trade an inter-block analysis suggests that the figures are highest for Rajpur at 70% which is followed by Chumukedima at 60% and Dhanarua (55%). The figures for Moraul are moderate at 40%. The figures for Tappal (36%), Mohol (22%) and Vaduvacode (28%) are low indicating a poor need fulfillment ratio.

	Amount of CEF loan sanctioned under SVEP scheme (in Rs.)	Amount of own capital used for enterprise (in Rs.)	Contribution of CEF loan amount in total business capital amount (in %)
Manufacturing (N=114)	**34801**	**59696**	**39%**
Mohol	30000	19214	44%
Moraul	36307	54000	37%
Rajpur	30535	34000	64%
Tappal	27750	258750	10%
Vadavucode	45714	118000	24%
Chumukedima	33863	31498	61%
Dhanarua	30000	5000	86%
Services (N=362)	**33631**	**51263**	**37%**
Mohol	29117	28651	28%
Moraul	31340	39925	46%
Rajpur	30590	29529	59%
Tappal	24155	83483	30%
Vadavucode	46562	111823	21%

Chumukedima	63092	67000	55%
Dhanarua	25514	22045	55%
Trade (N=584)	**29290**	**42942**	**42%**
Mohol	32142	39724	22%
Moraul	29011	41679	40%
Rajpur	19046	23086	70%
Tappal	28216	58627	36%
Vadavucode	48400	87322	28%
Chumukedima	37132	34275	60%
Dhanarua	27527	34695	45%
Total Avg.	**31316**	**47713**	**40%**

Table 13: Entrepreneur need fulfilment (Block-wise and sector-wise analysis)

The conditions to avail CEF include the following: income and credit appraisal of the entrepreneur; feasibility study of the enterprise and appraisal of loans by BLF or nodal-CLF based on enterprise sector and regional benchmarks. Most respondents in all blocks felt that the CEF funds received were not sufficient for running the enterprises. The maximum fund that has been provided to an individual enterprise is Rs. 70,000 and Rs. 5, 00,000 for group enterprises in Rajpur block. Only about 7 group enterprises have been provided the maximum loan amount of Rs. 5,00,000. For individual entrepreneurs, from CEF around Rs. 20,000 to Rs. 30,000 was provided while around Rs. 50,000 was provided through Swarozgar Yojana and Aarthik Kalyan Yojana with a subsidy. Most entrepreneurs felt that the funds allocated should be increased for the enterprises to function effectively.

Apart from the amount of loan available, the time for disbursement was a major impediment in setting up enterprises as per entrepreneurs. The analysis of the average time taken for disbursement of CEF loans in various blocks suggest that for manufacturing it took 57 days, for services 63 days and for trade 61 days. The figures were highest for Mohol blocks were respondents said that for manufacturing it took 77 days, for services 143 days and for trade 122 days. The figures for Chumukedima were also pretty high as for manufacturing it took 69 days, for services 94 days and for trade 75 days.

The key features of credit access for setting up of enterprises from various sources (SVEP-CEF, SHGs-CIF, bank, moneylender, gold loan) such as maximum amount available, rate of interest per annum, repayment terms and ease of availability were studied during the mid-term evaluation.

Time taken in days	Mohol	Moraul	Rajpur	Tappal	Vadavu-code	Chumuke-dima	Dhanarua	All blocks
Manufacturing	77	52	34	30	46	69	53	57
Services	143	49	33	38	57	94	70	63
Trade	122	58	30	40	46	75	84	61
Average of all categories	**128**	**55**	**32**	**38**	**51**	**76**	**79**	**61**

Table 14: Average time taken for disbursement of CEF loans in various blocks (Block-wise and sector-wise analysis)

The mid-term evaluation studied the responses of entrepreneurs on the ease in availing CEF loans under four categories – difficult, easy, moderate and very easy. The figures for total of all blocks were 0% difficult, 67% easy, 10% moderate and 4% very easy. The figures for manufacturing in all blocks were 0% difficult, 71% easy, 10% moderate and 5% very easy. The figures for services in all blocks were 0% difficult, 59% easy, 12% moderate and 5% very easy. The figures for trade in all blocks were 0% difficult, 70% easy, 8% moderate and 4% very easy. The highest responses in all blocks were that availing loans was easy. The qualitative study indicates that the SVEP was able to bridge the financing gap through establishing efficient

and effective institutional platforms of the rural poor. The SVEP being more comprehensive had fared better than several enterprise development programmes prior to it that set out with the promise to provide grants and loans to entrepreneurs and their enterprises.

	Difficult	Easy	Moderate	Very easy
Manufacturing (N=114)	**0%**	**71%**	**10%**	**5%**
Mohol	0%	50%	0%	0%
Moraul	0%	75%	6%	0%
Rajpur	0%	64%	36%	0%
Tappal	0%	100%	0%	0%
Vadavucode	0%	58%	0%	16%
Chumukedima	0%	82%	11%	4%
Dhanarua	0%	50%	0%	50%
Services (N=362)	**0%**	**59%**	**12%**	**5%**
Mohol	0%	29%	8%	0%
Moraul	0%	93%	0%	2%
Rajpur	0%	59%	34%	2%
Tappal	0%	85%	11%	2%
Vadavucode	0%	42%	2%	17%
Chumukedima	4%	52%	28%	16%
Dhanarua	0%	91%	3%	6%
Trade (N=584)	**0%**	**70%**	**8%**	**4%**
Mohol	0%	29%	5%	0%
Moraul	0%	79%	4%	1%
Rajpur	0%	75%	21%	2%
Tappal	0%	90%	7%	3%
Vadavucode	0%	34%	0%	32%
Chumukedima	2%	82%	13%	3%
Dhanarua	0%	96%	0%	4%
Total Avg.	**0%**	**67%**	**10%**	**4%**

Table 15: Ease in availing loans (Block-wise and sector-wise analysis)

The block-wise and sector-wise analysis under the mid-term study indicates poor performance in terms of receipt of subsequent loans. Many people were still facing problems after they applied for subsequent loans and when considerable time lapsed they had to access loans from other sources for their working capital needs. The mechanism of finance from MFIs is not suited for businesses and entrepreneurs preferred a subsequent loan from SVEP for their working capital finance.

Just 2% respondents in Tappal in business category services stated that they received loans from Mudra scheme. 2% of respondents in Rajpur received credit support for business category services from CIF loan. Respondents from all other blocks across all business categories did not get subsequent loans. As per the programme design, the income and credit appraisal module from the VE-IT App should forward the credit appraisal report of the enterprises to PIA, which in turn forwards it to the respective branch manager in real-time. This is not happening on the ground though in most blocks plans are underway to put this mechanism in place. In many blocks, the CRP-EPs and BRCs had assisted the entrepreneurs in leveraging co-finance from banks as credit (such as Mudra loans), but better linkages with the financial ecosystem is needed.

The frequency of loan sanctioning meetings is once or twice a month. Also, because a proper hierarchy is followed in the block for the disbursements and repayments of funds i.e. SHG member to SHG to VO to

CLF and finally to BRC for the repayments and vice versa for disbursements of funds, the fund disbursement takes time. CRP-EPs were of the view that if subsequent loan is provided under SVEP then it will be more difficult to mobilize more and more people to the scheme as there is not enough fund flow at present to fulfill the requirements of both.

A long time consuming process and complex documentation is the major concern while applying for loans from other sources and again there is no guarantee that the loan application will be accepted and funds will be disbursed on time. Entrepreneurs were asked to share the GST number of their business, their trade license (*Udhyog Aadhar*) or were asked to provide collateral for a loan. Respondents felt that SVEP is the best source of loan amongst all as it ensures that funds will be received timely and the enterprise can be set up instantly and therefore, they felt that the amount of first loan should be upped and subsequent loans should be available.

Discussions with entrepreneurs revealed that financial resources that were provided were limited to initial start-up capital. Financing for on-going investments and the cash flow needed as working capital to finance day-to-day operations, such as purchasing supplies was not provided under SVEP. The entrepreneurs needed significant capital beyond what is required in the initial stage, since most people did not have accumulated savings or access to credit from formal financial institutions.

As of now, the BRC is supposed to assist the CLF/VO write a recommendation letter to the bank and other financial institutions for release of loan to the entrepreneur on the basis of the business plan. The CLF/VO also monitors repayment of bank loan or CEF disbursed to the entrepreneur through the SHG network and BRC. The qualitative study indicates that the BMMU and BRC need to provide greater facilitation in credit linkage with financial institutions for entrepreneurs to avail loan. More handholding support needs to be provided to help entrepreneurs with application, approval and disbursement of loan from various financial institutions. The PIA needs to provide greater support to the BRC to set up the Bank Coordination Support Team to improve the coordination with key banking entities such as RSETI, DIC, Banks and NABARD.

4.1.2 Training/ Support received under SVEP

The business-sector wise analysis under the mid-term evaluation study indicates that the method of creating awareness about the SVEP scheme for all the categories was through CRP-EP (87%), SRLM Staff (11%), Family Member(13%), Word of mouth from villagers/other entrepreneurs (17%), Hoardings/ Pamphlets (2%) and VO meeting (34%). There were no responses for awareness creation through Newspaper Advertisement.

Business sector-wise analysis	CRP-EP	SRLM Staff	Family Member	Word of mouth from villagers/other entrepreneurs	Hoardings/Pamphlets	Newspaper Ad	VO meeting	Other
Manufacturing (N=114)	83%	11%	13%	18%	0%	0%	42%	4%
Services (N=362)	91%	8%	13%	15%	1%	0%	30%	3%
Trade (N=584)	85%	13%	12%	17%	2%	0%	35%	2%
Total Avg.	87%	11%	13%	17%	2%	0%	34%	3%

Table 16: Most/ least used method of creating awareness about the scheme (Business category-wise analysis)

The business-sector wise analysis under the mid-term evaluation study indicates that the method of creating awareness about the SVEP scheme for the manufacturing categories was high through CRP-EP in Mohol, Tappal and Dhanarua (100%) while for Chumukedima the figures were around 69%. The SRLM staffs were involved in creating awareness about SVEP with the highest figure being at Dhanarua (50%) while family members were reported to do the same with Tappal indicating high figures at 75% followed by

Dhanarua at 50%. VO meetings were another important means through which awareness on SVEP was created with Chumukedima reporting high response of 71% followed by Mohol at 57%.

For more details see '*Table: Most/ least used method of creating awareness about the scheme (Block-wise analysis) in Annexure (Table 2)*'

Blocks/Sector	Percentage of Entrepreneurs who received training under SVEP		
	Manufacturing (N=114)	Services (N=362)	Trade (N=584)
	90%	**84%**	**88%**
Mohol	100%	99%	99%
Moraul	100%	89%	91%
Rajpur	93%	94%	84%
Tappal	0%	46%	62%
Vadavucode	68%	57%	45%
Chumukedima	100%	100%	100%
Dhanarua	100%	100%	100%
Total Avg.		**87%**	

Table 17: Percentage of entrepreneurs who received training (Block-wise and sector-wise analysis)

The mid-term evaluation indicates that 87% of the entrepreneurs received training. The sector-wise break-up points that 90% of entrepreneurs from manufacturing background, 84% from services and 88% from trade background received trainings. For the manufacturing sector, while Mohol, Moraul, Chumukedima and Dhanarua reported 100% entrepreneurs having received training, the figures stood at zero for Tappal. The figures for Rajpur and Vaduvacode stood at 93% and 68% respectively.

For the services sector, while Chumukedima and Dhanarua reported 100% entrepreneurs having received training, the figures stood at 99% for Moraul, 89% for Moraul and 94% for Rajpur. The figures of percentage of entrepreneurs who received training for Tappal and Vadavucode were 46% and 57% respectively. For the trade sector, while Chumukedima and Dhanarua reported 100% entrepreneurs having received training, the figures stood at 99% for Mohol, 91% for Moraul, 84% for Rajpur and 62% for Tappal. Vadavucode reported very low figures as regards percentage of entrepreneurs from trade background who received training (45%). This could be because existing entrepreneurs (traders) were reluctant to go through trainings.

The major areas for training indicate that for the full sample (all blocks across all sectors), 67% of entrepreneurs had taken training on business management, 48% on understanding market, 43% on business plan preparation, 24% on business feasibility, 31% on business promotion and 40% on book keeping.

	Business Management	Understa-nding market	Business Plan Preparation	Business feasibility	Business Promotion	Book Keeping	Other
Manufactu ring (N=114)	**75%**	**63%**	**46%**	**29%**	**42%**	**50%**	**1%**
Services (N=362)	**65%**	**46%**	**44%**	**21%**	**28%**	**38%**	**0%**
Trade (N=584)	**66%**	**46%**	**41%**	**24%**	**30%**	**40%**	**0%**

Table 18: Major areas of training of entrepreneurs (Sector-wise analysis)

The sector-wise responses indicate that for the manufacturing category 75% of entrepreneurs had taken training on business management, 63% on understanding market, 46% on business plan preparation, 29% on business feasibility, 42% on business promotion and 50% on book keeping. The figures for services category indicate that 65% of entrepreneurs had taken training on business management, 46% on understanding market, 44% on business plan preparation, 21% on business feasibility, 28% on business promotion and 38% on book keeping. The sector-wise responses indicate that for the trade category 66% of entrepreneurs had taken training on business management, 46% on understanding market, 41% on business plan preparation, 24% on business feasibility, 30% on business promotion and 40% on book keeping. The details of the block-wise figures on major areas of training are available in the Annexure (Table 3).

The qualitative study and a review of the training modules indicate that there is a one-day General Orientation Training (GOT), a CBO level motivational training that is conducted to generate a list of potential entrepreneurs that will further be given Entrepreneurship Development Program (EDP) under SVEP. EDP is a 3-4 day CBO level business management training that is conducted for the potential entrepreneurs who come forward to undertake enterprises after the GOT.

Potential entrepreneurs were provided the EDP or the 'Basic Business Skills Training (BBST)' that aims to develop entrepreneurial abilities among the participants. It is a 20 hour training program, conducted over a period of 4 days and aims to impart, develop and refine the entrepreneurial skills needed to establish and successfully run a business. It is designed to equip the potential entrepreneurs with the basic knowledge and skills to launch and run an enterprise. The training objectives were to: (a) understand the needs of entrepreneurial discipline (b) develop passion for entrepreneurship (c) to improve the knowledge, skills and competencies of the entrepreneurs (d) enhance managerial capacities of the entrepreneurs and (e) develop a vision for their business. The methodology of the trainings used powerpoint presentations, interactive lecture, activity, group explorations and presentations, facilitator led discussions. The training dealt with - business surveys (products & services, target market etc.,), SWOT analysis, how to project sales, capital requirements (financial plan), preparation of income statement, calculation of breakeven point, crisis planning, working capital management, customer service, books of accounts etc.

The session also has a business simulation game (Pearl Game) which gives the participants an overall experience of – planning a business, strategizing and setting targets, delegation of responsibilities, purchasing raw materials, production, time management, resource management, meeting market demand, marketing, selling, profit and loss etc.

4.1.3 Support received from CRP-EP for setting up enterprise

Lack of business connections (business contacts, suppliers, suitable partners and networks), lack of knowledge of available business services, lack of tailored business training and advice for new start-ups, as well as limited funding opportunities prevent entrepreneurs from developing their businesses effectively and to their full potential. Consequently, the SVEP scheme has been put in place to ensure that entrepreneurs have all the support they need. SVEP in order to promote micro-entrepreneurship among rural women has instituted a system of providing start-up and handholding support to selected entrepreneurs through CRP-EPs.

The mid-term evaluation study (overall sample) indicates that the entrepreneurs received support from the CRP-EPs in following aspects – selecting business models (31%), document preparation (60%), accessing loans – CIF/CEF (37%), setting up business (17%), bank linkage (23%) and book-keeping (37%). The entrepreneurs from manufacturing category received support from the CRP-EPs in following aspects – selecting business models (31%), document preparation (50%), accessing loans – CIF/CEF (34%), setting up business (16%), bank linkage (14%) and book-keeping (40%). The entrepreneurs from services category received support from the CRP-EPs in following aspects – selecting business models (31%), document preparation (50%), accessing loans – CIF/CEF (34%), setting up business (16%), bank linkage (14%) and book-keeping (40%). The entrepreneurs from trade category received support from the CRP-EPs in

following aspects – selecting business models (31%), document preparation (61%), accessing loans – CIF/CEF (39%), setting up business (17%), bank linkage (23%) and book-keeping (35%).

	Selecting business model	Document preparation	Accessing loans (CIF/CEF)	Setting up Business	Bank Linkage	Book-keeping
Manufacturing (N=114)	**31%**	**50%**	**34%**	**16%**	**14%**	**40%**
Services (N=362)	**31%**	**63%**	**35%**	**18%**	**27%**	**38%**
Trade (N=584)	**31%**	**61%**	**39%**	**17%**	**23%**	**35%**
Overall Avg.	**31%**	**60%**	**37%**	**17%**	**23%**	**37%**

Table 19: Top 5 hand-holding aspects rendered by CRP-EPs to entrepreneurs (Initial 6 months and after 6 months) (Sector-wise analysis)

The qualitative analysis indicates that CRP-EPs provide support for enterprise based activities of rural poor through entrepreneurial capacity building, skill enhancement, need based finance, facilitation of bank linkage and continuous nurturing support for setting up and running viable village enterprises, using the institutional platform of SHGs and their federations under NRLM.

The details of the block-wise distribution of top 5 hand-holding aspects rendered by CRP-EPs to entrepreneurs (Initial 6 months and after 6 months) is available in the Annexure (Table 4). Some respondents also said that they had received support from the CRP-EP on marketing, raw material procurement, market for selling goods, utilization of funds and for pricing of goods and services.

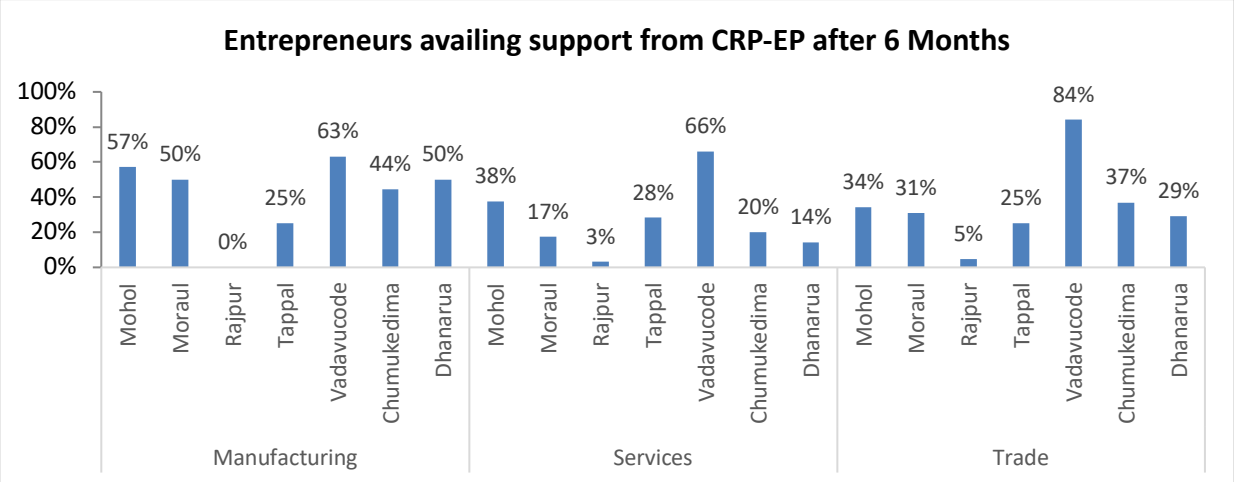


Chart 8: Entrepreneurs availing support from CRP-EP after 6 months

The percentage of entrepreneurs who received support from CRP-EPs after 6 months was 31% for the overall sample, the business category-wise break-up being 44% for manufacturing,28% for services and 30% for trade. For the business category of manufacturing the highest support was provided in Vadavucode (63%), Mohol (57%), Moraul and Dhanarua (57%) while no support was provided in Rajpur as per respondents of the survey. For the business category of services, the highest support was provided in Vadavucode (66%), Mohol (38%) while negligible support was provided in Rajpur (3%) as per respondents of the survey. For the business category of trade, the highest support was provided in Vadavucode (84%),

Chumukedima (37%), Mohol (34%) while negligible support was provided in Rajpur (5%) as per respondents of the survey.

The reasons for availing support from CRP-EP after 6 months for the overall sample are not familiar with the selected business model (4%), desired targets not achieved (9%), enhancement of skills (18%), unsustainable business models (2%) and financial advice (23%). The reasons for availing support from CRP-EP after 6 months for the manufacturing category are not familiar with the selected business model (4%), desired targets not achieved (11%), enhancement of skills (26%), unsustainable business models (5%) and financial advice (31%). The reasons for availing support from CRP-EP after 6 months for the services category are not familiar with the selected business model (3%), desired targets not achieved (8%), enhancement of skills (17%), unsustainable business models (1%) and financial advice (23%). The reasons for availing support from CRP-EP after 6 months for the trade category are not familiar with the selected business model (5%), desired targets not achieved (9%), enhancement of skills (17%), unsustainable business models (2%) and financial advice (21%).

	Not familiar with the selected Business Model	Desired targets not achieved	Enhancement of skills	Unsustainable Business Model	Financial advice	Other
Manufacturing (N=114)	**4%**	**11%**	**26%**	**5%**	**31%**	**0%**
Services (N=362)	**3%**	**8%**	**17%**	**1%**	**23%**	**1%**
Trade (N=584)	**5%**	**9%**	**17%**	**2%**	**21%**	**1%**
Overall Avg.	**4%**	**9%**	**18%**	**2%**	**23%**	**1%**

Table 20: Reasons for availing support from CRP-EP after 6 months (Sector-wise analysis)

See Annexure for Table 5: Reasons for availing support from CRP-EP after 6 months (Sector-wise and block-wise analysis)

The mid-term evaluation study indicates that the key areas in which entrepreneurs from trade sector took help from CRP-EP after 6 months of opening enterprise were – subsequent funding (14%), bank linkage (7%), book-keeping (14%), marketing (7%) and raw material procurement (9%). The key areas in which entrepreneurs from manufacturing sector took help from CRP-EP after 6 months of opening enterprise were – subsequent funding (15%), bank linkage (5%), book-keeping (28%), marketing (5%) and raw material procurement (11%). The key areas in which entrepreneurs from manufacturing sector took help from CRP-EP after 6 months of opening enterprise were – subsequent funding (13%), bank linkage (7%), book-keeping (12%), marketing (8%) and raw material procurement (10%).

The key areas in which entrepreneurs from manufacturing sector took help from CRP-EP after 6 months of opening enterprise were: subsequent funding (14%), bank linkage (7%), book-keeping (13%), marketing (7%) and raw material procurement (8%). The block-wise analysis suggests that more support was taken in manufacturing sector from CRP-EP in Moraul and Vadavucode, while in services and trade sector more support was sought from CRP-EP in Tappal.

	Subsequent funding	Bank Linkage	Book-keeping	Marketing	Raw material procurement
Manufacturing (N=114)	**15%**	**5%**	**28%**	**5%**	**11%**
Mohol	7%	0%	21%	14%	50%
Moraul	44%	25%	25%	6%	6%
Rajpur	0%	0%	0%	0%	0%
Tappal	0%	25%	25%	0%	25%
Vadavucode	32%	5%	32%	5%	5%

Chumukedima	4%	0%	40%	4%	4%
Dhanarua	50%	0%	0%	0%	0%
Services (N=362)	**13%**	**7%**	**12%**	**8%**	**10%**
Mohol	14%	4%	13%	14%	22%
Moraul	7%	11%	7%	7%	4%
Rajpur	0%	3%	3%	2%	2%
Tappal	28%	26%	24%	26%	28%
Vadavucode	23%	0%	25%	2%	2%
Chumukedima	4%	4%	16%	0%	4%
Dhanarua	14%	3%	0%	0%	0%
Trade (N=584)	**14%**	**7%**	**13%**	**7%**	**8%**
Mohol	14%	8%	9%	15%	20%
Moraul	16%	10%	6%	8%	5%
Rajpur	4%	3%	3%	1%	0%
Tappal	25%	25%	20%	18%	25%
Vadavucode	21%	0%	37%	3%	11%
Chumukedima	3%	0%	27%	4%	4%
Dhanarua	29%	8%	4%	0%	0%
Overall Avg.	**14%**	**7%**	**14%**	**7%**	**9%**

Table 21: Areas in which support was taken from CRP-EP by Entrepreneur (Block-wise and sector-wise analysis)

The analysis of the frequency of interaction of entrepreneurs with CRP-EP suggests that it is frequent - mostly monthly or on more than a month basis. The responses of the entrepreneurs (total of all blocks) suggests that interactions are done – annually (0%), half-yearly (2%), quarterly (1%), once a month (50%) and more than once a month (46%) and occasionally/frequently (1%). The responses of the entrepreneurs (total of all blocks for manufacturing) suggests that interactions are done – annually (1%), half-yearly (4%), quarterly (1%), once a month (59%), more than once a month (33%) and occasionally/frequently (2%). The responses of the entrepreneurs (total of all blocks for services) suggests that interactions are done – annually (0%), half-yearly (0%), quarterly (1%), once a month (47%), more than once a month (51%) and occasionally/frequently (1%). The responses of the entrepreneurs (total of all blocks for trade) suggests that interactions are done – annually (0%), half-yearly (2%), quarterly (2%), once a month (50%), more than once a month (45%) and occasionally/frequently (1%).

See Annexure (Table 7) for detailed Table: Frequency of interaction of entrepreneur with CRP-EP (Block-wise and sector-wise analysis)

The analysis of the entrepreneurs who maintain daily record of sale suggests that the performance on this aspect is very poor in Moraul (6% for manufacturing, 7% for services and 14% for trade), Rajpur (0% for manufacturing, 30% for services) and Dhanarua (0% for manufacturing, 0% for services and 1% for trade). The figures were the highest for Vadavucode (84% for manufacturing, 89% for services and 76% for trade).

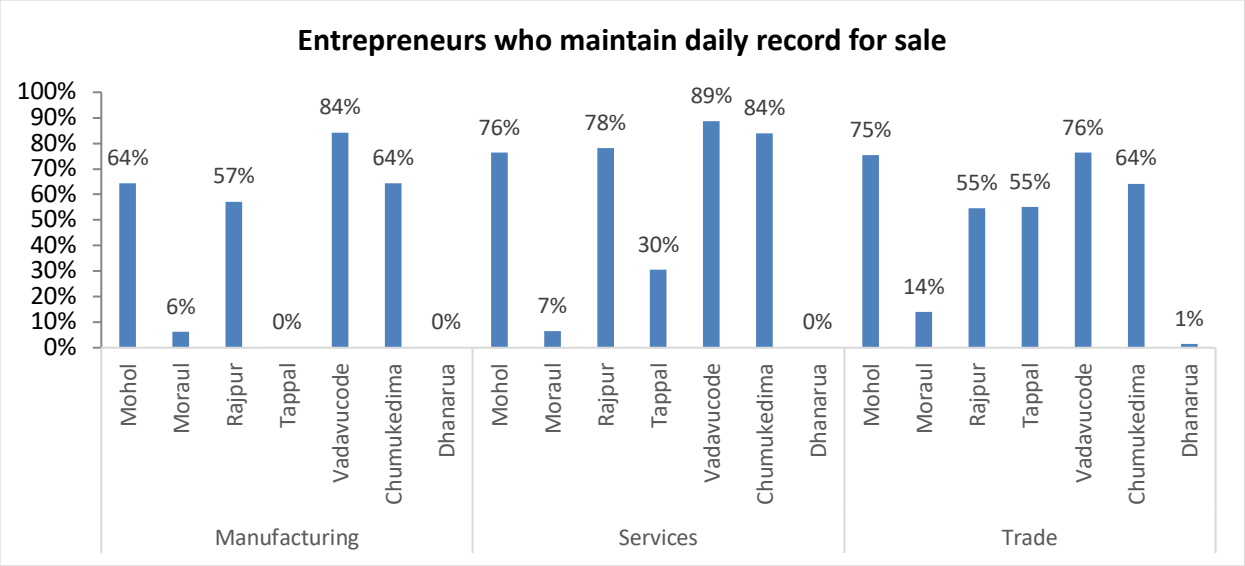


Chart 9: Record Maintenance (Block-wise and sector-wise analysis)

4.1.4 Support received from CRP-EP on re-training for upgrading of skills/business

The percentage of entrepreneurs who received re-training was high for in Moraul (19%) and Dhanarua (50%) for the manufacturing category, was 20% for services category in Dhanarua and 11% and 31 % respectively in Moral and Dhanarua respectively for trade category.

See *Table 5 in Annexure for Reasons for entrepreneurs availing support from CRP-EP after 6 months (Sector-wise and block-wise analysis)*

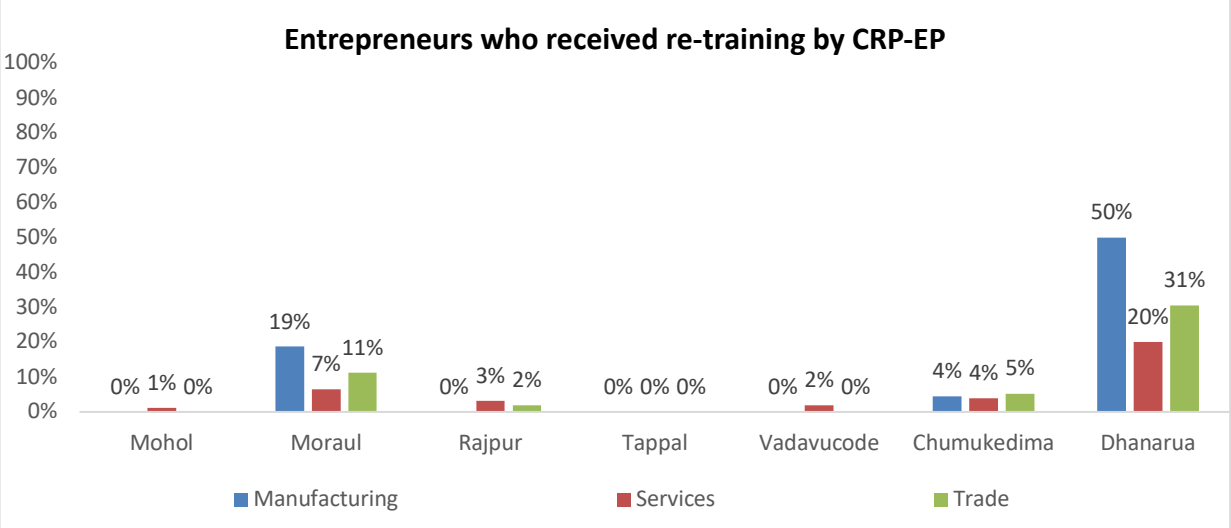


Chart 10: Percentage of entrepreneurs who received re- training by CRP-EP (Block-wise and sector-wise analysis)

4.1.5 Benefits accrued post-SVEP

The mid-term evaluation study indicates that the total sales of products/ services monthly of the entrepreneur for all enterprises was highest for Vadavucode at Rs. 109920 and was lowest for Rajpur at Rs. 21376. The pattern was a little different for existing enterprises and new enterprises. The sales were highest for Tappal at Rs. 97597 and were lowest for Chumukedima at Rs. 28272 for existing enterprises. The sales were highest for Vadavucode at Rs.129790 and was lowest for Tappal at Rs. 20600 for new enterprises.

The sales were very high for existing enterprises (trade) in Tappal at Rs. 145444 and services for Vaduvacode at Rs. 194879.

Monthly total sales of products/services (avg.)	Mohol	Moraul	Rajpur	Tappal	Vadav-ucode	Chumuk-edima	Dhan-arua
Existing Enterprise (Same line of business continued under SVEP)	**31344**	**41612**	**30330**	**97597**	**48841**	**28272**	**53957**
Manufacturing	23000	54500	12600	-	-	39300	60000
Services	31688	32571	52900	36079	52150	16800	60400
Trade	33667	42660	19761	145444	42222	26565	51706
New Enterprise (different line of business under SVEP)	**28624**	**27471**	**20600**	**39513**	**129790**	**27326**	**31814**
Manufacturing	23367	58300	29008	106500	104000	25686	68500
Services	18048	22063	16436	28590	194879	21115	32550
Trade	38646	25217	21950	42612	68131	30164	30745
Overall Avg.	**28833**	**33077**	**21376**	**47961**	**109920**	**27590**	**36486**

Figures are in Rs.

Table 22: Total sales of products/ services monthly of the entrepreneur (Block-wise analysis, sector-wise analysis and existing-new entrepreneur-wise analysis)

Total expenditure (avg.)	Mohol	Moraul	Rajpur	Tappal	Vadavucode	Chumuke-dima	Dhanaru a
Existing Enterprise (Same line of business continued under SVEP)	**19296**	**27166**	**14246**	**78564**	**28887**	**16579**	**38424**
Manufacturing	11800	37583	2350			18650	10000
Services	18925	14811	24060	20261	29703	7860	45040
Trade	22290	29517	10116	123911	27256	17317	38150
New Enterprise (different line of business under SVEP)	**18750**	**18411**	**11401**	**27938**	**107521**	**12255**	**23096**
Manufacturing	13417	44300	17163	89225	70287	12055	53497
Services	7146	11111	7039	11765	174938	7642	23413
Trade	29691	17990	13207	35499	50551	13805	22370
Overall Avg.	**18792**	**21882**	**11628**	**35302**	**88220**	**13460**	**26330**

Figures are in Rs

Table 23: Total monthly expenditures in running an enterprise (Block-wise analysis sector-wise analysis and new-existing entrepreneur-wise analysis)

The mid-term evaluation study indicates that the total monthly expenditures in running the enterprise (existing and new) for the entrepreneur was highest for Vadavucode at Rs. 88220 and was lowest for Rajpur at Rs. 11628. The figures for Tappal (Rs. 35302) and Dhanarua (Rs. 26330) came next. The pattern was a little different for existing enterprises and new enterprises.

The disaggregated analysis suggests that for existing enterprises indicates that the total monthly expenditures in running the enterprise for the entrepreneur was Rs. 19296 for Mohol, Rs. 27166 for Moraul, Rs.14246 for Rajpur, Rs. 78564 for Tappal, Rs. 28887 for Vadavucode, Rs. 16579 for Chumukedima and Rs. 38424 for Dhanarua. The figures were the highest for Tappal and least for Rajpur.

For the manufacturing category, the disaggregated analysis suggests that for existing enterprises indicates that the total monthly expenditures in running the enterprise for the entrepreneur was highest for Moraul and lowest for Rajpur. For the services category, the disaggregated analysis suggests that for existing enterprises indicates that the total monthly expenditures in running the enterprise for the entrepreneur was highest for Dhanarua and lowest for Chumukedima. For the trade, the disaggregated analysis suggests that for existing enterprises indicates that the total monthly expenditures in running the enterprise for the entrepreneur was highest for Moraul and lowest for Rajpur.

The disaggregated analysis suggests that for new enterprises indicates that the total monthly expenditures in running the enterprise for the entrepreneur was Rs. 18750 for Mohol, Rs. 18411 for Moraul, Rs.11401 for Rajpur, Rs. 27938 for Tappal, Rs. 107521 for Vadavucode, Rs. 12255 for Chumukedima and Rs. 23096 for Dhanarua. The figures were the highest for Vadavucode and least for Rajpur.

For the manufacturing category, the disaggregated analysis suggests that for new enterprises indicates that the total monthly expenditures in running the enterprise for the entrepreneur was highest for Tappal and lowest for Chumukedima. For the services category, the disaggregated analysis suggests that for new enterprises indicates that the total monthly expenditures in running the enterprise for the entrepreneur was highest for Vadavucode and lowest for Rajpur. For the trade, the disaggregated analysis suggests that for new enterprises indicates that the total monthly expenditures in running the enterprise for the entrepreneur was highest for Vadavucode and lowest for Rajpur.

Monthly total profits from products/services (avg.)	Mohol	Moraul	Rajpur	Tappal	Vadav-ucode	Chumuk-edima	Dhan-arua
Existing Enterprise (Same line of business continued under SVEP)	**12048**	**14446**	**16084**	**19033**	**19954**	**11693**	**15533**
Manufacturing	11200	16917	10250			20650	50000
Services	12763	17760	28840	15818	22447	8940	15360
Trade	11377	13143	9645	21533	14966	9248	13556
New Enterprise (different line of business under SVEP)	**9874**	**9060**	**9199**	**11575**	**22269**	**15071**	**8718**
Manufacturing	9950	14000	11845	17275	33713	13631	15003
Services	10902	10952	9397	16825	19941	13473	9137
Trade	8955	7227	8743	7113	17580	16359	8375
Overall Avg.	**10041**	**11195**	**9748**	**12659**	**21700**	**14130**	**10156**

Figures are in Rs

Table 24: Total monthly profits in running an enterprise (Block-wise analysis sector-wise analysis and new-existing entrepreneur-wise analysis)

An analysis of the monthly total profits from products or services indicates a positive trend across all the blocks. The overall average was highest for Vadavucode (Rs. 21700) and lowest for Rajpur (Rs. 9748).

The qualitative study found that the impacts on the microenterprises of entrepreneurs included (i) capital-funded business growth, (ii) an apparent increase in net income, (iii) an increase in business assets, and (iv) creation of additional employment. In all the blocks hundreds of enterprises have sprung up and the benefits

can be witnessed in the form of the combined revenue which runs into crores. Some of the beneficiaries (entrepreneurs) interviewed reported that they had hired employees to help with their enterprise. The economy has also shifted to a more formalized set-up; people have started understanding how to do business, have begun savings and maintaining cashbooks not only for businesses but also for personal uses.

The impact on the household and personal finances of respondents included (i) an increase in household assets, (ii) an improvement in household residence, (iii) a rise in financial savings, (iv) reduced dependence on moneylenders and (v) relief with children's tuition fees and their improved education. These impacts could largely be attributed to SVEP. Majority of stakeholders interviewed related how the resulting increase in net income helped fund the tuition fees of their children and improve living conditions at home (with the house and assets). The study also noted that providing loans to micro-entrepreneurs influenced their business strategies by giving them the flexibility to (i) diversify into other income-generating activities; (ii) smooth out seasonal cycles; and (iii) expand the existing business and improve margins.

There was considerable variation in income between on and off-peak months for all sectors of business for both new as well as existing entrepreneurs and the success of the enterprise depended on whether this was taken into account while planning. Peak and off-peak months of the business were selected based on the response by the entrepreneur. There was no base month to calculate the variation, and the comparison was done in average peak and off-peak months.

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Existing Enterprise (Same line of business continued under SVEP)	**31%**	**32%**	**38%**	**36%**	**39%**	**31%**	**17%**	**26%**	**28%**	**40%**	**44%**	**36%**
Manufacturing	45%	45%	45%	30%	15%	5%	10%	15%	25%	50%	65%	65%
Services	24%	32%	47%	48%	52%	37%	18%	27%	24%	31%	37%	26%
Trade	33%	30%	33%	31%	36%	33%	18%	27%	30%	42%	44%	37%
New Enterprise (different line of business under SVEP)	**42%**	**39%**	**42%**	**37%**	**35%**	**25%**	**19%**	**26%**	**26%**	**42%**	**48%**	**39%**
Manufacturing	45%	40%	38%	30%	24%	16%	11%	13%	19%	37%	53%	55%
Services	41%	41%	48%	40%	38%	28%	23%	30%	31%	45%	47%	36%
Trade	43%	38%	39%	36%	35%	24%	17%	26%	24%	41%	48%	38%
Overall Avg.	**40%**	**38%**	**41%**	**37%**	**35%**	**26%**	**18%**	**26%**	**26%**	**42%**	**47%**	**38%**

Table 25: Variation in income between on and off peak months of business (Sector-wise analysis and new-existing entrepreneur-wise analysis

See Annexure (Table 7) for Table: Variation in income between on and off peak months of business (Block-wise analysis, sector-wise analysis and new-existing entrepreneur-wise analysis)

The percentage of entrepreneurs wanting subsequent CEF loan was high in all blocks for entrepreneurs in each business category. It varied between highest in Dhanarua at 100% to lowest of 74% in Vadavucode for manufacturing category. For services, it varied between highest in Moraul at 83% to lowest of 62% in Vadavucode. It varied between highest in Dhanarua at 99% to lowest of 74% in Vadavucode and Mohol for trade category. The reasons were (a) the loan amount sanctioned was lesser than what was required (b) Capital required for expansion and diversification along with upgradation.

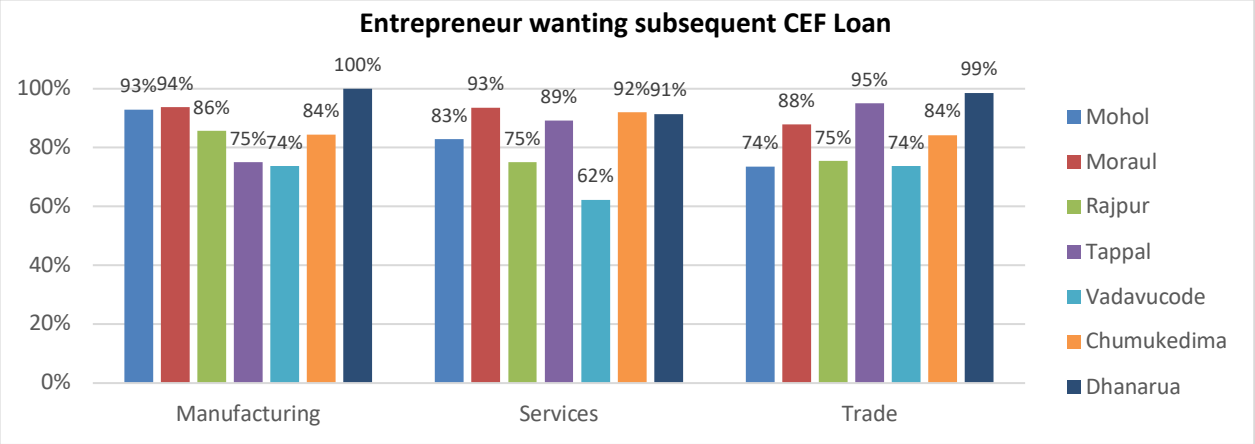


Chart 11: Percentage of entrepreneur wanting subsequent CEF Loan (Block-wise and sector-wise analysis)

4.1.6 Issues faced during setting up and running of the enterprise

Entrepreneurs face a couple of issues during the setting and running of enterprises. The mid-term evaluation study indicated that the reasons as per entrepreneurs from all business categories were - Lack of Business Development Skills (41%), Lack of funds (88%), Management of funds (25%), Manpower (8%), Competitive Market (24%), Unsustainable Business model (1%), Complication in documentation (9%), Accessibility (9%), Regional & social issues (2%), Natural Calamities (0%) and None (4%).

The figures from entrepreneurs from manufacturing were - Lack of Business Development Skills (39%), Lack of funds (85%), Management of funds (30%), Manpower (8%), Competitive Market (23%), Unsustainable Business model (1%), Complication in documentation (5%), Accessibility (7%), Regional & social issues (2%), Natural Calamities (0%) and None (9%).

The figures from entrepreneurs from services were - Lack of Business Development Skills (41%), Lack of funds (89%), Management of funds (23%), Manpower (10%), Competitive Market (19%), Unsustainable Business model (1%), Complication in documentation (10%), Accessibility (9%), Regional & social issues (2%), Natural Calamities (1%) and None (4%).

The figures from entrepreneurs from trade were - Lack of Business Development Skills (41%), Lack of funds (88%), Management of funds (26%), Manpower (7%), Competitive Market (27%), Unsustainable Business model (2%), Complication in documentation (9%), Accessibility (10%), Regional & social issues (3%), Natural Calamities (2%) and None (2%).

	Lack of Business Development Skills	Lack of funds	Management of funds	Manpower	Competitive Market	Unsustainable Business model
Manufacturing	39%	85%	30%	8%	23%	1%
Services	41%	89%	23%	10%	19%	1%
Trade	41%	88%	26%	7%	27%	2%
Overall Avg.	**41%**	**88%**	**25%**	**8%**	**24%**	**1%**
	Complication in documentation	**Accessibility**	**Regional & social issues**	**Natural Calamities**	**Other**	**None**
Manufacturing	5%	7%	2%	2%	0%	9%
Services	10%	9%	2%	1%	0%	4%
Trade	9%	10%	3%	2%	0%	2%
Overall Avg.	**9%**	**9%**	**2%**	**2%**	**0%**	**4%**

Table 26: Issues faced during setting up and running of the enterprises (Sector-wise analysis)

See Annexure for Table 10: Issues faced during setting up and running of the enterprises (Block-wise and Sector-wise analysis)

The qualitative assessment revealed the factors contributing to enterprise mortality. These include poor quality, lack of working capital, marketing issues and competition from existing entrepreneurs, internal group issues, non-availability of raw material, lack of a clearly defined marketing strategy, lack of infrastructure, insufficient income and lack of enabling government policies.

4.1.7 Maintaining records of sales

The block-wise and sector-wise analysis of percentage of entrepreneurs who maintain records of their daily sales indicates that for the overall sample 51% entrepreneurs maintain records. The percentage of entrepreneurs in manufacturing who maintain records of their daily sales is 55%, in services is 57% and in trade is 47%. The percentage of entrepreneurs who maintain records of their daily sales in manufacturing block-wise indicates that the figures are highest at 84% in Vadavucode, followed by 64% in Mohol and Chumukedima. The percentage of entrepreneurs who maintain records of their daily sales in services block-wise indicates that the figures are highest at 89% in Vadavucode, followed by 84% in Chumukedima and 78% and 76% in Rajpur and Mohol respectively. The percentage of entrepreneurs who maintain records of their daily sales in trade block-wise indicates that the figures are highest at 76% in Vadavucode, followed by 75% in Mohol and 64% in Chumukedima. The figures are negligible for Dhanarua block.

	Percentage		Percentage		Percentage
Manufacturing (N=114)	**55%**	**Services (N=362)**	**57%**	**Trade (N=584)**	**47%**
Mohol	64%	Mohol	76%	Mohol	75%
Moraul	6%	Moraul	7%	Moraul	14%
Rajpur	57%	Rajpur	78%	Rajpur	55%
Tappal	0%	Tappal	30%	Tappal	55%
Vadavucode	84%	Vadavucode	89%	Vadavucode	76%
Chumukedima	64%	Chumukedima	84%	Chumukedima	64%
Dhanarua	0%	Dhanarua	0%	Dhanarua	1%
Overall Avg.					**51%**

Table 27: Percentage of entrepreneurs who maintain records of their daily sales (Block-wise and sector-wise analysis)

4.1.8 Reinvestment in business

As per the mid-term evaluation study, the areas in which the entrepreneur re-invested from the total income are for all blocks - Machinery for business expansion (25%), Increase in procurement of raw materials (69%), Investment in other business (12%), Increase in human resources (8%), Transportation (16%), Infrastructure (17%), Patent/Branding (0%), Promotion/Marketing (3%), Other (2%) and None (10%).

The study looked into the areas in which the entrepreneur re-invested from the total income. The results for category manufacturing were - Machinery for business expansion (34%), Increase in procurement of raw materials (77%), Investment in other business (15%), Increase in human resources (15%), Transportation (18%), Infrastructure (14%), Patent/Branding (0%), Promotion/Marketing (3%), Other (2%) and None (7%).

As per the mid-term evaluation study, the areas in which the entrepreneur re-invested from the total income are for all blocks in the category services - Machinery for business expansion (42%), Increase in procurement of raw materials (57%), Investment in other business (7%), Increase in human resources (8%), Transportation (8%), Infrastructure (18%), Patent/Branding (0%), Promotion/Marketing (4%), Other (4%) and None (11%).

As per the mid-term evaluation study, the areas in which the entrepreneur re-invested from the total income are for all blocks in the category trade was - Machinery for business expansion (13%), Increase in procurement of raw materials (74%), Investment in other business (15%), Increase in human resources (7%), Transportation (21%), Infrastructure (17%), Patent/Branding (0%), Promotion/Marketing (3%), Other (1%) and None (10%).

	Machinery for business expansion	Increase in procurement of raw mate-rials	Investment in other business	Increase in human resources	Transportation	Infrastructure	Patent/ Branding	Promotion/ Marketing	Other	None
Manufacturing (N=114)	**34%**	**77%**	**15%**	**15%**	**18%**	**14%**	**0%**	**3%**	**2%**	**7%**
Mohol	14%	79%	7%	0%	50%	7%	0%	0%	7%	0%
Moraul	31%	75%	25%	6%	19%	6%	0%	0%	6%	0%
Rajpur	57%	71%	0%	21%	7%	36%	0%	0%	0%	0%
Tappal	50%	100%	0%	75%	100%	100%	0%	0%	0%	0%
Vadavucode	74%	89%	0%	16%	5%	5%	0%	0%	0%	5%
Chumukedima	16%	71%	24%	13%	9%	9%	0%	7%	0%	16%
Dhanarua	50%	100%	50%	50%	0%	0%	0%	0%	0%	0%
Services (N=362)	**42%**	**57%**	**7%**	**8%**	**8%**	**18%**	**0%**	**4%**	**4%**	**11%**
Mohol	41%	61%	6%	3%	10%	5%	0%	1%	0%	5%
Moraul	28%	57%	2%	4%	7%	13%	0%	2%	13%	7%
Rajpur	56%	61%	2%	3%	3%	28%	0%	2%	0%	0%
Tappal	46%	50%	13%	33%	17%	43%	2%	15%	9%	30%
Vadavucode	58%	55%	4%	6%	6%	21%	0%	4%	6%	13%
Chumukedima	32%	20%	20%	8%	4%	0%	0%	0%	4%	40%
Dhanarua	11%	83%	11%	6%	6%	17%	0%	3%	6%	3%
Trade (N=584)	**13%**	**74%**	**15%**	**7%**	**21%**	**17%**	**0%**	**3%**	**1%**	**10%**
Mohol	5%	83%	18%	2%	46%	4%	0%	1%	0%	5%
Moraul	5%	80%	4%	2%	10%	8%	0%	0%	0%	10%
Rajpur	22%	57%	16%	0%	26%	42%	0%	2%	0%	5%
Tappal	12%	73%	23%	23%	35%	45%	0%	10%	2%	20%
Vadavucode	26%	82%	0%	0%	3%	26%	0%	0%	5%	11%
Chumukedima	12%	56%	17%	12%	9%	4%	0%	5%	1%	24%
Dhanarua	15%	100%	28%	13%	6%	1%	0%	1%	0%	0%
Overall Avg.	**25%**	**69%**	**12%**	**8%**	**16%**	**17%**	**0%**	**3%**	**2%**	**10%**

Table 28: Areas in which the entrepreneur re-invested from the total income (Block-wise and sector-wise analysis)

Category	Profit	Break-even	Loss	Category	Profit	Break-even	Loss	Category	Profit	Break-even	Loss
Manufacturing (N=114)	**98%**	**2%**	**0%**	**Services**	**99%**	**1%**	**0%**	**Trade**	**99%**	**1%**	**0%**
Mohol	100%	0%	0%	Mohol	99%	1%	0%	Mohol	100%	0%	0%
Moraul	100%	0%	0%	Moraul	100%	0%	0%	Moraul	100%	0%	0%
Rajpur	100%	0%	0%	Rajpur	100%	0%	0%	Rajpur	100%	0%	0%
Tappal	100%	0%	0%	Tappal	100%	0%	0%	Tappal	100%	0%	0%
Vadavu-Code	95%	5%	0%	Vadavu-code	100%	0%	0%	Vadavu-code	100%	0%	0%
Chumuke-dima	98%	2%	0%	Chumuke-dima	96%	4%	0%	Chumuke-dima	94%	5%	1%
Dhanarua	100%	0%	0%	Dhanarua	100%	0%	0%	Dhanarua	100%	0%	0%
Overall Avg.	**99%**	**1%**	**0%**								

Table 29: Whether enterprise is running on profit or loss (Block-wise and sector-wise analysis)

The baseline and market potential assessment involved a series of exercises aimed at estimating the potential for enterprises to be targeted under SVEP. The potential for SVEP enterprises emerged from both the demand and supply of goods and services in the block. In order to understand the demand-supply situation and make a reasonable estimate of potential, the assessment was done in three key steps. The SVEP potential was assessed based on: Demand for local household consumption of goods and services provided by micro-enterprises; Supply of locally available resources – commodities, tourism, artisanal skills and proximity to high floating demand locations/urban markets; and Demand for goods and services from implementation of government schemes. The particularities of the block were taken into account while making estimation on household consumption. Yet, not all enterprises set up under SVEP were profitable.

An analysis of the profitability of the enterprises (total of all blocks) under the mid-term evaluation study suggests that 99% of the enterprises were profitable, 1% was in break-even and none were under losses.

Further, business category wise analysis suggests that in manufacturing 98% of the enterprises were profitable, 2% was in break-even and none were under losses; in services 99% of the enterprises were profitable, 1% was in break-even and none were under losses; in trade 99% of the enterprises were profitable, 1% was in break-even and none were under losses.

The qualitative study indicates that the market potential assessment carried out was right in assessment of the number of enterprises that could be undertaken for development as part of SVEP. The targets were realistic and the processes in setting up of the enterprises were followed properly. Not only that, the SVEP ecosystem was able to meet the challenge of ensuring that the estimated numbers were converted into real enterprises benefitting the SHG members and their families. The ability of SVEP to convert the market value into actual enterprises depended on four key factors (a) Capital requirements: Lower levels of capital requirements are better-suited for SVEP (b) Demand that can be generated: How much of the demand can be generated, given local conditions (c) Availability of skill and infrastructure: Levels of technical skill and basic infrastructure that is needed to take advantage of the potential and (d) Magnitude of competition existing in the market: Lower the existing competition, better the opportunities for SVEP.

	Experience in particular field	Traditional activity	Suggestion by CRP-EP's/ SHG	Monetary benefits	Aligned with skillsets/ certification obtained
Manufacturing	76%	26%	25%	21%	1%
Services	63%	2%	31%	27%	1%
Trade	44%	6%	32%	24%	0%
Overall Avg.	**54%**	**7%**	**31%**	**25%**	**0%**
	Scope of expansion of business	**Favourable business environment**	**Success of similar enterprise**	**To improve standard of living**	**Social Inclusion**
Manufacturing	24%	30%	11%	18%	10%
Services	29%	23%	17%	20%	9%
Trade	25%	24%	13%	19%	6%
Overall Avg.	**26%**	**24%**	**14%**	**19%**	**7%**

Table 30: Reasons for preferring specific business type over the other (Block-wise and sector-wise analysis)

The entrepreneurs responses in the study on the reasons for preferring specific business type over the other are - Experience in particular field (54%), Traditional activity (7%), Suggestion by CRP-EP's/ SHG (31%), Monetary benefits (25%), Aligned with skillsets/ certification obtained (0%), Scope of expansion of business (26%), Favourable business environment (24%), Success of similar enterprises (14%), To improve standard of living (19%) and Social Inclusion (7%).

The entrepreneurs from manufacturing segment's responses in the study on the reasons for preferring specific business type over the other are - Experience in particular field (76%), Traditional activity (26%), Suggestion by CRP-EP's/ SHG (25%), Monetary benefits (21%), Aligned with skillsets/ certification obtained (1%), Scope of expansion of business (24%), Favourable business environment (30%), Success of similar enterprises (11%), To improve standard of living (18%) and Social Inclusion (10%).

The entrepreneurs from services segment's responses in the study on the reasons for preferring specific business type over the other are - Experience in particular field (63%), Traditional activity (2%), Suggestion by CRP-EP's/ SHG (31%), Monetary benefits (27%), Aligned with skillsets/ certification obtained (1%), Scope of expansion of business (29%), Favourable business environment (23%), Success of similar enterprises (17%), To improve standard of living (20%) and Social Inclusion (9%).

The entrepreneurs from trade segment's responses in the study on the reasons for preferring specific business type over the other are - Experience in particular field (44%), Traditional activity (6%), Suggestion by CRP-EP's/ SHG (32%), Monetary benefits (24%), Aligned with skillsets/ certification obtained (0%), Scope of expansion of business (25%), Favourable business environment (24%), Success of similar enterprises (13%), To improve the standard of living (19%) and Social Inclusion (6%).

See Annexure (Table 9): Reasons for preferring specific business type over the other (Block-wise and sector-wise analysis)

4.1.9 Registration of enterprises

Micro, Small and Medium sized enterprises in both the Manufacturing and Service sector can obtain MSME registration or SSI registration under the MSMED Act. Although getting MSME registration is not mandatory but it is always preferable that micro enterprises get it done as it provides a variety of benefits. Due to the MSME registration, the bank loans become cheaper as the interest rate is very low

around ~ 1 to 1.5%. This is much lower than interest on regular loans. The SVEP too attempts that enterprises created or existing enterprises supported by it get registered.

There are various tax rebates offered to MSME. It also allowed credit for minimum alternate tax (MAT) to be carried forward for up to 15 years instead of 10 years. There are many government tenders which are only open to the MSME Industries. They get easy access to credit. Once registered the cost getting a patent done, or the cost of setting up the industry reduces as many rebates and concessions are available. Business registered under MSME are given higher preference for government license and certification. There is a One Time Settlement Fee for non-paid amounts of MSME. A number of documents are required for MSME registration like business address proof, copies of purchase and sale bill, Partnership Deed/ MoA and AoA, licenses from regulatory bodies and Bills of Machinery Purchased.

The mid-term evaluation study in the seven blocks indicates that the percentage of registered enterprises was about 15% for all business categories. The category wise figures were – 18% for manufacturing, 21% for services and 11% for trade. The figures for registered enterprises are highest in Vadavucode with 58% for manufacturing, 70% for services and 55% for trade. This is followed by Mohol where the figures for registered enterprises are 36% for manufacturing, 38% for services and 30% for trade. Chumukedima comes third with figures for registered enterprises of 9% for manufacturing, 12% for services and 9% for trade. The figures are between 0-1% for the remaining blocks in northern and central Indian states of Uttar Pradesh, Bihar and Madhya Pradesh – Moraul, Rajpur, Tappal and Dhanarua.

Registered enterprises					
Manufacturing (N=114)	**18%**	**Services (N=362)**	**21%**	**Trade (N=584)**	**11%**
Mohol	36%	Mohol	38%	Mohol	30%
Moraul	0%	Moraul	0%	Moraul	1%
Rajpur	0%	Rajpur	0%	Rajpur	0%
Tappal	0%	Tappal	0%	Tappal	0%
Vadavucode	58%	Vadavucode	70%	Vadavucode	55%
Chumukedima	9%	Chumukedima	12%	Chumukedima	9%
Dhanarua	0%	Dhanarua	0%	Dhanarua	1%
Overall Avg.					**15%**

Table 31: Registered enterprises (Block-wise and sector-wise analysis)

4.1.10 Promoting artisan based enterprise

The SVEP programme aimed to encourage enterprises of rural artisans and did an assessment of availability of artisanal skills prior to the starting of the programme to estimate if enterprise potential from clustering of artisanal production, using a value-chain approach could be developed. In order for meaningful interventions to happen, a cluster-value chain approach was used in some blocks like Chumukedima. Field work did by the CRP-EPs before the development of DPRs revealed no significant artisan cluster in Rajpur, Tappal and Dhanarua block. There was a significant potential for enterprises based on traditional art handicraft/pottery in the other blocks.

As per the mid-term study, the percentage of enterprises in each block engaged in traditional art handicraft/pottery was overall 7%, the business sector-wise break-up being 37% for manufacturing, 3% for services and 4% for trade. Around 67% of the enterprises in Chumukedima were engaged in traditional art handicraft/pottery. This was because weaving, traditional ornament making, carpentry, artificial flower making, pottery etc., are popular traditional income generating activities. The artisans/craftsmen in Chumukedima block are skilled with little or no need for training in these aspects. SVEP provided them with financial aid to increase the volume of production, upgradation of machinery and market linkage. This helped in bringing in more income and supporting the existing enterprises.

Solapur district is a hub of handloom industry, and is well known nationally as well as internationally for 'Solapur *chaddars*'. The bulk of the handloom activity occurs in Solapur block and also in bigger societies and industrial areas. In Mohol block too, the handloom sector is largely concentrated in industrial areas/ societies. The number of individual weavers is low and declining. Besides handloom, there are also artisans in pottery and as also wood and metal crafts. The potential for enterprises in this sub-sector was determined before SVEP roll-out and was found to be promising. However, this branding advantage needs to be leveraged by local enterprises in handloom sector and more linkages should be developed with major *chaddar* manufacturers in Solapur/ Pune and carrying out work outsourced by them. The potential for artisanal products such as pottery was also good and many enterprises has been set up on this.

Moraul in Bihar had a significant presence of artisans of lac bangles. Large quantities of lac are imported from Bhagalpur and bangles made in Moraul. This is sold in Islampur, a large market for lac bangles, not very far from Moraul. Apart from that some enterprises on traditional work such as blacksmith, pottery, bamboo craft were promoted in Moraul block.

Manufacturing (N=114)	**37%**	**Services (N=362)**	**3%**	**Trade (N=584)**	**4%**
Mohol	21%	Mohol	1%	Mohol	0%
Moraul	25%	Moraul	9%	Moraul	13%
Rajpur	0%	Rajpur	0%	Rajpur	2%
Tappal	0%	Tappal	0%	Tappal	0%
Vadavucode	26%	Vadavucode	8%	Vadavucode	5%
Chumukedima	67%	Chumukedima	0%	Chumukedima	1%
Dhanarua	0%	Dhanarua	6%	Dhanarua	4%
Overall Avg.					**7%**

Table 32: Percentage of enterprises in each block engaged in traditional art handicraft/pottery (Block-wise and sector-wise analysis)

4.1.11 Grievance Redressal Mechanism under SVEP scheme

The awareness among the entrepreneurs from all the business sectors in all blocks is very high barring some odd cases like in Chumukedima block where only 7% of entrepreneurs in manufacturing, 12% in services and 13% in trade were aware of the presence of a grievance redressal mechanism. In the three blocks of Mohol, Vadavucode and Dhanarua, 100% of entrepreneurs in the three categories – manufacturing, services and trade were aware of grievance redressal system.

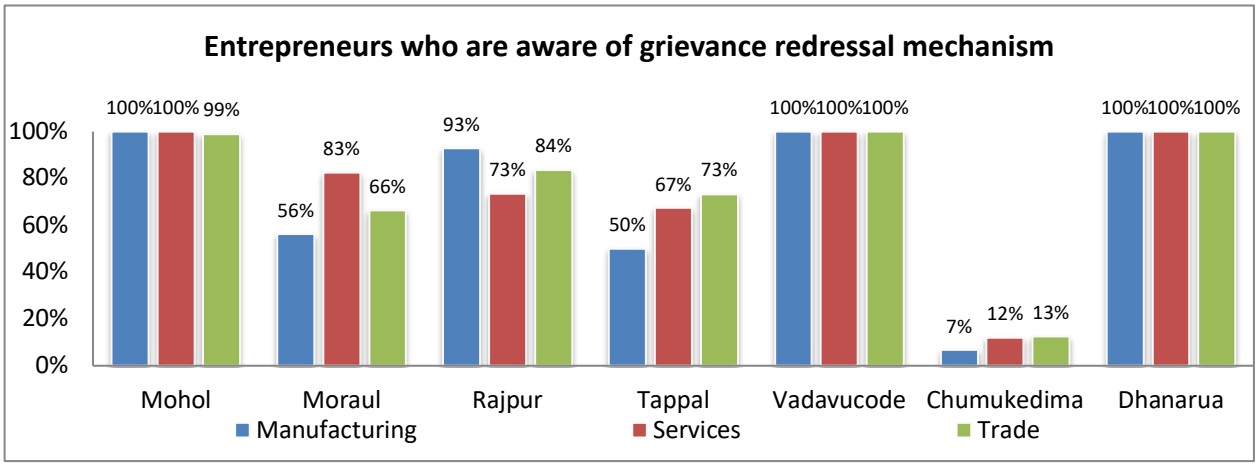


Chart 12: Percentage of Entrepreneurs who are aware of grievance redressal mechanism (Block-wise and sector-wise analysis)

The qualitative study indicates that wherever the agenda of SVEP fails to include social justice and equity issues, in the absence of the support from the CRP-EP, BRC or the SHG-VO-CLF network, the entrepreneurs take recourse to the grievance redressal system outlined under the programme. With increased awareness, entrepreneurs are making demands from these institutions. Wherever, they continue to experience invisible barriers to entry and support from the implementation arrangements under SVEP they seek redressal of their grievances. The mechanism of resolving complaints is different at all levels.

If entrepreneurs have a grievance it is resolved by CRP-EP or put them up in SHGs and VOs and they are resolved internally by the influential members of the group. After that, if it does not get resolved it is taken to the BRC and thereafter to the BPM and DPM. Many of them circumvent the system and directly seek redressal of their grievances from the layer above. There are written policies and regulations regarding the grievance redressal mechanism about who has to address whom in case of any problems and issues. The SVEP project guideline defines the processes of grievance redressal and problems that get escalated to the state level are solved by the SPM.

5. Performance of the CRP-EP

A challenge in the rural micro-entrepreneurship space is the missing incubation ecosystem. Post starting the enterprise, the entrepreneurs do not have a mechanism of an advisor from whom they can seek help, specifically for business planning, risk assessment, working capital requirements, accounting, monitoring, costing and pricing, understanding seasonal demand, etc. Also, there is no mechanism for peer to peer learning from similar entrepreneurs. Most enterprises fail due to not having this support ecosystem in the critical first 6 months of operations. This gap is met by the CRP-EPs, who will handhold the entrepreneurs from start- up to at least six months after start-up under the SVEP. The SVEP approach aimed to enhance the ecosystem for rural entrepreneurship and to strengthen the market linkages of rural entrepreneurs by focusing on the Entrepreneur and the Community Resource Person-Enterprise Promotion.

CRP-EPs provide support for enterprise based activities of rural poor through entrepreneurial capacity building, skill enhancement, need based finance, facilitation of bank linkage and continuous nurturing support for setting up and running viable village enterprises, using the institutional platform of SHGs and their federations under NRLM. Lack of business connections (business contacts, suppliers, suitable partners and networks), lack of knowledge of available business services, lack of tailor-made business training and advice for new start-ups, as well as limited funding opportunities prevent entrepreneurs from developing their businesses effectively and to their full potential. Consequently, the SVEP scheme has been put in place to ensure that entrepreneurs have all the support they need. SVEP in order to promote micro-entrepreneurship among rural women has instituted a system of providing start-up and handholding support to selected entrepreneurs through CRP-EPs.

The mid-term evaluation study indicates that 100% of the CRP-EPs were women in Mohol and Vaduvacode blocks, while all CRP-EPs were men in Tappal block. The other blocks had the following distribution - 78% women CRP-EPs in Chumukedima, 50% women CRP-EPs in Dhanarua, 40% women CRP-EPs in Moraul and 56% women CRP-EPs in Rajpur.

The livelihood source of CRP-EPs before they joined SVEP were - Salaried Private (22%), Not Working/ Unemployed (32%), Salaried Public Sector (4%), Other (8%), Self-employed framing (11%), Self-employed non-farm (12%) and Business (12%).

Blocks	Salaried Private	Not Working/ Unemployed	Salaried Public Sector	Other	Self-employed farming	Self-employed non-farming/ Business;
Chumukedima	22%	22%	0%	11%	0%	11%
Dhana-rua	25%	38%	0%	0%	0%	0%
Mohol	0%	67%	0%	0%	7%	20%
Moraul	30%	30%	10%	20%	0%	10%
Rajpur	44%	11%	0%	11%	0%	22%
Tappal	0%	0%	0%	10%	70%	20%
Vadavu-code	42%	33%	17%	8%	0%	0%
Overall Avg.	**22%**	**32%**	**4%**	**8%**	**11%**	**12%**

Blocks	None	Fisheries	Salaried Government	Agri Wage labour	Self-employed Animal husbandry	CPR collection
Chumukedima	22%	0%	11%	0%	0%	0%
Dhanarua	13%	13%	0%	13%	0%	0%
Mohol	0%	0%	0%	0%	7%	0%
Moraul	0%	0%	0%	0%	0%	0%
Rajpur	0%	0%	0%	0%	0%	11%
Tappal	0%	0%	0%	0%	0%	0%
Vadavucode	0%	0%	0%	0%	0%	0%
Overall Avg.	**4%**	**1%**	**1%**	**1%**	**1%**	**1%**

Table 33: Source of livelihood pre-SVEP (Block-wise analysis)

SVEP's premise was to deal with the missing knowledge ecosystem. Local youth with numeracy skills were selected and trained to become CRP-EP's. The percentage distribution of CRP-EPs educational qualification-wise indicates that 40% of the total CRP-EPs (total of entire study sample in all blocks) are graduates, 25% are 12th pass while 16% are 10thpass. 83% of the CRP-EPs in Vadavucode are graduates while there is not a single graduate CRP-EP in Dhanarua. The percentage of CRPs who are graduates vary from 40-44% in the Chumukedima, Moraul, Rajpur and Tappal blocks while Mohol has 20% graduates among its CRP-EPs. The CRP-EP's helped trigger potential entrepreneurs to start their enterprises and supported them in doing a business feasibility analysis before starting up. This is expected to strengthen the entrepreneurial ecosystem to facilitate the creation of start-ups.

The qualitative study indicates that pre-SVEP, potential entrepreneurs often did not have the skills to choose which enterprise to start and how to do a feasibility analysis of the proposed enterprise. Common mistakes like starting an enterprise that is moderately successful in the area occurred frequently. There was also lack of specific business domain skills and many a times they lacked business numeracy skills as well. This gap was met by creating adequate trained social capital to guide and provide necessary support services to rural entrepreneurs (both new and existing entrepreneurs). SVEP helped create a cadre of CRP-EPs in all the blocks where the intervention is being implemented.

Most entrepreneurs reported that the CRP-EPs were their first entry point into a broader ecosystem that helped them grow at a key stage of development, creating the opportunity for them to bridge the knowledge gap. CRP-EPs are like start-up incubators who assist entrepreneurs in the journey towards setting up successful enterprises. For starters, the advice and guidance of mentors in the form of CRP-EPs helped them avoid mistakes that could cripple the startup if they were trying to go their own way. The role of CRP-EP involved (a) Promotion of SVEP scheme (b) Identification of potential entrepreneurs (c) Creation of business plans for entrepreneurs(d) Entrepreneur training and support (e) CEF utilization update to BRC (f) Periodic BRC briefing (g) Entering prescribed reports on the online platform and (h) Participation in the meetings/training/exposure sessions organized by BRC/SRLM/PIA.

The average monthly income of CRP-EP pre SVEP for all blocks was Rs. 5234. The monthly aspirational income of CRP-EP post SVEP expected from providing support in enterprise activity was also assessed and was found for all blocks to be Rs.13137. The simple average total monthly income (all blocks) of CRP-EP from all sources was estimated to be Rs. 10504.The figures for all the three business categories (manufacturing, trade and services) were highest for Chumukedima block followed by Vadavucode block. The general expectation of income from supporting the running a micro-enterprises by CRP-EP has been

pegged at Rs. 14,000 per month in case of Chumukedima. The monthly income pre-SVEP for CRP-EP was Rs. 8000 while the total monthly income from all sources for the CRP-EP now is Rs. 19833.

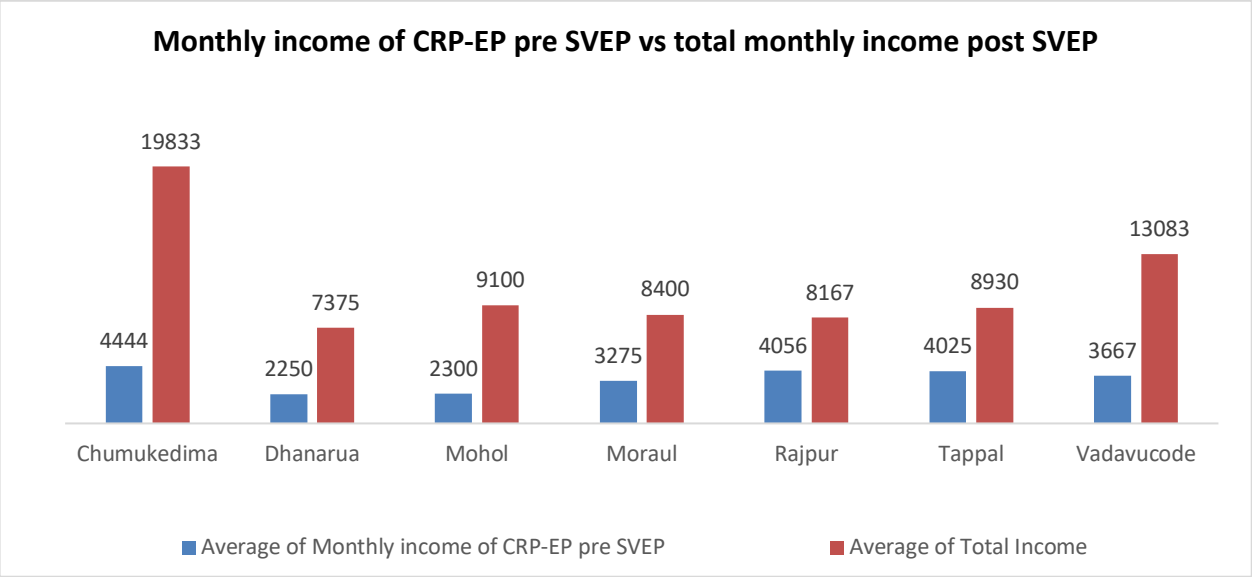


Chart 13: Monthly income of CRP-EP pre SVEP and total monthly income (Rs.) of CRP-EP from all sources (Block-wise analysis)

The qualitative study also probed whether the CRP-EPs are providing adequate guidance with respect to developing entrepreneur's knowledge, providing new business ideas, training in - soft skills, planning, risk assessment, working capital requirements, accounting, monitoring, costing and pricing, understanding seasonal demands of business, etc. The ease of disbursement of loan, availability of loans from different financial sources, the interest levied on it, the method of loan repayment, facilitation by CRP-EPs, etc. were studied in detail to understand the actual working of the process and how the problems faced by the beneficiaries are being handled by CRP-EPs. The various trainings for CRP-EPs on supporting enterprise development and developing their soft skills in order to train the entrepreneurs had the following components:

- Orientation on basic concepts of livelihoods and entrepreneurship
- Orientation to understand the process and their roles and responsibilities
- Training on scoping technique: Tools and techniques
- Hands-on training on triggering and motivation tools: Techniques and process
- Identification of entrepreneurs and their enterprises: Tools and techniques
- Training on generic management and soft skills
- Training on handholding and tracking
- Business planning and management
- Training on soft and hard skills

CRP-EPs were persons from the community with basic numeracy and logic skills. After selection they were trained and certified under SVEP to provide support to budding/ existing entrepreneurs. They were selected out of the team actively engaged in the preparation of DPR and were familiar with the concept, processes and activities of SVEP. To build their capacities, they were provided orientation to reinforce their understanding on SVEP and the process. In SVEP blocks a process of certification of CRP-EPs is being put up. Once they become CRP-EPs, they were trained to impart EDPs & soft skills and to facilitate the trade specific training of potential entrepreneurs.

The block-wise analysis of trainings received by CRP-EPs indicates that a significant percentage of CRP-EPs received trainings on - Orientation on livelihood and entrepreneurship (66%), Creation of business plan

(48%), Soft skills training (52%), Hard skills training (37%), Business management (36%), Identification of entrepreneurs (32%), Financial planning for business (29%), Business feasibility analysis (11%) and Use of ICT tools/techniques (11%). CRP-EPs who received all the training are 5%.

Blocks	Orientation on livelihood and entrepreneurship	Creation of business plan	Soft skills training	Hard skills training	Business management
Chumukedima	78%	67%	56%	22%	44%
Dhanarua	38%	63%	63%	63%	38%
Mohol	53%	80%	87%	53%	73%
Moraul	50%	60%	0%	0%	40%
Rajpur	89%	67%	67%	44%	33%
Tappal	90%	0%	90%	80%	0%
Vadavucode	67%	0%	0%	0%	8%
Overall Avg.	**66%**	**48%**	**52%**	**37%**	**36%**
Blocks	**Identification of entrepreneurs**	**Financial planning for business**	**Business feasibility analysis**	**Use of ICT tools/techniques**	**Other**
Chumukedima	33%	44%	33%	44%	0%
Dhanarua	50%	25%	25%	13%	0%
Mohol	40%	40%	0%	13%	0%
Moraul	40%	30%	10%	0%	0%
Rajpur	67%	56%	11%	0%	0%
Tappal	0%	0%	0%	10%	0%
Vadavucode	0%	8%	8%	0%	33%
Overall Avg.	**32%**	**29%**	**11%**	**11%**	**5%**

Table 34: Areas in which received trainings (Block-wise analysis)

The CRP-EPs are supported by a software which shall help the CRP-EP make a usable P&L for the enterprise based on basic business data being fed into the same, shall create regional benchmarks for business performance parameters and use the same for giving performance feedback to the entrepreneurs.

A performance tracking system is in place in which the CRP-EP inputs the record of sales, expenses, withdrawals from business, profit and loss for the entrepreneurs. The CRP-EP collects this data from the entrepreneur weekly and then they have to fill it in a given sheet and at the end of the month. In spite of this monitoring, a total of 758 enterprises did not start in the study blocks of which most were from three blocks - 282 were from Chumukedima, 136 from Mohol and 286 from Vadavucode.

	Compete-tive market	Increase in price of raw materials	Lack of adequate/ skill/ manpower/ labour	Family issues	Accessibility	Lack of infrastructure
Chumukedima	0%	0%	0%	11%	11%	11%
Dhanarua	13%	0%	0%	38%	0%	0%
Mohol	13%	0%	7%	20%	7%	13%
Moraul	20%	0%	0%	40%	10%	10%
Rajpur	11%	0%	11%	22%	0%	0%
Tappal	20%	10%	10%	10%	10%	20%
Vadavucode	42%	42%	42%	42%	0%	17%

Overall Avg.	18%	8%	11%	26%	5%	11%
	Bad debts	**Unsustainable business model**	**Lack of social acceptance**	**Inadequate monetary benefits**	**Better employment opportunity**	**Other**
Chumukedima	22%	0%	0%	33%	11%	0%
Dhanarua	0%	13%	0%	0%	13%	13%
Mohol	0%	7%	0%	0%	7%	7%
Moraul	10%	0%	10%	0%	0%	0%
Rajpur	0%	0%	0%	0%	0%	0%
Tappal	20%	0%	0%	10%	20%	0%
Vadavucode	50%	17%	0%	0%	58%	8%
Overall Avg.	**15%**	**5%**	**1%**	**5%**	**16%**	**4%**

Table 35: Reasons for enterprises not starting after receiving training (Block-wise analysis)

As many as 32 enterprises had not started after receiving CEF in the study blocks. A bulk of these enterprises are from Moraul, Muzaffarpur. The detailed block-wise breakup is Chumukedima (4), Dhanarua (3), Rajpur (1) and Tappal (2). No enterprise in Mohol was closed down after receipt of CEF.

Conditions to avail CEF include the following: (a) Income and credit appraisal of the entrepreneur (b) Feasibility study of the enterprise and (c) Appraisal of loans by BLF or nodal-CLF based on enterprise sector and regional benchmarks. The loan once sanctioned is deposited in the account of the entrepreneur. The loan repayments in the study blocks were overall very good, even though there were some defaulters. Two-three months' time was given for defaulters. Even then if loan is not being repaid, the BMMU sends letters to the VOs. If no response is received from the VOs, then BMMU staff has to go to the village in person.

The block-wise analysis of the reasons for enterprises not starting after receiving CEF indicate the following responses from the study - Competitive market (3%), Increase in price of raw materials (1%), Lack of adequate/skill manpower/labour (3%), Family issues (8%), Accessibility (1%), Lack of infrastructure (5%), Bad debts (4%), Unsustainable business model (1%), Inadequate monetary benefits (3%) and Better employment opportunity (1%). 22% of respondents in Chumukedima revealed that lack of adequate skill /manpower/labour while an equal percentage of respondents felt that inadequate monetary benefits were a reason. 20% and 25% respondents in Moraul and Dhanarua stated that family issues were a reason for not being able to start the enterprise after receipt of CEF. 20% respondents in Moraul stated that lack of infrastructure was to blame.

	Competitive market	**Increase in price of raw materials**	**Lack of adequate/ skill manpower/ labour**	**Family issues**	**Accessibility**	**Lack of infrastru-cture**
Chumukedima	0%	0%	22%	0%	0%	11%
Dhanarua	0%	0%	0%	25%	0%	0%
Mohol	0%	0%	0%	0%	0%	0%
Moraul	10%	0%	0%	20%	0%	20%
Rajpur	0%	0%	0%	11%	0%	0%
Tappal	10%	10%	0%	10%	10%	10%
Vadavucode	0%	0%	0%	0%	0%	0%
Overall Avg.	**3%**	**1%**	**3%**	**8%**	**1%**	**5%**

	Bad debts	Unsustainable business model	Lack of social Acceptance	Inadequate monetary benefits	Better employment opportunity
Chumukedima	11%	0%	0%	22%	0%
Dhanarua	0%	13%	0%	0%	0%
Mohol	0%	0%	0%	0%	0%
Moraul	10%	0%	0%	0%	0%
Rajpur	0%	0%	0%	0%	0%
Tappal	10%	0%	0%	0%	10%
Vadavucode	0%	0%	0%	0%	0%
Overall Avg.	**4%**	**1%**	**0%**	**3%**	**1%**

Table 36: Reasons for enterprises not starting after receiving CEF (Block-wise analysis)

As per the mid-term evaluation the block-wise analysis of the type of support provided to new entrepreneurs suggests that 82% CRP-EPs provided Information and linkages with suppliers and markets. The corresponding figures for other support were - Procurement/maintenance of fixed assets (59%), Working capital management (74%), Technology based support (30%), Support to register on Udyog Adhaar/ PAN card (41%), Marketing/Promotion (66%), Procurement of raw material (59%) and Preparation of business plan (60%).

	Information and linkages with suppliers and markets	Procurement/maintenance of fixed assets	Working capital management	Technology based support	Support to register on Udyog Adhaar/ PAN card
Chumukedima	89%	44%	67%	56%	44%
Dhanarua	63%	88%	50%	38%	0%
Mohol	87%	53%	80%	33%	67%
Moraul	50%	50%	80%	40%	0%
Rajpur	89%	44%	56%	11%	11%
Tappal	90%	90%	100%	10%	90%
Vadavucode	100%	50%	75%	25%	50%
Overall Avg.	**82%**	**59%**	**74%**	**30%**	**41%**
	Marketing/Promotion	**Procurement of raw material**	**Preparation of business plan**	**Other**	**Human resources management**
Chumukedima	44%	22%	67%	0%	0%
Dhanarua	38%	50%	13%	0%	0%
Mohol	60%	13%	33%	0%	0%
Moraul	60%	70%	60%	0%	0%
Rajpur	67%	78%	67%	0%	0%
Tappal	90%	100%	90%	0%	0%
Vadavucode	92%	92%	92%	17%	0%
Overall Avg.	**66%**	**59%**	**60%**	**3%**	**0%**

Table 37: Type of support provided to new entrepreneurs (Block-wise analysis)

As per the mid-term evaluation, the block-wise analysis of the type of support provided to existing entrepreneurs suggests that 77% CRP-EPs provided support in Marketing/Promotion. The corresponding figures for other support were –Financial (73%), Infrastructure (38%), Training (77%), Identifying new avenues of business (47%), Change in price as per competition in the market (36%) and Change in price as per customer demand (23%).

	Marketing/ Promotion	Financial	Infrastructure	Training	Technological
Chumukedima	67%	67%	22%	33%	11%
Dhanarua	63%	50%	38%	88%	25%
Mohol	73%	93%	0%	73%	13%
Moraul	100%	60%	40%	80%	40%
Rajpur	78%	44%	56%	89%	11%
Tappal	90%	80%	90%	80%	20%
Vadavucode	67%	92%	42%	92%	0%
Overall Avg.	**77%**	**73%**	**38%**	**77%**	**16%**
	Identifying new avenues of business	**Change in price as per competition in market**	**Change in price as per customer demand**	**Other**	
Chumukedima	67%	33%	33%	0%	
Dhanarua	0%	25%	25%	0%	
Mohol	40%	27%	7%	0%	
Moraul	10%	30%	20%	0%	
Rajpur	67%	0%	0%	0%	
Tappal	100%	50%	40%	0%	
Vadavucode	42%	75%	42%	8%	
Overall Avg.	**47%**	**36%**	**23%**	**1%**	

Table 38: Type of support provided to scaling of existing entrepreneurs (Block-wise analysis)

As per the mid-term evaluation study, the CRP-EP's suggestions for improving the SVEP scheme ranged from - Time for getting loan should be reduced (90%), Loan amount should be increased (95%), Rate of interest on CEF loan should be reduced (49%), Quality of services provided by CRP-EP should be improved (22%), Loan repayment time should be increased (44%), More trainings should be provided (47%),BRC service charges must be reduced (7%), Exposure to other blocks/states (34%). Reasons like and Rate of interest must be reduced did not elicit any responses from the CRP-EPs.

	Time for getting loan should be reduced	Loan amount should be increased	Rate of interest on CEF loan should be reduced	Quality of services provided by CRP-EP should be improved	Loan repayment time should be increased
Chumukedima	89%	67%	0%	0%	33%
Dhanarua	100%	100%	38%	25%	25%
Mohol	100%	100%	93%	60%	53%
Moraul	80%	100%	60%	30%	10%

Rajpur	89%	89%	22%	0%	56%
Tappal	90%	100%	100%	10%	90%
Vadavucode	83%	100%	8%	8%	33%
Overall Avg.	**90%**	**95%**	**49%**	**22%**	**44%**
	More trainings should be provided	**BRC service charges must be reduced**	**Exposure to other blocks/states**	**Other**	**Rate of interest must be reduced**
Chumukedima	22%	0%	67%	0%	0%
Dhanarua	38%	0%	0%	0%	0%
Mohol	60%	13%	7%	0%	0%
Moraul	50%	0%	0%	0%	0%
Rajpur	33%	22%	0%	0%	0%
Tappal	60%	10%	90%	0%	0%
Vadavucode	50%	0%	75%	8%	0%
Overall Avg.	**47%**	**7%**	**34%**	**1%**	**0%**

Table 39: Suggestion for improving SVEP scheme in your village (Block-wise analysis)

6. Performance of SHGs in supporting SVEP

Credit and other financial services are essential to help the poor smoothen their consumption, minimize shocks and vulnerabilities and undertake investments for acquisition, renewal and expansion of productive assets. The SHG-VO-CLF network of NRLM has emerged as a primary source of credit for the rural poor. The NRLM has been supporting poor through self-managed SHGs and federated institutions and support them for livelihoods collectives.

SHGs are homogenous groups composed primarily of rural women belonging to the same community and living in the vicinity of each other. Each SHG consists of 10-15 women. SHGs of vulnerable persons such as PwDs, elderly etc. may consist of both women and men. Their size may also be smaller (5-15). Each SHG comprises of 3 officer bearers- President, Secretary and Treasurer. On the demand side, NRLM promotes financial literacy among the poor and provides catalytic capital to the SHGs and their federations on the demand side. On the supply side, it coordinates with the financial sector, encourages use of ICT based financial technologies and provides support through community facilitators. NRLM provides revolving fund (RF) and community investment fund (CIF) as resources in perpetuity to the institutions of the poor, to strengthen their institutional and financial management capacity and build their track-record to attract mainstream bank finance.

Women from impoverished households, particularly SC/ST women are mobilized to set up women's SHGs, which are in turn is federated into VOs and CLFs. Once this pyramid of institutions is established in a village, the project delivers targeted funds for micro-credit, food security, insurance against health emergencies, and promotes livelihood opportunities in the community via institutions. After the initiation of SHGs, financial literacy and knowledge is provided to the members about banking.

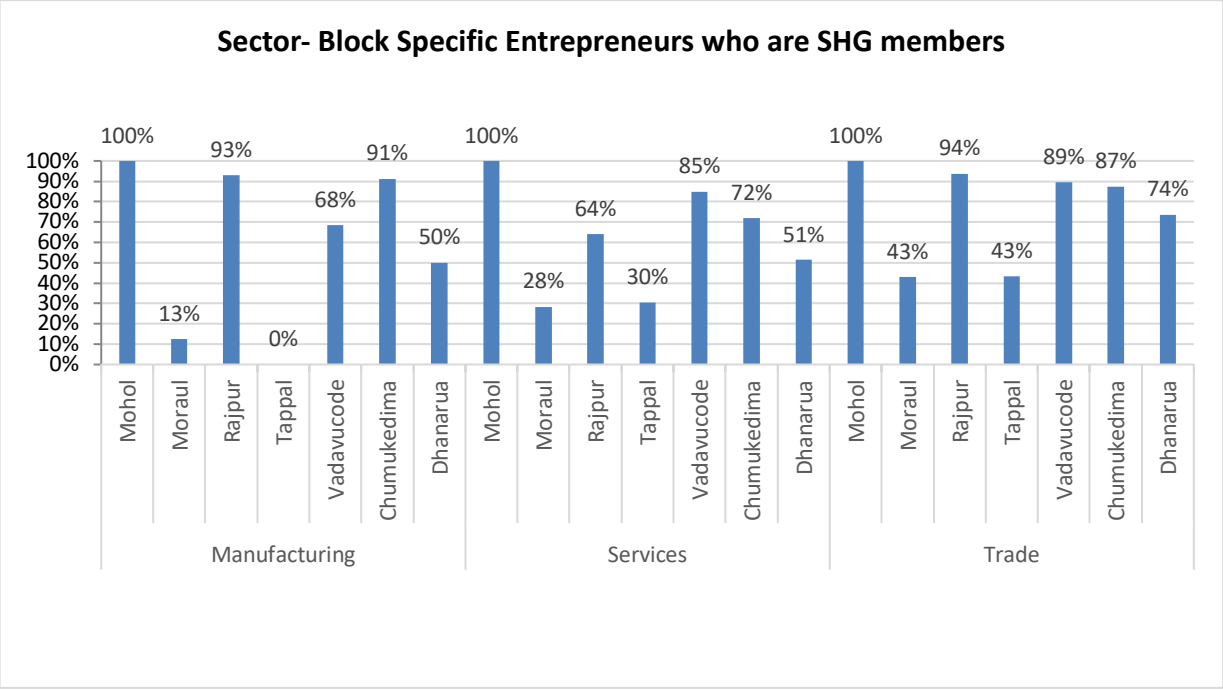


Chart 14: Comparison of Entrepreneurs who are SHG members and those who are not members but have family member in SHG (Block-wise and sector-wise analysis)

The qualitative study indicates that the CLF-VO-SHG structure continues to be a critical part of SVEP's implementation. These institutions provide continuous nurturing support to entrepreneurs during their effort

to establish an enterprise. SHG's play a key role in helping the BRC in identification of CRP-EPs from the community. They also help CRP-EPs in the identification of potential entrepreneurs and provide support in CEF mobilisation from VO to entrepreneurs. They monitor the use of the loan and timely repayment by entrepreneurs.

Blocks	Identification of potential entrepreneurs	Spreading awareness about the scheme	Documen -tation	Short-listing of entrepreneurs	Monitoring Enterprises
Chumukedima	74%	67%	48%	44%	37%
Dhanarua	100%	100%	100%	65%	10%
Mohol	90%	69%	90%	24%	41%
Moraul	80%	55%	65%	20%	50%
Rajpur	92%	68%	74%	58%	38%
Tappal	93%	17%	83%	50%	67%
Vadavucode	92%	77%	12%	77%	8%
Overall Avg.	**89%**	**64%**	**70%**	**47%**	**38%**
Blocks	**Monitoring Repayment**	**Financial support**	**Other**	**None**	
Chumukedima	44%	19%	0%	4%	
Dhanarua	0%	0%	0%	0%	
Mohol	4%	53%	0%	2%	
Moraul	10%	10%	0%	5%	
Rajpur	64%	18%	0%	0%	
Tappal	67%	7%	0%	0%	
Vadavucode	62%	15%	0%	0%	
Overall Avg.	**38%**	**22%**	**0%**	**1%**	

Table 40: Support provided by SHGs to CRP-EP (Block-wise analysis)

The mid-term evaluation indicates that in the study blocks the CRP-EPs are provided support by SHGs in identification of entrepreneurs (89%), spreading awareness about the scheme (64%), documentation (70%), shortlisting of entrepreneurs (47%), monitoring of enterprises (38%), monitoring repayment (38%) and in providing financial support (22%). The block-wise figures suggest a similar pattern.

The investment and institutional loans provided as a part of the SVEP scheme helped strengthen the capacity of the community institutions to deliver microfinance and other support services to potential entrepreneurs and even non-entrepreneur households. The SHG is actively involved in the enterprise promotion efforts in their respective areas. Their engagement in ensuring repayment is critical to the success of SVEP. The mid-term evaluation study indicates that there were 67 cases of late repayment in past 12 months of which as many as 40 were from Rajpur, 12 from Chumukedima and 2-4 from the rest. The reasons for late repayment of loans were primarily family issues and health issues as is evident from the mid-term study responses.

As per the SHG members, the major reasons for failure of enterprises are - competitive market (2%), increase in price of raw materials (2%), lack of adequate/skill manpower/labour (1%), family issues (4%), accessibility (1%), bad debts (1%) and unsustainable business model (1%). Certain other reasons like lack of social acceptance and lack of social acceptance were noted in some blocks like Chumukedima.

	Competitive market	Increase in price of raw materials	Lack of adequate/skill manpower/labour	Family issues	Lack of Social acceptance
Chumukedima	11%	11%	7%	19%	4%
Dhanarua	5%	5%	5%	0%	0%
Mohol	2%	2%	0%	6%	0%
Moraul	0%	0%	0%	0%	0%
Rajpur	0%	0%	0%	0%	0%
Tappal	0%	0%	0%	0%	0%
Vadavucode	0%	0%	0%	4%	0%
Overall Avg.	**2%**	**2%**	**1%**	**4%**	**0%**
	Accessibility	**Lack of infrastructure**	**Bad debts**	**Unsustainable business model**	**Other**
Chumukedima	7%	0%	4%	7%	0%
Dhanarua	0%	0%	0%	0%	0%
Mohol	0%	0%	0%	2%	0%
Moraul	0%	0%	5%	0%	0%
Rajpur	0%	0%	0%	0%	0%
Tappal	0%	0%	0%	0%	0%
Vadavucode	0%	0%	0%	0%	4%
Overall Avg.	**1%**	**0%**	**1%**	**1%**	**0%**

Table 41: Major reasons for failure of enterprises (Block-wise analysis)

The study revealed that SHGs role in the project was to help in the selection of potential entrepreneurs, monitor the work of the CRP-EPs, monitor the use of loans, ensure repayment from entrepreneurs and provide social and emotional support to the entrepreneurs as and when required. These community institutions developed under NRLM are also involved in its creation and use a community-based investment/credit guarantee fund, with help from SRLMs.

	Skill deve-lopment	New business opportunities	Increase in standard of living	Women empow-erment	Increase in income	Improvement in social status
Chumukedima	33%	63%	63%	89%	74%	78%
Dhanarua	90%	100%	100%	60%	0%	0%
Mohol	73%	65%	45%	84%	59%	8%
Moraul	45%	65%	75%	70%	70%	20%
Rajpur	88%	54%	60%	74%	68%	24%
Tappal	30%	43%	63%	43%	97%	63%
Vadavucode	58%	77%	85%	96%	92%	77%
Overall Avg.	**63%**	**64%**	**65%**	**75%**	**67%**	**36%**

Table 42: Expectations from the scheme (Block-wise analysis)

The expectations of SHGs from the SVEP are mainly in the area of skill development (63%), new business opportunities for existing entrepreneurs (64%), increase in standard of living (65%), women empowerment (75%), increase in income (67%) and improvement in social status (36%). The expectation block wise for - skill development is highest in Dhanarua (90%) and Rajpur (88%); new business opportunities is highest in Dhanarua (100%) and Vaduvacode (77%); increase in standard of living is highest in Dhanarua (100%) and Vaduvacode (85%); women empowerment is highest in Vaduvacode (96%) and Chumukedima (89%); increase in income is highest in Tappal (97%) and Vadavucode (92%) and improvement in social status is highest in Vadavucode (77%) and Chumukedima (78%).

7. Performance of BRC in supporting SVEP

Block Resource Centre (BRC) forms an important part of the institutional and contractual arrangements for block level operations under SVEP. These have been set up as the base for implementation of SVEP in the blocks. These are designed as single point solution for enterprise promotion, addressing the needs and grievances of the community through information availability, business plan processing, documentation support and funding (via CEF).

The role of the BRC is in (i) promotion of SVEP scheme and other govt. schemes (for convergence with SVEP); (ii) evaluation approval of business plans for potential entrepreneurs; (iii) Determination of CEF amount to be provided to entrepreneurs against business plans (iv) Screening and selection of CRP-EPs (v) Facilitating start-up support and handholding of entrepreneurs through CRP-EPs (vi) Monitoring the progress and timely loan repayment of enterprises and (vii) Providing remuneration to the CRP-EPs.

The process of BRC formation usually began with a workshop that gave a complete project orientation and details about formation of BRC. A team was made out of the CLFs and interviews were conducted for selection. Along with the CLFs as a whole, members were also assessed for selection. Then on the basis of scoring, a nodal CLF was selected. BRC Committee was formed out of various VO members and then within the BRC various committees were formed, like executive and approval committee.

The PIA is responsible for setting up necessary hardware and facilities including physical infrastructure such as furniture, fixtures and IT hardware for the BRC. The SRLM supports the PIA to establish the norms, terms and conditions for operations of the BRC. Support is also provided for orienting the nodal CLF and other concerned block level stakeholders to ensure their familiarisation with the CRP-EP.

As per the mid term study, it took about 12 months for the BRC to be financially self-sustaining from the date of formationin Chumukedima and Moraul, 36 months in Mohol and. just 1 month and 4 months in case of Vadavucode, Dhanarua, Rajpur and Vadavucode.

Blocks	Number of months it took for the BRC to be self-sustaining
Chumukedima	12
Dhanarua	3
Mohol	36
Moraul	12
Rajpur	4
Tappal	6
Vadavucode	1

Table 43: Number of months it took for the BRC to be self-sustaining from the date of formation (Block-wise analysis)

The study reveals that BRCs serve as the nodal centre for technical support for SVEP at the block level. Block Level Federations (BLF) have not been set up as yet as planned under the NRLM institutional structure. Once that is done ownership of the BRC will be with the BLF. At present, in the pilot blocks, the ownership of the BRC is vested with the nodal Cluster Level Federation (CLF) assigned by SRLM. All the CRP-EPs in the block are operating the BRC, which is also a physical place to work.

CRP-EPs to ensure their sustainability and effectiveness function as a single entity through the BRC. They are accredited by SRLM as their support agency.

Blocks	Interest earned from Loans	Interest earned on CEF/ CIF fixed deposits	Other
Chumukedima	Yes	No	0%
Dhanarua	Yes	Yes	0%
Mohol	Yes	No	0%
Moraul	Yes	Yes	0%
Rajpur	Yes	Yes	100%
Tappal	Yes	Yes	0%
Vadavucode	No	Yes	0%
Overall Avg.	**86%**	**71%**	**14%**

Table 44: Source of income of BRC (Block-wise analysis)

BRC's source of income comprised of interest earned from loans in all the study blocks except in Vadavucode. The other source of income was interest earned on CEF/CIF fixed deposits in all blocks except in Mohol and Chumukedima. Interest was being used in day to day running of the BRC operations.

As per the qualitative study, in all the pilot blocks, the following stage-wise activities had been undertaken for BRC: a) Identification of nodal-CLF to own the BRC b) Orientation of the nodal-CLF c) Setting up physical infrastructure for the BRC d) Formal agreement between nodal-CLF and CRP- EP for operations of the BRC and e) Regular functioning of the BRC.

The mid-term study indicates that the BRC evaluates the performance of CRP-EPs in terms of number of successful enterprises (100%), number of trained entrepreneurs (71%), feedback from entrepreneurs (71%), number of successful repayments (86%), number of enterprises shut down within 6 months (29%) and number of entrepreneurs availing support after 6 months form starting enterprise (29%). The qualitative study looked at the reasons the blocks were able to move (or not move) from potential to actual enterprises.

Blocks	Number of successful enterprises setup	Number of entrepreneurs trained	Feedback from entrepreneurs	Number of successful repayments	Number of enterprises shutdown within 6 months	Number of entrepreneurs availing support after 6 months from starting enterprise
Chumukedima	Yes	Yes	Yes	Yes	No	Yes
Dhanarua	Yes	Yes	Yes	Yes	No	No
Mohol	Yes	Yes	0%	Yes	No	No
Moraul	Yes	No	Yes	Yes	No	No
Rajpur	Yes	Yes	0%	Yes	Yes	No
Tappal	Yes	No	Yes	No	No	No
Vadavucode	Yes	Yes	Yes	Yes	Yes	Yes
Overall Avg.	**100%**	**71%**	**71%**	**86%**	**29%**	**29%**

Table 45: Means by which BRC evaluates the performance of CRP-EP (Block-wise analysis)

In the study blocks, proper market potential assessment had been done as a series of exercises aimed at estimating the potential for enterprises to be targeted under SVEP. The potential for SVEP enterprises emerged from both the demand and supply of goods and services in the block. The SVEP potential had been assessed based on: (a) Demand for local household consumption of goods and services provided by micro-enterprises (b) Supply of locally available resources – commodities, tourism, artisanal skills and proximity to high floating demand locations/urban markets and (c) Demand for goods and services from

implementation of government schemes. The livelihoods resource base in the study blocks had been classified based on the natural resource base of the area. For Vadavucode (Kerala) it is primary commodities/products from land-forest-water resources; tourism; artisanal skills and locational – high demand concentration locations/ proximity to urban markets. In the case of Moraul (Bihar), the target for building toilets as a part of Swachh Bharat Mission (SBM) during 2016-17 based on applications received in the block office was 6078. Based on the material proportion for SBM and cost per unit, the market value of goods needed for SBM was assessed.

At the level of implementation, the challenge in all the study blocks was to ensure that the estimated numbers were converted into real enterprises benefitting the SHG members and their families. The BPM and BRC tried to be realistic about the targets and the processes to be followed. They also tried to take into account factors external to SVEP implementation. The CRP-EPs used a value-chain approach to the commodities (for primary commodities) to realize the potential for micro-enterprises. The value chain points used for detailed analysis in the field were - input services, production, post-harvest management (grading, sorting), processing and logistics (storage and transportation). CRP-EPs collected information on the processes, quantities and issues related to potential for micro-enterprises through detailed key-informant interactions in the villages and markets. This helped them guide the entrepreneurs under SVEP to convert the market value into actual enterprises. The CRP-EPs had to keep an eye on four factors to guide entrepreneurs (a) try to lower the level of capital requirement (b) assess the demand that can be generated, given local conditions (c) assess the levels of technical skill and basic infrastructure that is needed to take advantage of the potential and (d) correctly assess the magnitude of competition existing in the market and realign the enterprise accordingly.

The enterprise potential due to proximity to big towns and due to demand based on government schemes were also assessed. The expenditure incurred on goods and services for the implementation of various government schemes has the potential to create micro-enterprises under SVEP. The potential of schemes were assessed and the number of enterprises possible has been calculated. However, these enterprises can only be realised with adequate support and timely approvals and sanctions from government departments. The government schemes with enterprise potential considered are: Swachh Bharat Mission; Uniform for school children and hospital staff; Supplementary nutrition for lactating mothers and children aged 6 months – 3 years; Establishing institutional catering services for NRLM offices.

7.1 BRC's role in capacity building

Though, the ultimate responsibility for promoting self-employment among SHG members rests with the community institutions as per NRLM's institutional arrangements, the institutions have a long way to go before they can begin to perform that role. So, to support the first-generation entrepreneurs on technical business logic and knowledge, the task has been vested with BRC by the nodal-CLF. The CLF will eventually enter into a contract with the BRC to provide enterprise-related support to the entrepreneurs in exchange for a fee. The contract will clearly list the terms of payment and roles and responsibilities of each stakeholder. The template for the contract has been finalised by PIA, in consultation with SRLM. BRC acts as the agency running enterprise promotion and support at the block level. To ensure its smooth functioning there are reporting structures, processes and rules in place to monitor the work of BRC.

A number of actions are taken for increasing the number of CRP-EP, such as starting the process of selecting new CRP-EP, increasing the number of triggering meetings, remuneration for work is explained to CRP-EPs during orientation, motivating CRP-EPs through incentives and started taking CRP-EPs only from SHG members or their families.

The block-wise analysis suggests that in Chumukedima the methods employed include - starting the process of selecting new CRP-EP and taking CRP-EPs only from SHG members or their families. In Rajpur, the methods used were - starting the process of selecting new CRP-EP, increasing the number of triggering meetings and motivating CRP-EPs through incentives.

In Tappal, the methods used were - increasing the number of triggering meetings, remuneration for work is explained to CRP-EPs during orientation and motivating CRP-EPs through incentives.

Overall, the analysis for all the blocks suggests that for increasing the number of CRP-EPs - 29% reported having started the process of selecting new CRP-EP, 28% had increased the number of triggering meetings, 14% reported that remuneration for work is explained to CRP-EPs during orientation, 29% reported motivating CRP-EPs through incentives and 14 % had started taking CRP-EPs only from SHG members or their families.

The qualitative study indicates that in all the blocks, the BRC is focusing on exit strategy and capacity building to make it self-sustaining. The members of BRC are responsible and they perform all their duties. They are encouraged to take responsibility and the SHG-VO-CLF network has stopped intervening in their functions. The BRC has been given charge but the network keeps guiding them.

Blocks	Starting the process of selecting new CRP-EPs	Increasing the number of triggering meetings	Remuneration for work is explained to CRP-EPs during orientation	Motivating CRP-EPs through incentives	Started taking CRP-EPs only from SHG members or their families
Chumukedima	Yes	No	No	No	Yes
Dhanarua	No	No	No	No	No
Mohol	No	No	No	No	No
Moraul	No	No	No	No	No
Rajpur	Yes	Yes	No	Yes	No
Tappal	No	Yes	Yes	Yes	No
Vadavucode	No	No	No	No	No
Overall Avg.	**29%**	**29%**	**14%**	**29%**	**14%**

Table 46: Actions taken for increasing the number of CRP-EP (Block-wise analysis)

The BRC functionaries in the mid-term evaluation in Mohol suggested that there are a number of reasons for not achieving the annual action plan targets such as project started late, CEF fund was not available at BRC, business plan preparation took time, CRP-EPs did not understand the process at the beginning and BRC committee meetings did not happen as per schedule.

The BRC's maintain a list of records such as ledger book, cash book, business plan (soft/hard copy), bank linkage record and performance tracking document of entrepreneurs. All these documents were maintained in Chumukedima, Mohol and Vadavucode while the other blocks failed to manage one or more of these documents.

Blocks	Ledger book	Cash book	Business plan soft/ hard copy	Business plan approval record	Bank linkage record	Performance Tracking Document of Entrepreneurs	Other
Chumukedima	Yes	Yes	Yes	Yes	Yes	Yes	No
Dhanarua	Yes	Yes	Yes	No	No	No	No
Mohol	Yes	Yes	Yes	Yes	Yes	Yes	No
Moraul	Yes	Yes	Yes	Yes	No	Yes	No
Rajpur	No	Yes	Yes	Yes	Yes	Yes	Yes
Tappal	Yes	Yes	Yes	Yes	No	No	No
Vadavucode	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Overall Avg.	**86%**	**100%**	**100%**	**86%**	**57%**	**71%**	**29%**

Table 47: List of records maintained by BRC (Block-wise analysis)

The BRC members received training on soft skills, financial feasibility analysis, business feasibility, marketing/promotional, profit and loss management, business plan evaluation and EDP training. Overall, the analysis for all the blocks indicates the percentage of respondents who mentioned the areas in which trainings were received - soft skills (71%), financial feasibility analysis (86%), business feasibility (71%), marketing/promotional (43%), profit and loss management (43%), business plan evaluation (43%), EDP training (57%) and other (14%).

Blocks	Soft Skills	Financial Feasibility Analysis	Business Feasibility	Marketing/ Promotional	Profit & Loss Management	Business Plan Evaluation	EDP training	Other
Chumukedima	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No
Dhanarua	Yes	Yes	Yes	Yes	No	No	No	No
Mohol	Yes	Yes	Yes	No	No	Yes	Yes	No
Moraul	Yes	Yes	Yes	Yes	Yes	Yes	No	No
Rajpur	Yes	Yes	Yes	No	No	No	No	No
Tappal	No	Yes	No	No	Yes	No	Yes	No
Vadavucode	No	No	No	No	No	No	Yes	Yes
Overall Avg.	**71%**	**86%**	**71%**	**43%**	**43%**	**43%**	**57%**	**14%**

Table 48: Areas in which the BRC members received training (Block-wise analysis)

7.2 BRC's role in facilitation of credit linkage

The BRC facilitates credit linkage with financial institutions for entrepreneurs to avail loan. It helps entrepreneurs with application, approval and disbursement of loan in various financial institutions – Banks, CLF/VO with the support of the business plan. The nodal-CLF approves release of CEF on satisfactory vetting of the business plan. In case of other financial institutions, the BRC assists CLF/VO write a recommendation letter to the bank and other financial institutions for release of loan to the entrepreneur on the basis of the business plan. The CLF/VO also monitors repayment of bank loan or CEF disbursed to the entrepreneur through the SHG network and BRC.

The average CEF loan that was received by the BRC in the last 12 months ranged from around Rs. 0.98 crore (Vadavucode) to Rs. 2.55 crore (Moraul) in all blocks except Mohol which did not receive any CEF loan. The amount of CEF disbursed in the past 12 months ranged from a high of Rs. 1.79 crore in Moraul to none in Mohol. The difference between applied CEF loans vs sanctioned CEF loans ranged between Rs. 35.2 lakhs in Chumukedima to a shortfall of 12 lakhs in Vadavucode indicating spending from last year's balance.

Blocks	Community Enterprise Fund (in Rs.) received in the past 12 months	Amount of CEF (in Rs.) disbursed in the past 12 months	Difference between applied CEF loans vs sanctioned CEF loans
Chumukedima	20000000	16475000	3525000
Dhanarua	25000000	14212000	10788000
Mohol	50,00,000	50,00,000	0
Moraul	25517600	17997000	7520600
Rajpur	10000000	8645000	1355000
Tappal	15159000	15159000	0
Vadavucode	9798060	11000000	-1201940
Overall Avg.	**15782094**	**12641143**	**3140952**

Table 49: Community Enterprise Fund (in Rs.) received in the past 12 months, Amount of CEF (in Rs.) disbursed in the past 12 months and the Difference between applied CEF loans vs sanctioned CEF loans applications (in Rs.) (Block-wise analysis)

The average number of days taken to disburse the loan amount after receiving loan applications at BRC ranged from 90 days in Chumukedima to 4 days in Dhanarua. The average number of days taken for disbursement of CEF amount to entrepreneurs in the past 12 months ranged from 90 days in Chumukedima to 7 days in Moraul.

Blocks	Average number of days taken to disburse the loan amount after receiving loan applications at BRC	Average number of days taken for disbursement of CEF amount to entrepreneurs in the past 12 months
Chumukedima	90	90
Dhanarua	4	40
Mohol	60	60
Moraul	30	7
Rajpur	10	26
Tappal	20	15
Vadavucode	15	20
Overall Avg.	**33**	**37**

Table 50: Average time taken for disbursement of CEF loans in various blocks (Block-wise analysis)

The reasons for reduction of loan amount in all blocks as per the mid-term evaluation study indicates that it can be attributed to - amount requested did not match the actual requirement (100%), entrepreneur already had other loans (14%), entrepreneur did not have the required understanding of the business (71%) and project approval committee was not confident about the repayment capacity of entrepreneur (71%) and others (14%).

Blocks	Amount requested did not match the actual requirement	Entrepreneur already had other loans	Entrepreneur did not have the required understanding of the business	Project approval committee was not confident about the repayment capacity of entrepreneur	Other
Chumukedima	Yes	No	Yes	No	No
Dhanarua	Yes	No	Yes	Yes	No
Mohol	Yes	No	Yes	Yes	No
Moraul	Yes	No	No	Yes	No
Rajpur	Yes	No	Yes	Yes	No
Tappal	Yes	Yes	Yes	Yes	No
Vadavu-code	Yes	No	No	No	Yes
Overall Avg.	**100%**	**14%**	**71%**	**71%**	**14%**

Table 51: Reason for reduction of loan amount (Block-wise analysis)

Blocks	High rate of interest on CEF loan	Complicated CEF loan application process	No access to bank loans	Not aware about various government schemes	Couldn't avail loan under SVEP
Chumukedima	No	No	No	No	No
Dhanarua	No	No	No	No	No
Mohol	No	No	Yes	No	Yes
Moraul	No	No	No	No	No
Rajpur	No	No	No	No	No
Tappal	No	No	No	No	No
Vadavucode	No	No	No	No	No
Overall Avg.	**0%**	**0%**	**14%**	**0%**	**14%**

Table 52: Reasons for people not having stopped/reduced the practice of taking loans from moneylenders (Block-wise analysis)

8. Performance of VOs and CLF's in supporting SVEP

The SHG-VO-CLF network of NRLM has emerged as a primary source of credit for the rural poor. The NRLM has been supporting poor through self-managed SHGs and federated institutions (VO and CLFs) and support them for livelihoods collectives. The mission seeks to facilitate access of the poor to their rights, entitlements and public services, besides diversifying risk and improving empowerment. As a part of NRLM, special emphasis is put on inclusion of particularly on vulnerable communities such as manual scavengers, victims of human trafficking, particularly vulnerable tribal groups (PVTGs), differently enabled persons, and bonded labour. DAY-NRLM has devised special strategies to reach out to these communities and help them graduate out of poverty by smoothening their consumption, minimizing shocks and vulnerabilities.

It mobilizes women from impoverished households, particularly SC/ST women to set up women's SHGs, which are in turn is federated into VOs and CLFs. Once this pyramid of institutions is established in a village, the project delivers targeted funds for micro-credit, food security, insurance against health emergencies, and promotes livelihood opportunities in the community via institutions. This structure continues to be a critical part of SVEP's implementation. These institutions provide continuous nurturing support to entrepreneurs during their effort to establish an enterprise.

VO-CLF NETWORK

CBO	**Role**	**Role in SVEP**
Village Organization (VO)	○ Federation of SHGs at village or panchayat level (depending on the number of SHGs). ○ The number of SHGs in a VO must not be less than 5 and should not exceed 30. ○ Each VO comprises of 3 officer bearers- President, Secretary and Treasurer.	○ Mentor and strengthen (through orientation, training, exposure, information dissemination, on-site support, etc.) the capacity of member-SHGs ○ Creating awareness on various government schemes during VO meetings ○ CEF mobilisation from CLF to SHG ○ Facilitate SHG-Bank linkages through liaison and establishing coordination with bank branches ○ Monitor timely loan repayment by SHGs
Cluster Level Federation (CLF)	A CLF is a federation of VOs in a cluster. The number of VOs in a CLF varies from state to state but usually ranges between 15-30 VOs.	○ Mentor and strengthen (through orientation, training, exposure, information dissemination, on-site support, etc.) the capacity of member-VOs ○ Monitor, support and assess the performance of VOs ○ CEF mobilisation from BRC to VO ○ Monitor loan repayment by VOs ○ Dissemination of CIF to SHGs against Micro Credit Plans (MCPs)

As per the mid-term study, the means adopted by the VO to spread awareness and mobilize people under SVEP/ NRLM scheme include pamphlets (20%), word of mouth (96%), hoardings (13%), community meetings (71%) and other (2%).

See Table: Means adopted to spread awareness and mobilize people under SVEP/ NRLM scheme (Block-wise analysis) in Annexure (Table 10)

The study indicates that the following ICT tools were used by the VO for data collection –tablets (9%), mobile (24%), computer (7%), manual records (76%) and none (9%). The use of manual records was commonest except in Mohol (17%) where mobiles and tablets reported a use of 58% and 33% respectively in data collection.

See Table: Type of ICT tool/ techniques being used for data collection (Block-wise analysis) in Annexure (Table 11)

SVEP uses a group based instead of an individual beneficiary approach for providing credit and other financial services that are essential to help the rural entrepreneurs undertake investments for acquisition, renewal and expansion of productive assets. It is supported by the NRLM system that works on both demand and supply sides of financial inclusion. NRLM also promotes financial literacy among the poor and provides catalytic capital to the SHGs and their federations on the demand side. In some states, a cadre has been created to promote financial literacy locally known as Bank Sakhi. On the supply side, it coordinates with the financial sector, encourages use of ICT based financial technologies and provides support through community facilitators. NRLM provides revolving fund (RF) and community investment fund (CIF) as resources in perpetuity to the institutions of the poor, to strengthen their institutional and financial management capacity and build their track record to attract mainstream bank finance.

As per the mid-term study, the VO reported that the average number of days taken to forward the application to BRC level and to disburse the loan money by BRC was 17 and 65 respectively. The number of days to disburse loan was lowest in Dhanarua (14 days) and was low in Rajpur (24 days) while it was as high as 137 days in Mohol.

Blocks	No. of days taken to forward the application to BRC	No. of days taken to disburse the loan money by BRC
Chumukedima	5	98
Dhanarua	19	14
Mohol	20	137
Moraul	38	30
Rajpur	14	24
Tappal	6	38
Vadavucode	18	48
Average (Days)	17	65

Table 53: Average number of days taken to forward the application to BRC level and to disburse the loan money by BRC (Block-wise analysis)

As per the qualitative study, the investment and institutional loans provided as a part of the SVEP scheme helped strengthen the capacity of the community institutions to deliver microfinance and other support services to potential entrepreneurs and even non-entrepreneur households. The VO-CLF network is actively involved in the enterprise promotion efforts in their respective areas. Their engagement of the network with the CRP-EPs and the BRC is critical to the success of SVEP.

The VO-CLF network as an intermediary institution in the start-up ecosystem plays an important role in building the capacities of the entrepreneurs. As a first step, there was an active outreach to SHG members to solicit applications by the network. This involves engaging with the community network and in this the network plays a key role in mobilisation and identification of entrepreneurs in the study blocks. Triggering and orientation of SHG women forms a part of the contract between CLF and BRC. The network along with the BRC, through orientation meetings and events, tries to trigger the entrepreneurial interest among SHG women.

The VO, through SHGs does the follow-up and hands over the list of women interested in starting a new enterprise or seeking support for their existing enterprises. The CLF then consolidates the list at the cluster

level and with the help of nodal-CLF consolidates list for the entire block. Thereafter, the BRC provides business orientation to these women/men and tries to gauge their field of interest for starting enterprise or identify areas that need support in case of existing enterprises.

This is followed by proactive screening of entrepreneurs. The nodal-CLF, in consultation with BPM-SVEP, hands over the final list of interested new and existing entrepreneurs to the BRC.

The identification of entrepreneurs by CLF/VO is followed by their training. The entrepreneurs are divided into batches and given general orientation training, training in soft-skills, basic business skills (including record-keeping) etc.

As per the mid-term study, the parameters used for grading/assessing performance of SHGs by the VO was – regular meetings (33%), internal lending (18%), regular savings (31%), repayment of loans (31%), book keeping (36%) and financial transactions (0%).

See Table: Parameters used for grading/assessing performance of SHGs (Block-wise analysis) in Annexure (Table 12)

The mid-term study reported some suggestions from the VO for improving SVEP scheme in your village - Time for getting loan should be reduced (84%), Loan amount should be increased (96%), Bank linkage should be facilitated (40%), Rate of interest on CEF loan should be reduced (36%), Quality of services provided by CRP-EP should improve (20%), Loan repayment time should be increased (38%), More trainings should be provided (22%) and Other (4%).

See Table: Suggestion for improving SVEP scheme in your village (Block-wise analysis) in Annexure (Table 13)

The VO-CLF network also provides support to the entrepreneurs by enrolling them in schemes. As per the mid-term study, the schemes include DDU- Grameen Kaushalya Yojana (4%), MGNREGA (4%), RSETI (0%), MUDRA (9%), Atal Pension Yojana (16%), Prime Minister Employment Generation (PMEGP) (0%), Janashree Bima Yojana for Khadi Artisans (0%), Pradhan Mantri Suraksha Bima Yojana (11%), Pradhan Mantri Jan Dhan Yojana (22%) and None (7%). The block-wise analysis suggests that in Chumukedima and Vadavucode the enrollment in DDU- Grameen Kaushalya Yojana and MGNREGA was 25% and 20% respectively, while there was no enrollment in these schemes by the VO's efforts in other study blocks. The enrollment in RSETI was nil while that in MUDRA was 25% in Chumukedima and Moraul and 20% in Vadavucode. The VO put in efforts to enroll entrepreneurs in Atal Pension Yojana in Chumukedima (75%) and Mohol (25%). The enrollment in Pradhan Mantri Suraksha Bima Yojana was 25% in Chumukedima, 30% in Rajpur and 17% in Tappal. The enrolment in Pradhan Mantri Jan Dhan Yojana was 25% in Chumukedima, 17% in Mohol and 70% in Rajpur.

See Table: In which of the following schemes did you enroll entrepreneurs (Block-wise analysis) in Annexure (Table 14).

CLF's have been formed in all blocks except Chumukedima. Till such time that a Block Level Federation is established, one CLF has been identified by the SRLM preferably at the Block headquarters to function as the holding entity or nodal CLF till the BLF comes into existence under SVEP. The nodal-CLF has the capability for handling the CEF and has been trained by the SRLM, with the support of PIA, to manage funds related to CEF under SVEP.

Discussions in all blocks revealed that the role of the nodal CLF in the project is to help in the selection of potential entrepreneurs, monitor the work of the CRP-EPs, monitor the use of loans, ensure repayment from entrepreneurs and provide social and emotional support to the entrepreneurs as and when required. These community institutions developed under NRLM are also involved in creation and use a community based investment/credit guarantee fund, with help from SRLMs.

The CLF plays an active interest in the screening and selection of entrepreneurs. They recommend people who have the potential to be a CRP-EP. These and other applicants come forward to apply for the job. All

these applications are received by the BRC and then an interview and written test is conducted to evaluate these people and select the CRP-EPs. The CLF also puts up their requirements of CRP-EP if needed by visiting at SHG and VO meetings in a particular village. Feedback is taken by the CLF from the beneficiaries at SHG and VO meetings about the CRP-EPs regarding their job performance. Follow-up is done by the CLF with the CRP-EPs and actions taken if they perform below par.

The mid-term evaluation study indicates that the CLF has been trained in various aspects such as – generate livelihoods (33%), market analysis (67%), costing of enterprises (50%), create DPR/AAP (17%), mobilization of left out poor (17%), making business plans (67%), business management (17%), accounting (17%) and creating awareness about the SVEP scheme (67%).

Blocks	Generate livelihood	Market Analysis	Costing of Enterprises	Create DPR/ AAP	Mobilization of left out poor
Dhanarua	0%	100%	100%	0%	100%
Mohol	100%	100%	0%	0%	0%
Moraul	0%	0%	0%	0%	0%
Rajpur	100%	100%	100%	0%	0%
Tappal	0%	100%	100%	100%	0%
Vadavucode	0%	0%	0%	0%	0%
Overall Avg.	**33%**	**67%**	**50%**	**17%**	**17%**
Blocks	**Making business plans**	**Business manage-ment**	**Accounting**	**Creating awareness about SVEP Scheme**	
Dhanarua	100%	0%	0%	0%	
Mohol	100%	0%	0%	100%	
Moraul	0%	0%	0%	100%	
Rajpur	100%	100%	100%	0%	
Tappal	100%	0%	0%	100%	
Vadavucode	0%	0%	0%	100%	
Overall Avg.	**67%**	**17%**	**17%**	**67%**	

Table 54: Training aspects of CLF and VO (Block-wise analysis)

The qualitative study indicates that the feasibility analysis conducted by the BRC for enterprise(s) suggested by the potential/ existing entrepreneur is shared with both the entrepreneur and CLF/VO. This helps in vetting and finalisation of a feasible business idea. The entrepreneur's consent in the form of signature is taken in the report by the CLF/VO before approving the BRC's claim for payment. The credit appraisal report, prepared based on the information collected about the entrepreneur, is shared with the entrepreneur and CLF/VO, after which the BRC gets the signature of the entrepreneur on the report. The CLF/VO ensures that the entrepreneur has signed the report before approving the BRC claim for payment.

The CLF/ VO is supposed to ensure that the business plan is in the prescribed format. The entire process is followed in consultation with the new or existing entrepreneur and the plan is subsequently shared with the entrepreneur and CLF. The nodal-CLF approves release of CEF on satisfactory vetting of the business plan. In case of other financial institutions, the BRC assists CLF/VO write a recommendation letter to the bank and other financial institutions for release of loan to the entrepreneur on the basis of the business plan.

As per the mid-term study, Rs. 1257514 was lying un-utilised by CLF in the past 12 months.

Blocks	Average of Total CIF funds un-utilized by CLF in the past 12 months (Rs.)
Dhanarua	100000
Mohol	728286
Moraul	0
Rajpur	4000000
Tappal	2200000
Vadavucode	516798
Overall Avg.	**1257514**

Table 55: Total CIF funds un-utilised by CLF in the past 12 months (Block-wise analysis)

See Table: Total Number of MCPs (Micro Credit Plans) received in the past 12 months (Block-wise analysis) in Annexure (Table 15

The CLF/VO also monitors repayment of bank loan or CEF disbursed to the entrepreneur through the SHG network and BRC.

9. Key Findings

Unlike many previous projects, the launch and expansion of SVEP under DAY-NRLM marked a strategic shift from a focus on allocation, disbursement, and monitoring of central government financial resources, to the provision of skilled technical assistance to states implementing SVEP. The project development objective for the SVEP was to play a critical role in bridging the consistent gap in capital and support for rural enterprises. The original design of SVEP was shaped by lessons drawn from various rural enterprise development projects of the national and state governments such as Kudumbashree in Kerala as well as initiatives of several civil society organizations.

The mid-term review's findings indicate that the activities supported under SVEP enhanced the effectiveness of public expenditures through the programme and helped build and support early-stage rural enterprises by providing them with a range of critical services, such as business development support, mentoring, finance, as well as access to the banking system. Enterprises in their early stages and new enterprises which would otherwise have found difficulty in getting off the ground are being promoted and supported.

While selecting entrepreneurs under SVEP, priority was given to the vulnerable beneficiaries. The analysis of the entrepreneurs who reported strengthening of livelihood, income generation and improvement in savings post SVEP indicates over 80-100% percent of entrepreneurs had positive responses. The impacts include capital-funded business growth, an apparent increase in net income, an increase in business assets, and creation of additional employment. Entrepreneurs also reported an improvement in many aspects of their life such as health, education of children, sanitation, nutrition and social standing. The economy has also shifted to a more formalized set-up; people have started understanding how to do business, have begun saving and maintaining cashbooks not only for businesses but also for personal uses. Many reported that they were using the profits for reinvesting in the business for its expansion. The top three aspects that have been positively impacted after SVEP for entrepreneurs are financial support to family, livelihood, health and education for most blocks. The other areas that have been positively impacted are sanitation, nutrition, social standing and business expansion.

9.1 Financial Ecosystem: Key Findings

SVEP ensured availability of finance and disbursing of Community Enterprise Fund (CEF), a dedicated loan against approved and viable business plans in the blocks for the entrepreneurs. As per the guidelines, the upper limit of CEF loan provided at 12% rate of interest for individual entrepreneurs is Rs. 1 lakh and for group enterprises is Rs. 5 lakhs. The CEF loan is crucial to start new enterprise or diversify/ expand existing enterprises as per the needs of individual businesses. It was found that the appraisal by the Block Resource Center (BRC) set up under SVEP usually led to CEF loans of not more than Rs. 50,000 for individual enterprises and around Rs. 3 lakhs for group enterprises. This was not enough for purchase of capital goods, raw materials, working capital etc. The entrepreneurs especially the new ones found it hard to enhance bank's confidence in their work and draw loans from Mudra or other schemes. CEF did not help enhance credit-worthiness of the village entrepreneurs to the extent expected even when the enterprises demonstrated disciplined credit behavior to the community institutions (VO/CLF/SHG). The CEF loan is generally not enough to start-up the enterprise and the entrepreneur has to finance it from some other source – internal or external financial sources. Cheap credit available through the SVEP ecosystem has negatively affected informal credit especially local moneylenders (*mahajans*), but the microfinance companies continue be an important factor in providing credit.

The mid-term evaluation study indicates that the entrepreneur's need fulfillment ratio i.e., the ratio of own capital investment vs CEF sanctioned averaged at 40% for all blocks for all sectors and varied from 37% for the business sector of services to 39% for manufacturing and 42% for trade. Also, in many cases at least

during the first year of roll-out of SVEP, the time for disbursement of around 60 days on an average was a major impediment in setting up enterprises, as per entrepreneurs. Most entrepreneurs said that accessing loans under CEF was easy in spite of the huge time its disbursal took in some blocks. CEF is provided only under SVEP against approved and viable business plans in the blocks. CEF is provided only under SVEP against approved and viable business plans in the blocks. Yet, the block-wise and sector-wise analysis under the mid-term study indicates poor performance in terms of receipt of subsequent loans. This makes the purchase of capital goods, raw materials and working capital requirements very hard to meet. For existing entrepreneurs, it was observed that microenterprise financing under SVEP filled the gap between the limited funds that the entrepreneur had available and the total cost of the project for purposes such as machinery or equipment, inventory, and working capital.

The entrepreneurs also find it difficult to access the NRLM programme's Community Investment Fund (CIF) against Micro Credit Plans (MCPs) as seed capital. CIF is provided to SHG federations at cluster level to meet the collective credit needs of the members through SHGs/VOs and to meet the working capital needs of the collective activities at various levels. CIF is not provided under SVEP as there is CEF, a dedicated loan on its lines for the pilot block under SVEP to give out loans to the entrepreneurs. Many entrepreneurs tried to access CIF when they did not get subsequent loan under CEF but found it difficult as there are other takers in the SHG groups for those loans.

The CEF was expected to help enhance credit-worthiness of the village entrepreneurs and also showcase the ability of the community institution led enterprise capital provisions to demonstrate disciplined credit behaviour. But, good credit record of the entrepreneurs did not necessarily translate into enhanced bank's confidence in the unorganised sector and very little credit support was received from banks for SVEP entrepreneurs.

Many entrepreneurs reported that the conditions to avail CEF like income and credit appraisal of the entrepreneur and feasibility study of the enterprise were very rigorous. Appraisal of loans by nodal-CLF based on enterprise sector and regional benchmarks most often led to lower loan being sanctioned for the entrepreneur. The loan repayments in the study blocks were overall very good, even though there were some defaulters. Two-three months' time was given for defaulters. Even then if loan is not being repaid, the BMMU sends letters to the VOs. If no response is received from the VOs, then BMMU staff has to go to the village in person. In spite of a reasonably good track record in CEF repayment, the lack of support for disbursement for subsequent loans was a deterrent for successful running of enterprises.

9.2 Incubation and Knowledge Ecosystem: Key Findings

The SVEP is providing strategic guidance for selecting and designing interventions in support of successful entrepreneurship, after examining the effectiveness of different types of interventions, and distilling lessons based on NRLM's past experiences to enhance the effectiveness of its support for entrepreneurship. For the first time, the government through its programme articulated an integrated strategy based on group-based approach instead of individual beneficiary approach to support rural micro-entrepreneurship at the country level. By providing a range of business support and services, CRP-EPs have been used to help enterprises grow and sustain in the market.

A major problem with project performance associated with the incubation role, irrespective of whether projects achieved their objectives, were related to design issues and quality of supervision. Problems were associated with inadequate performance of implementing agencies, often resulting in implementation delays. The effectiveness of this mechanism was limited by design and implementation problems around uncertainties with eligibility criteria, slow implementation at places, low uptake, complex processing and budgetary procedures. CRP-EPs have been used to support entrepreneurs with a view to increasing survival rates for start-ups and innovative enterprises.

Evidence suggests that the success of CRP-EPs is good barring mixed results in some study locations. An analysis of the SVEP support to entrepreneurs suggests positive effects on project outputs and outcomes.

The relatively higher performance ratings for entrepreneurship projects are also associated with better ratings in work quality, particularly screening, appraisal, and structuring. Implementation setbacks were encountered in some cases, so, sound market analysis was critical in ensuring that the entrepreneurship projects were effective in achieving their development outcomes. Overall, the project indicated positive welfare effects on society and stakeholders.

SVEP helped deal with the challenge in the rural micro-entrepreneurship space of the missing incubation ecosystem. Post starting the enterprise, the entrepreneurs had a mechanism of an advisor from whom they can seek help, specifically for business planning, risk assessment, working capital requirements, accounting, monitoring, costing and pricing, understanding seasonal demand, etc. Also, there is a mechanism for peer to peer learning from similar entrepreneurs. Most enterprises fail due to not having this support ecosystem in the critical first 6 months of operations. This gap is met by the CRP-EPs, who did handholding of the entrepreneurs for at least six months after start-up under the SVEP. The SVEP approach aimed to enhance the ecosystem for rural entrepreneurship and to strengthen the market linkages of rural entrepreneurs.

CRP-EPs provide support for enterprise based activities of rural poor through entrepreneurial capacity building, skill enhancement, need based finance, facilitation of bank linkage and continuous nurturing support for setting up and running viable village enterprises, using the institutional platform of SHGs and their federations under NRLM. The mid-term evaluation study (full sample) indicates that the entrepreneurs received support from the CRP-EPs in following aspects – selecting business models (31%), document preparation (60%), accessing loans – CIF/CEF (37%), setting up business (17%), bank linkage (23%) and book keeping (37%).Some respondents also said that they had received support from the CRP-EP on marketing, raw material procurement, market for selling goods, utilization of funds and for pricing of goods and services.

The reasons for availing support from CRP-EP after 6 months for the overall sample are not familiar with the selected business model (4%), desired targets not achieved (9%), enhancement of skills (18%), unsustainable business models (2%) and financial advice (23%).

The mid-term evaluation study indicates that the key areas in which entrepreneurs took help from CRP-EP after 6 months of opening enterprise were – subsequent funding (14%), bank linkage (7%), book keeping (14%), marketing (7%) and raw material procurement (9%).

The analysis indicates that the frequency of interaction with CRP-EP is mostly monthly or more than a month basis and is adequate. Greater emphasis needs to be there on re-training of entrepreneurs by CRP-EP. An important finding of the mid-term evaluation study was that the quality of services provided by CRP-EP should improve (20%) and that more trainings should be provided (22%).

Entrepreneurs face a couple of issues during the setting and running of enterprises. The mid-term evaluation study indicated the reasons as per entrepreneurs from all business categories were - lack of business development skills (41%), lack of funds (88%), management of funds (25%), manpower (8%), competitive market (24%), unsustainable business model (1%), complication in documentation (9%), accessibility (9%), regional & social issues (2%), natural calamities (0%) and none (4%).

The block-wise and sector-wise analysis of percentage of entrepreneurs who maintain records of their daily sales indicates that for the overall sample 51% entrepreneurs maintain records. The mid-term evaluation study in the seven blocks indicates that the percentage of registered enterprises was about 15% for all business categories.

The SVEP programme aimed to encourage enterprises of rural artisans and did an assessment of availability of artisanal skills prior to the starting of the programme to estimate if enterprise potential from clustering of artisanal production, using a value-chain approach could be developed. As per the mid-term study, the percentage of enterprises in each block engaged in traditional art handicraft/ pottery was overall 7%, the business sector-wise break-up being 37% for manufacturing, 3% for services and 4% for trade. SVEP

provided them with financial aid to increase the volume of production, upgradation of machinery and market linkage. This helped in bringing in more income and supporting the existing enterprises.

As per the mid-term evaluation study, the areas in which the entrepreneur re-invested from the total income for all blocks - machinery for business expansion (25%), increase in procurement of raw materials (69%), investment in other business (12%), increase in human resources (8%), transportation (16%), infrastructure (17%), patent/branding (0%), promotion/marketing (3%), other (2%) and none (10%).

An analysis of the profitability of the enterprises (total of all blocks) under the mid-term evaluation study suggests that 99% of the enterprises were profitable, 1% was in break-even and none were under losses. This indicates that the market potential assessment carried out was right in assessment of the number of enterprises that could be undertaken for development as part of SVEP. The targets were realistic and the processes in setting up of the enterprises were followed properly. Not only that the SVEP ecosystem was able to meet the challenge of ensuring that the estimated numbers were converted into real enterprises benefitting the SHG members and their families.

The study indicates that though CRP-EPs are providing adequate guidance with respect to developing entrepreneur's knowledge, providing new business ideas, training in - soft skills, planning, risk assessment, working capital requirements, accounting, monitoring, costing and pricing, understanding seasonal demands of business, etc, more needs to be done. The ease of disbursement of loan, availability of loans from different financial sources, the interest levied on it, the method of loan repayment, facilitation by CRP-EPs, etc. were studied in detail to understand the actual working of the process and how the problems faced by the beneficiaries are being handled by CRP-EPs.

The block-wise analysis of trainings received by CRP-EPs indicates that a significant percentage of CRP-EPs received trainings on - orientation on livelihood and entrepreneurship (66%), creation of business plan (48%), soft skills training (52%), hard skills training (37%), business management (36%), identification of entrepreneurs (32%), financial planning for business (29%), business feasibility analysis (11%)and use of ICT tools/techniques (11%). This training needs to be followed up with post training inputs.

Their interest is low wherever the average monthly income of CRP-EP is poor; average income pre SVEP for all blocks was Rs. 5234, post SVEP this was Rs. 10504 and monthly aspirational income of CRP-EP post SVEP expected from providing support in enterprise activity was also assessed and was found for all blocks to be Rs.13137.

The mid-term evaluation study findings indicate the reasons for enterprises not starting after receiving training - competitive market (18%), increase in price of raw materials (8%), lack of adequate/skill manpower/ labour (11%), family issues (26%), accessibility (5%), lack of infrastructure (11%), bad debts (15%), unsustainable business model (5%), lack of social acceptance (1%), inadequate monetary benefits (5%) and better employment opportunity (16%).

The block-wise analysis of the reasons for enterprises not starting after receiving CEF indicate the following responses from the study - competitive market (3%), increase in price of raw materials (1%), lack of adequate/skill manpower/ labour (3%), family issues (8%), accessibility (1%), lack of infrastructure (5%), bad debts (4%), unsustainable business model (1%), inadequate monetary benefits (3%) and better employment opportunity (1%).

As per the mid-term evaluation the block-wise analysis of the type of support provided to new entrepreneurs suggests that 82% CRP-EPs provided Information and linkages with suppliers and markets. The corresponding figures for other support were - procurement/maintenance of fixed assets (59%), working capital management (74%), technology based support (30%), support to register on Udyog Adhaar/ PAN card (41%), marketing/promotion (66%), procurement of raw material (59%) and preparation of business plan (60%).

As per the mid-term evaluation, the block-wise analysis of the type of support provided to existing entrepreneurs suggests that 77% CRP-EPs provided support in Marketing/Promotion. The corresponding

figures for other support were –financial (73%), infrastructure (38%), training (77%), identifying new avenues of business (47%), change in price as per competition in the market (36%) and change in price as per customer demand (23%).

As per the mid-term evaluation study, the CRP-EP's suggestions for improving the SVEP scheme ranged from - time for getting loan should be reduced (90%), loan amount should be increased (95%), rate of interest on CEF loan should be reduced (49%), quality of services provided by CRP-EP should be improved (22%), loan repayment time should be increased (44%), more trainings should be provided (47%),BRC service charges must be reduced (7%), exposure to other blocks/states (34%). Reasons like and Rate of interest must be reduced did not elicit any responses from the CRP-EPs.

The major challenge for SVEP was to develop practical solutions for people from low-income groups and promote enterprises in rural areas where large segments of population are living in poverty. Sustained efforts were made to design a programme after experimenting with different mechanisms and implementation arrangements. The system facilitated scale-up of promising interventions and mechanisms thereby becoming a powerful source of improved productivity and competitiveness. The programme was designed keeping in mind the bottlenecks that impede innovation and entrepreneurship. This conceptualization of promoting micro-entrepreneurship focused attention on strengthening entrepreneurial capabilities particularly skills development and training, providing a requisite financial ecosystem, providing a flexible financing arrangement for early-stage start-ups, and fostering linkages of the actors in the system—all within the context of a broad enabling environment. The SVEP programme made effective use of information and communications technology, as well as provided managerial expertise, market information, and other forms of technical assistance.

The business-sector wise analysis under the mid-term evaluation study indicates that the most common method of creating awareness about the SVEP scheme for all the categories was through CRP-EP (87%). The mid-term evaluation indicates that 87% of the entrepreneurs received training. The sector-wise break-up points that 90% of entrepreneurs from manufacturing background, 84% from services and 88% from trade background received trainings. The major areas for training indicate that for the full sample (all blocks across all sectors), 67% of entrepreneurs had taken training on business management, 48% on understanding market, 43% on business plan preparation, 24% on business feasibility, 31% on business promotion and 40% on book keeping.

Some of the reasons for loss from enterprises are competitive market, increase in price of raw materials, lack of adequate/skill manpower/labour, family issues, accessibility, lack of infrastructure, bad debts, unsustainable business model, excess withdrawal of cash from business etc.

There was considerable variation in income between on and off peak months for all sectors of business for both new as well as existing entrepreneurs and the success of the enterprise depended on whether this was taken into account while planning.

For the BRC to function sustainably and effectively it is not enough to register them and provide them accreditation by SRLM as their support agency. While the bye-laws detailing out the internal work management and regular operations of members of BRC have been laid out, not much attention has been paid to the resources needed to operate the BRC and run it professionally. The source of income of the BRC comprised of interest earned from loans and is not adequate as of now. BRC should be provided with some seed money or corpus so its members can run it like a professional support agency.

The BRC functionaries were at places unable to achieve the annual action plan targets due to hiccups like - late start of project, CEF fund not available at BRC, business plan preparation took time, CRP-EPs did not understand the process at the beginning and BRC committee meetings did not happen as per schedule. These managerial and financial disbursal issues need to be addressed to run the BRC efficiently. While, the BRC's are maintaining the list of records such as ledger book, cash book, business plan (soft/hard copy), bank linkage records etc., the use of the performance tracking system of entrepreneurs needs to be improved or simplified

10. Suggestions

10.1 Financial Ecosystem: Key Suggestions

Key suggestions received as a part of the mid-term evaluation study related to financial ecosystem for improving SVEP scheme include:

Provision of subsequent loan: Provision of a subsequent loan was a challenge faced by most entrepreneurs, especially because loans from banks were hard to avail. The initial CEF amount loaned out revolves back to the entity as principal, and interest payments are received back into the fund from the borrowers. As the loan fund grows, this was being used to lend out to new applicants. As of now, it was found that the CEF loan fund has not reached a certain level where it can become self-supporting through loan payments. As a result, the pressure to meet targets and give loans to new applicants was conflicting with the needs for subsequent loans by existing applicants, thereby impacting the running of these microenterprises. So, SVEP is in need of new infusion of funds. This would improve the program sustainability, a critical measure of success of a microenterprise loan program. The ability of the created/ supported microenterprises to remain viable over time will vastly improve if this done. This will also help enroll new entrepreneurs without compromising on the sustainability of the existing enterprises. For SVEP to be successful and sustainable program, it should incorporate components beyond a stand-alone loan program to include a deeper client support system that could stand the test of time.

Better facilitation of bank linkage for loan: The BRC needs to be further strengthened and trained to understand loan fund policies and procedures of banks better to be able to develop successful financial linkages of entrepreneurs with banks for loans under MUDRA or other schemes. Finance and other resources of the formal banking system for long-run credit should be mobilized and made available to the SVEP entrepreneurs. Getting banks involved at the initial stage of SVEP offers the parties (SVEP, entrepreneurs and banks) opportunities to be familiar with each other, and may subsequently improve the sustainability of enterprises when they get financial assistance from banks. This can be effectively done by creating connection between the banking system and existing SVEP ecosystem through a formal guideline laying out the detailed criteria of this connection building scheme. The initial entrepreneur screening should be followed by referrals to the banks about the potential of the enterprise. BRC members need to be trained and empowered to facilitate credit linkage with financial institutions for entrepreneurs to avail loan. Merely assisting the CLF/VO write a recommendation letter to the bank and other financial institutions for release of loan to the entrepreneur on the basis of the business plan is not enough. More needs to be done from BRC's end to help entrepreneur with application, approval and disbursement of loan in various financial institutions be it banks, CLF/VO (CIF) with the support of the business plan.

10.2 Incubation and Knowledge Ecosystem: Key Suggestions

Key suggestions received as a part of the mid-term evaluation study related to the incubation and knowledge ecosystem for improving SVEP scheme include:

Quality of services provided by CRP-EP and BRC should be improved: The confusion about the nuts and bolts of establishing and managing a successful microenterprise program has been reduced after the first year of the SVEP programme. The BRC needs to be provided further support to assist lower income entrepreneurs to create their own independent sources of income through successful enterprises. The problem of high turnover of BRC members needs to be addressed and greater numbers of women need to be selected as BRC members and also as CRPs. Even when the BRC members' motivations are based on social as well as economic values they are hard pressed in terms of time to address the problems of the entrepreneurs. The number of CRPs needs to be increased to increase their involvement. The CRP-EPs need to provide greater support in finding markets, access to raw materials and other intermediate inputs. Greater attention needs to be provided to non-growing microenterprises with small profits. This can be

addressed by guiding the entrepreneur to put in efforts to reduce costs, increase sales or switch to product lines that yield higher returns.

More training needs to be provided to CRP-EP and Entrepreneur: Even though, the BRC members and CRPs have been trained in depth as regards financial analysis, business support or technical assistance and how these components interact, more training needs to be provided to both CRP-EPs and entrepreneurs. This should be backed with post training follow-ups to check retention and interest. After selection, the trainings of CRP-EPs need to be certified under SVEP. The training needs to be standardized and greater focus should be paid on the training on business planning and management.

Need for a usable performance tracking system: The CRP-EPs are supported by software which helps them prepare a profit and loss account for the enterprise based on basic business data being fed into the same. This was supposed to create regional benchmarks for business performance parameters and was meant to be used for giving performance feedback to the entrepreneurs. Though, the performance tracking system has been put in place in all blocks, CRP-EPs find it difficult to input the record of sales, expenses, withdrawals from business, profit and loss for the entrepreneurs. The CRP-EP collects this data from the entrepreneur on a weekly basis. Since they lack time, it is difficult for them to fill it in the performance tracking system and as a result it is not being used at many places. More training and support needs to be provided to both CRP-EPs and entrepreneurs and the system simplified to make it usable.

Better convergence: The SVEP programme guidelines spell the need for the convergence of the programme with the existing schemes of other ministries such as MSME, Ministry of Textiles etc. This should be done at the earliest convenience and the modalities for convergence should be decided in consultation with the concerned ministries to avoid overlap. There was a need for better backward and forward linkages for farm livelihoods and especially of promoting dairy related businesses under the SVEP programme.

Better use of knowledge products outside the SVEP fold: Again, as suggested in the SVEP guidelines, the programme should provide a specific segment for entrepreneurial support to rural youth in non-intensive blocks in convergence with the programmes of other departments. The knowledge products and ICT support of the programme should be made available to rural youth outside the SHG fold.

Need to strengthen BRC: BRC has been set up as the base for implementation of SVEP in the blocks and forms an important part of the institutional and contractual arrangements for block level operations. More needs to be done to design them as single point solution for enterprise promotion, so they are able to address the needs and grievances of the community through information availability, business plan processing, documentation support and funding (via CEF). Their role especially in facilitating start-up support and handholding of entrepreneurs through CRP-EPs and monitoring the progress and timely loan repayment of enterprises needs to be improved. The various committees within the BRC that have been formed, like executive and approval committee need to be strengthened further. The role of the PIA in providing handholding support to BRC especially in establishing the norms, terms and conditions for operations of the BRC should be phased out gradually so that the program becomes sustainable after the PIA's withdrawal. This should take into account the assessment of BRC's capacities to support enterprise development in the long-run and to take over important enterprise development functions of the programme after its termination. BRC members should be provided more trainings on financial feasibility analysis, business feasibility, marketing/promotional and profit and loss management.

11. Conclusion

The programme was able to play a critical role in bridging the gap in capital and support for rural enterprises specially for those operated by the vulnerable sections. It has been able to motivate the vulnerable sections, illiterate, women from SC/ST communities to become first time entrepreneurs and start enterprises.

The evaluation indicates that the activities supported under SVEP enhanced the effectiveness of public expenditures through the programme and helped build and support early-stage rural enterprises by providing them with a range of critical services, such as business development support, mentoring, finance, as well as access to the banking system.

In terms of the overall outcome achievement by the program, we found that the program has been successful in providing easy access of credit to the entrepreneurs in the rural areas. Along with this, it is encouraging to note that the support received by enterprises for improvement of incubation ecosystems has also been satisfactory and has led to availability of business support services in the project areas.

The study shows that there can be some improvement in implementation of activities to improve the knowledge ecosystem. We found that the SVEP beneficiaries were still not aware about the financial management techniques and their demand of higher ticket size of the loan and lower interest rate appears misplaced. Apart from this, it was also found that the BRC as an institution was still not strong enough. There were also issues with the tracking system for monitoring of the enterprises.

The analysis of the data at the broader level indicates that entrepreneurs that the program had a positive impact for the beneficiaries. The program has been able to reach the socially backward classes and also been able to involve people from lower educational qualification to start enterprises. The impact was largely reported strengthening of livelihood, substantially higher income generation and improvement in savings.

The entrepreneurs reported that due to the SVEP project they have had improvement on capital-funded business growth, an apparent increase in net income, an increase in business assets, and creation of additional employment and generation of inner surplus to lead to an increase in savings. Entrepreneurs also reported an improvement in many other aspects of their life such as general health status, education of children, condition of sanitation, nutrition and the social standing of their household in the community. The analysis of data collected from various stakeholders indicates that the SVEP scheme has been instrumental in propelling the enterprises to a shift towards a pathway of formalized set-up; there is an increased understanding of business ecosystem among the entrepreneurs, savings for individual entrepreneurs has enhanced and records pertaining to business and personal cash flows are also maintained. It was encouraging to note that many entrepreneurs reported that they were using the profits for reinvesting in the business for its expansion.

SVEP with minor modifications in its design and implementation protocols can go a long way in motivating the vulnerable sections of rural folks to take up livelihood enhancing and succeed in the same.

12. Annexure

Table 1: Activities taken up under various enterprises (trade, services and manufacturing)

Sr. No.	Trade	No. of Enterprise	Services	No. of Enterprise	Manufacturing	No. of Enterprise
1	Kirana Shop	183	Tailoring	121	Furniture Making	25
2	Vegetables Shop	64	Flour Mill	35	Handloom weaving	17
3	Cloth Shop	60	Centring	27	Pickle Production	9
4	Cosmetic Shop	39	Transportation	27	Weaving Unit	7
5	Snacks Shop	35	Beauty Parlour	17	Dona Pattal Manufacturing	6
6	Animal Husbandry	21	Hotel	15	Handicrafts	5
7	Tea Shop	17	Barber Shop	10	Broom Making	4
8	Flower Nursery	13	Internet Services	10	Cake Making	4
9	Sweet Shop	11	Welding	8	Concrete Brick Blocks	3
10	Fish Shop	10	Catering	7	Papad making	3
11	Meat Shop	10	Tuition Centre	7	Pottery	3
12	Stationary Shop	10	Cycle Repair	6	Biscuit Making	2
13	Bangles shop	8	Electric Repair Shop	5	Idol Making	2
14	Flower Shop	7	Electrician	5	Masala Making Unit	2
15	Milk Dairy	7	Tent House	5	Pottery	2
16	Mobile Shop	7	Mechanical Workshop	4	Agarbatti Manufacturing	1
17	Fruits Shop	6	Spices Grinding	4	Ara Machine	1
18	Milk Collection	6	Blasting	3	Binding Shop	1
19	Ration Shop	6	DJ Services	3	Bricks Furnace	1
20	Medical Store	5	Laundry	3	Candle Making	1
21	Crockery Shop	4	Mobile Repairing	3	Chilly Powder Grinding and Packaging	1
22	Furniture Shop	4	Boring Machine	2	Chips Making	1
23	Hardware Shop	4	Motor Workshop	2	Cotton Wike Production	1
24	Jewellery Shop	4	Painter	2	Dress Material Designing	1
25	Optical Shop	4	Pani Puri Shop	2	Jewellery Making	1
26	Artificial Jewellery Shop	3	Photocopy Shop	2	Mushroom Product Making	1
27	Chappal Shop	3	Sound System	2	Parotta Making	1
28	Egg Shop	3	Airtel Franchise	1	Peanut Chutney Making	1
29	Ice Cream Parlour	3	Aluminum Fabrication unit	1	Power System Assembling	1
30	Paan Shop	3	Bag Stiching	1	Rope Making	1
31	Detergent Shop	2	Crop Harvesting Machine	1	Rubber Sheet Production	1
32	Shoes Shop	2	Day care for children	1	Saari Designing	1
33	Agarbatti Packing	1	Gas Burner Repairing	1	Tissue Paper Making	1

34	Agricultural Products	1	Generator Renting	1	Turmeric Powder making	1
35	Auto Spare Parts	1	Greasing Service for Trucks	1	Vinna Making Work	1
36	Bakery	1	Ironing Centre	1		
37	Book Shop	1	Juice Shop	1		
38	Brick Selling	1	Knife Sharpening	1		
39	Broom Shop	1	Machinery Renting	1		
40	Donna Pattal Products Selling	1	Motor Windings	1		
41	Fodder Shop	1	Noodles Making Machine Services	1		
42	Gift Shop	1	Pathlogy Lab	1		
43	Manure Shop	1	Photo Studio	1		
44	Neel Products	1	Photographer	1		
45	Papad Products	1	Plumber	1		
46	Saree Shop	1	POP Making	1		
47	Tea Powder Selling	1	Popcorn Making	1		
48	Toast Sales	1	Tree Cutting	1		
49	Toy Shop	1	Water Plant	1		
50	Tractor Trading	1	Water Transport	1		
51	TV Shop	1	Well Cleaning Service	1		
52	Vegitable shop	1	Yoga Classes	1		
Total (N = 1060)		**584**		**362**		**114**

Table 2: Most/ least used method of creating awareness about the scheme among Entrepreneurs (Block-wise analysis)

	CRP-EP	SRLM Staff	Family Member	Word of mouth from villagers/other entrepreneurs	Hoardings/ Pamphlets	Newspaper Ad	VO meeting	Other
Manufacturing (N=114)	**83%**	**11%**	**13%**	**18%**	**0%**	**0%**	**42%**	**4%**
Mohol	100%	7%	0%	0%	0%	0%	57%	0%
Moraul	81%	13%	38%	0%	0%	0%	6%	0%
Rajpur	93%	29%	14%	50%	0%	0%	21%	0%
Tappal	100%	0%	75%	0%	0%	0%	50%	0%
Vadavu-code	95%	5%	16%	16%	0%	0%	11%	26%
Chumuke-dima	69%	9%	0%	24%	0%	0%	71%	0%
Dhanarua	100%	50%	50%	0%	0%	0%	0%	0%
Services (N=362)	**91%**	**8%**	**13%**	**15%**	**1%**	**0%**	**30%**	**3%**
Mohol	96%	13%	1%	3%	0%	0%	40%	0%
Moraul	83%	0%	22%	2%	0%	2%	9%	0%
Rajpur	98%	13%	5%	48%	6%	0%	9%	0%
Tappal	98%	0%	37%	0%	0%	0%	74%	0%
Vadavu-code	92%	4%	11%	17%	0%	0%	15%	23%
Chumuke-dima	52%	8%	8%	24%	0%	0%	80%	0%
Dhanarua	94%	14%	20%	9%	0%	0%	0%	0%
Trade (N=584)	**85%**	**13%**	**12%**	**17%**	**2%**	**0%**	**35%**	**2%**
Mohol	98%	19%	0%	1%	0%	0%	33%	0%
Moraul	73%	2%	17%	9%	0%	2%	21%	0%
Rajpur	94%	30%	8%	49%	12%	0%	30%	0%
Tappal	100%	8%	30%	7%	0%	0%	60%	0%
Vadavu-code	97%	5%	8%	39%	0%	0%	21%	29%
Chumuke-dima	56%	2%	4%	13%	0%	0%	77%	0%
Dhanarua	93%	19%	28%	7%	1%	0%	0%	0%
Overall Avg.	**87%**	**11%**	**13%**	**17%**	**2%**	**0%**	**34%**	**3%**

Table 3: Major areas of training of entrepreneurs (Block-wise and sector-wise analysis)

	Business Management	Understa-nding market	Business Plan Preparation	Business feasibility	Business Promotion	Book Keeping	Other
Manufactu ring (N=114)	**75%**	**63%**	**46%**	**29%**	**42%**	**50%**	**1%**
Mohol	100%	93%	64%	29%	7%	14%	0%
Moraul	69%	94%	25%	19%	25%	25%	0%
Rajpur	79%	21%	36%	36%	50%	64%	0%
Tappal	0%	0%	0%	0%	0%	0%	0%
Vadavu-code	58%	58%	26%	42%	32%	37%	5%
Chumukedi ma	84%	62%	64%	29%	64%	76%	0%
Dhanarua	50%	100%	50%	0%	50%	50%	0%
Services (N=362)	**65%**	**46%**	**44%**	**21%**	**28%**	**38%**	**0%**
Mohol	84%	81%	70%	24%	22%	12%	0%
Moraul	61%	33%	39%	11%	26%	33%	0%
Rajpur	73%	23%	41%	23%	44%	61%	0%
Tappal	0%	0%	0%	0%	2%	43%	0%
Vadavu-code	49%	45%	32%	30%	28%	30%	2%
Chumukedi ma	92%	88%	68%	48%	64%	84%	0%
Dhanarua	97%	46%	49%	20%	31%	40%	0%
Trade (N=584)	**66%**	**46%**	**41%**	**24%**	**30%**	**40%**	**0%**
Mohol	87%	83%	57%	34%	23%	13%	0%
Moraul	60%	37%	30%	7%	20%	31%	0%
Rajpur	65%	25%	35%	22%	32%	39%	0%
Tappal	0%	0%	0%	0%	0%	62%	0%
Vadavu-code	45%	39%	26%	34%	26%	16%	0%
Chumukedi ma	80%	74%	69%	48%	68%	88%	0%
Dhanarua	90%	47%	47%	21%	26%	28%	0%
Overall Avg.	**67%**	**48%**	**43%**	**24%**	**31%**	**40%**	**0%**

Table 4: Top 5 handholding aspects rendered by CRP-EPs to entrepreneurs (Initial 6 months and after 6 months) (Block-wise and sector-wise analysis)

	Selecting business Model	Document preparation	Accessing loans (CIF/CEF)	Setting up business	Bank Linkage	Book Keeping
Manufacturing (N=114)	**31%**	**50%**	**34%**	**16%**	**14%**	**40%**
Mohol	64%	64%	21%	21%	29%	21%
Moraul	50%	88%	56%	13%	6%	25%
Rajpur	50%	64%	50%	36%	43%	57%
Tappal	0%	0%	0%	0%	0%	0%
Vadavu-code	16%	47%	53%	0%	0%	26%
Chumuke-dima	16%	31%	20%	18%	9%	56%
Dhanarua	50%	100%	50%	0%	50%	50%
Services (N=362)	**31%**	**63%**	**35%**	**18%**	**27%**	**38%**
Mohol	59%	72%	22%	29%	26%	35%
Moraul	9%	72%	48%	9%	24%	30%
Rajpur	50%	70%	48%	30%	67%	67%
Tappal	7%	37%	22%	15%	15%	20%
Vadavu-code	11%	47%	32%	6%	0%	30%
Chumuke-dima	20%	24%	20%	16%	8%	40%
Dhanarua	23%	100%	57%	0%	26%	40%
Trade (N=584)	**31%**	**61%**	**39%**	**17%**	**23%**	**35%**
Mohol	59%	71%	18%	32%	40%	37%
Moraul	18%	64%	47%	8%	11%	21%
Rajpur	43%	59%	49%	25%	41%	42%
Tappal	18%	57%	30%	30%	25%	40%
Vadavu-code	13%	32%	29%	3%	0%	21%
Chumuke-dima	18%	36%	22%	13%	6%	51%
Dhanarua	33%	99%	74%	1%	21%	28%
Overall Avg.	**31%**	**60%**	**37%**	**17%**	**23%**	**37%**

Table 5: Reasons for entrepreneurs availing support from CRP-EP after 6 months (Sector-wise and block-wise analysis)

	Not familiar with the selected Business Model	Desired targets not achieved	Enhancement of skills	Unsustainable Business Model	Financial advice	Other
Manufacturing (N=114)	**4%**	**11%**	**26%**	**5%**	**31%**	**0%**
Mohol	0%	0%	50%	0%	50%	0%
Moraul	13%	44%	38%	19%	6%	0%
Rajpur	0%	0%	0%	0%	0%	0%
Tappal	25%	25%	25%	25%	25%	0%
Vadavu-Code	0%	11%	0%	0%	58%	0%
Chumuk-edima	0%	4%	33%	2%	33%	0%

Dhanarua	50%	50%	50%	50%	0%	0%
Services (N=362)	**3%**	**8%**	**17%**	**1%**	**23%**	**1%**
Mohol	1%	2%	37%	0%	33%	0%
Moraul	4%	4%	13%	2%	9%	0%
Rajpur	0%	0%	2%	0%	3%	0%
Tappal	2%	28%	26%	2%	28%	0%
Vadavu-code	0%	15%	6%	0%	58%	8%
Chumukedima	4%	4%	8%	8%	12%	0%
Dhanarua	14%	11%	11%	3%	0%	0%
Trade (N=584)	**5%**	**9%**	**17%**	**2%**	**21%**	**1%**
Mohol	0%	1%	28%	1%	34%	0%
Moraul	4%	7%	22%	1%	13%	0%
Rajpur	1%	0%	1%	1%	4%	0%
Tappal	2%	25%	25%	2%	25%	0%
Vadavu-code	11%	11%	8%	0%	71%	8%
Chumukedima	0%	4%	11%	5%	28%	0%
Dhanarua	29%	28%	28%	7%	0%	0%
Overall Avg.	**4%**	**9%**	**18%**	**2%**	**23%**	**1%**

Table 6: Support from CRP-EP after six months

	Subse-quent funding	Bank Linkage	Book Keeping	Marke-ting	Raw material procurement	Market for selling goods	Changes in pricing	Changes in products due to seasonal demand	Addition of new products	PTS
Manufacturing (N=114)	**15%**	**5%**	**28%**	**5%**	**11%**	**5%**	**4%**	**2%**	**5%**	**10%**
Services (N=362)	**13%**	**7%**	**12%**	**8%**	**10%**	**3%**	**1%**	**2%**	**5%**	**12%**
Trade (N=584)	**14%**	**7%**	**13%**	**7%**	**8%**	**4%**	**1%**	**3%**	**6%**	**6%**

Table 7: Frequency of interaction of entrepreneur with CRP-EP (Block-wise and sector-wise analysis)

	Annually	Half-yearly	More than once a month	Occasionally/ Infrequently	Once a month	Quarterly
Manufacturing (N=114)	**1%**	**4%**	**33%**	**2%**	**59%**	**1%**
Mohol	0%	0%	79%	0%	21%	0%
Moraul	0%	31%	6%	0%	63%	0%
Rajpur	0%	0%	50%	0%	50%	0%
Tappal	0%	0%	0%	0%	100%	0%
Vadavucode	0%	0%	63%	0%	37%	0%
Chumukedima	2%	0%	16%	4%	76%	2%
Dhanarua	0%	0%	0%	0%	100%	0%
Services (N=362)	**0%**	**0%**	**51%**	**1%**	**47%**	**1%**

Mohol	0%	0%	76%	0%	24%	0%
Moraul	0%	0%	50%	0%	50%	0%
Rajpur	2%	0%	42%	0%	53%	3%
Tappal	0%	0%	50%	2%	43%	4%
Vadavucode	0%	0%	40%	0%	60%	0%
Chumukedima	0%	0%	24%	4%	72%	0%
Dhanarua	0%	3%	37%	0%	60%	0%
Trade (N=584)	**0%**	**2%**	**45%**	**1%**	**50%**	**2%**
Mohol	0%	0%	75%	0%	25%	0%
Moraul	1%	7%	45%	0%	46%	1%
Rajpur	0%	2%	36%	1%	54%	7%
Tappal	0%	2%	67%	0%	30%	2%
Vadavucode	0%	0%	53%	0%	47%	0%
Chumukedima	0%	0%	11%	5%	84%	0%
Dhanarua	0%	3%	38%	0%	60%	0%
Overall Avg.	**0%**	**2%**	**46%**	**1%**	**50%**	**1%**

Table 8: Is the enterprise running on profit/loss (Block-wise analysis sector-wise analysis and new-existing entrepreneur-wise analysis)

Average of Total expenditure	Mohol	Moraul	Rajpur	Tappal	Vadavu-code	Chumukedima	Dhanarua
Existing Enterprise (Same line of business continued under SVEP)	**19296**	**40450**	**14246**	**78564**	**28887**	**16579**	**38424**
Breakeven						**17473**	
Trade						17473	
Loss						**1600**	
Trade						1600	
Profit	**19296**	**40450**	**14246**	**78564**	**28887**	**16871**	**38424**
Manufacturing	11800	37583	2350			18650	10000
Services	18925	14811	24060	20261	29703	7860	45040
Trade	22290	48453	10116	123911	27256	17881	38150
New Enterprise (different line of business under SVEP)	**18750**	**18411**	**11401**	**27938**	**107521**	**12255**	**23096**
Breakeven	**800**				**10700**	**9625**	
Manufacturing					10700	15000	
Services	800					10500	
Trade						6500	
Profit	**18843**	**18411**	**11401**	**27938**	**108702**	**12346**	**23096**
Manufacturing	13417	44300	17163	89225	73597	11968	53497
Services	7221	11111	7039	11765	174938	7491	23413
Trade	29691	17990	13207	35499	50551	14041	22370
Overall Avg.	**18792**	**27148**	**11628**	**35302**	**88220**	**13460**	**26330**

All figures are in Rs.

Table 9: Variation in income between on and off peak months of business (Block-wise analysis, sector-wise analysis and new-existing entrepreneur-wise analysis)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Existing Enterprise (Same line of business continued under SVEP)	31%	32%	38%	36%	39%	31%	17%	26%	28%	40%	44%	36%
Manufacturing (N=20)	45%	45%	45%	30%	15%	5%	10%	15%	25%	50%	65%	65%
Mohol	50%	50%	50%	50%	0%	0%	0%	100%	100%	100 %	100%	100%
Moraul	50%	33%	83%	33%	17%	0%	0%	0%	0%	33%	33%	33%
Rajpur	100%	100%	100%	100 %	100%	100 %	0%	0%	0%	0%	0%	100%
Chumukedima	40%	50%	20%	20%	10%	0%	10%	10%	30%	50%	80%	80%
Dhanarua	0%	0%	0%	0%	0%	0%	100 %	0%	0%	100 %	100%	0%
Services (N=62)	**24%**	**32%**	**47%**	**48%**	**52%**	**37%**	**18%**	**27%**	**24%**	**31%**	**37%**	**26%**
Mohol	25%	38%	38%	50%	50%	0%	13%	38%	13%	38%	63%	50%
Moraul	0%	21%	29%	21%	43%	36%	14%	21%	21%	14%	21%	7%
Rajpur	20%	20%	80%	100 %	100%	60%	0%	0%	0%	60%	80%	40%
Tappal	14%	14%	43%	57%	71%	57%	43%	71%	43%	43%	43%	0%
Vadavucode	33%	39%	67%	61%	50%	50%	22%	28%	28%	17%	22%	33%
Chumukedima	60%	80%	40%	40%	40%	20%	20%	20%	40%	80%	80%	20%
Dhanarua	40%	20%	20%	20%	20%	20%	0%	0%	20%	20%	0%	40%
Trade (N=128)	**33%**	**30%**	**33%**	**31%**	**36%**	**33%**	**18%**	**27%**	**30%**	**42%**	**44%**	**37%**
Mohol	17%	17%	17%	17%	33%	17%	17%	50%	50%	100 %	83%	67%
Moraul	21%	23%	28%	32%	36%	30%	9%	9%	21%	34%	30%	23%
Rajpur	33%	33%	56%	56%	67%	44%	22%	22%	22%	33%	56%	44%
Tappal	44%	33%	67%	44%	44%	78%	56%	89%	33%	100 %	78%	33%
Vadavucode	33%	44%	56%	67%	78%	44%	33%	44%	44%	44%	44%	56%
Chumukedima	42%	29%	26%	26%	26%	29%	19%	32%	35%	42%	65%	61%
Dhanarua	47%	47%	24%	6%	12%	18%	12%	18%	29%	18%	6%	6%
New Enterprise (different line of business under SVEP)	**42%**	**39%**	**42%**	**37%**	**35%**	**25%**	**19%**	**26%**	**26%**	**42%**	**48%**	**39%**
Manufacturing (N=94)	**45%**	**40%**	**38%**	**30%**	**24%**	**16%**	**11%**	**13%**	**19%**	**37%**	**53%**	**55%**
Mohol	25%	17%	33%	42%	33%	8%	17%	17%	42%	42%	33%	25%
Moraul	50%	60%	50%	50%	20%	10%	0%	0%	30%	50%	50%	40%
Rajpur	46%	31%	38%	31%	54%	38%	15%	31%	15%	31%	31%	31%
Tappal	100%	100%	100%	100 %	100%	100 %	75%	0%	0%	100 %	100%	100%
Vadavucode	53%	53%	53%	37%	26%	11%	11%	32%	32%	16%	32%	58%
Chumukedima	40%	34%	23%	9%	3%	6%	3%	0%	6%	40%	77%	71%
Dhanarua	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%

Services (N=300)	**41%**	**41%**	**48%**	**40%**	**38%**	**28%**	**23%**	**30%**	**31%**	**45%**	**47%**	**36%**
Mohol	19%	15%	27%	28%	29%	13%	14%	32%	32%	67%	71%	40%
Moraul	53%	50%	56%	19%	25%	19%	22%	13%	16%	13%	6%	6%
Rajpur	54%	44%	56%	37%	44%	37%	19%	17%	15%	24%	36%	31%
Tappal	69%	85%	77%	90%	77%	69%	64%	64%	46%	77%	90%	69%
Vadavucode	46%	46%	60%	51%	37%	31%	20%	40%	60%	46%	29%	43%
Chumukedima	40%	35%	40%	40%	30%	20%	35%	45%	30%	40%	40%	35%
Dhanarua	20%	43%	33%	20%	17%	13%	3%	7%	20%	23%	17%	13%
Trade (N=456)	**43%**	**38%**	**39%**	**36%**	**35%**	**24%**	**17%**	**26%**	**24%**	**41%**	**48%**	**38%**
Mohol	21%	17%	26%	28%	20%	14%	15%	31%	32%	58%	63%	33%
Moraul	48%	52%	45%	28%	20%	13%	12%	7%	15%	32%	27%	23%
Rajpur	39%	32%	53%	50%	59%	36%	17%	22%	25%	33%	38%	33%
Tappal	94%	76%	67%	65%	69%	61%	51%	67%	41%	86%	100%	84%
Vadavucode	66%	62%	76%	79%	62%	31%	24%	41%	45%	45%	45%	45%
Chumukedima	36%	27%	13%	14%	9%	11%	8%	9%	9%	20%	52%	52%
Dhanarua	35%	33%	16%	13%	16%	13%	5%	16%	7%	16%	16%	9%
Overall Avg.	**40%**	**38%**	**41%**	**37%**	**35%**	**26%**	**18%**	**26%**	**26%**	**42%**	**47%**	**38%**

Table 10: Issues faced during setting up and running of the enterprises (Block-wise and Sector-wise analysis)

	Lack of Business Development Skills	Lack of funds	Management of funds	Manpower	Competitive Market	Unsustainable Business model	Complication in documentation	Accessibility	Regional & social issues	Natural Calamities	Other	None
Manufacturing (N=114)	**39%**	**85%**	**30%**	**8%**	**23%**	**1%**	**5%**	**7%**	**2%**	**2%**	**0%**	**9%**
Mohol	50%	100%	29%	7%	7%	0%	0%	0%	0%	0%	0%	0%
Moraul	50%	94%	38%	6%	6%	0%	0%	0%	0%	6%	0%	0%
Rajpur	71%	100%	36%	0%	7%	0%	0%	21%	0%	0%	0%	0%
Tappal	75%	100%	100%	100 %	75%	0%	75%	100 %	25%	25%	0%	0%
Vadav-ucode	47%	58%	5%	5%	16%	0%	11%	0%	0%	0%	0%	32%
Chumukedima	16%	82%	29%	2%	38%	2%	2%	2%	2%	0%	0%	9%
Dhanarua	50%	100%	50%	50%	0%	0%	0%	0%	0%	0%	0%	0%
Services (N=362)	**41%**	**89%**	**23%**	**10%**	**19%**	**1%**	**10%**	**9%**	**2%**	**1%**	**0%**	**4%**
Mohol	54%	99%	22%	3%	5%	0%	2%	0%	0%	0%	0%	0%
Moraul	7%	93%	9%	4%	7%	0%	0%	0%	0%	0%	0%	4%
Rajpur	64%	94%	20%	8%	17%	0%	14%	9%	0%	0%	0%	0%
Tappal	57%	80%	70%	48%	72%	0%	48%	54%	13%	2%	0%	4%
Vadavucode	36%	72%	4%	4%	17%	0%	6%	0%	0%	4%	2%	19%
Chumukedima	12%	68%	36%	0%	36%	4%	0%	8%	4%	0%	0%	8%
Dhanarua	23%	97%	9%	3%	0%	3%	0%	0%	0%	0%	0%	0%

Trade (N=584)	**41%**	**88%**	**26%**	**7%**	**27%**	**2%**	**9%**	**10%**	**3%**	**2%**	**0%**	**2%**
Mohol	51%	97%	25%	2%	8%	2%	2%	0%	0%	0%	0%	0%
Moraul	11%	84%	11%	7%	22%	0%	0%	1%	0%	4%	0%	4%
Rajpur	74%	91%	35%	0%	20%	2%	15%	15%	0%	2%	0%	1%
Tappal	55%	98%	60%	40%	80%	5%	42%	58%	23%	2%	0%	2%
Vadavucode	50%	63%	11%	3%	16%	0%	16%	0%	0%	5%	3%	13%
Chumukedima	18%	76%	21%	2%	48%	4%	3%	5%	3%	4%	0%	2%
Dhanarua	35%	99%	22%	7%	1%	0%	0%	0%	0%	0%	0%	0%
Overall Avg.	**41%**	**88%**	**25%**	**8%**	**24%**	**1%**	**9%**	**9%**	**2%**	**2%**	**0%**	**4%**

Table 11: Reasons for preferring specific business type over the other (Block-wise and sector-wise analysis)

	Experience in particular field	**Traditional activity**	**Suggestion by CRP-EP's/ SHG**	**Monetary benefits**	**Aligned with skillsets/ certification obtained**	**Scope of expansion of business**	**Favourable business environment**	**Success of similar enterprise**	**To improve standard of living**	**Social Inclusion**
Manufacturing (N=114)	**76%**	**26%**	**25%**	**21%**	**1%**	**24%**	**30%**	**11%**	**18%**	**10%**
Mohol	64%	21%	71%	36%	0%	14%	14%	0%	0%	0%
Moraul	70%	19%	6%	31%	0%	6%	0%	0%	0%	0%
Rajpur	46%	0%	64%	7%	0%	29%	0%	14%	7%	0%
Tappal	50%	0%	100%	100%	0%	100%	75%	75%	100%	0%
Vadavucode	74%	21%	26%	42%	5%	58%	79%	37%	47%	32%
Chumukedima	97%	44%	0%	2%	0%	11%	31%	0%	16%	11%
Dhanarua	100%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Services (N=362)	**63%**	**2%**	**31%**	**27%**	**1%**	**29%**	**23%**	**17%**	**20%**	**9%**
Mohol	53%	6%	47%	38%	0%	22%	9%	1%	5%	1%
Moraul	84%	2%	0%	4%	0%	20%	9%	2%	2%	0%
Rajpur	27%	0%	56%	6%	0%	17%	5%	33%	13%	0%
Tappal	87%	2%	59%	59%	0%	74%	72%	59%	78%	24%
Vadavucode	83%	0%	11%	36%	0%	26%	51%	17%	34%	32%
Chumukedima	60%	0%	0%	4%	8%	16%	28%	4%	20%	8%
Dhanarua	90%	0%	0%	23%	0%	34%	3%	0%	0%	0%
Trade (N=584)	**44%**	**6%**	**32%**	**24%**	**0%**	**25%**	**24%**	**13%**	**19%**	**6%**
Mohol	38%	13%	49%	42%	0%	24%	12%	1%	2%	1%
Moraul	28%	4%	4%	19%	0%	7%	16%	1%	8%	0%
Rajpur	38%	1%	67%	5%	0%	26%	2%	34%	22%	0%
Tappal	47%	7%	63%	57%	0%	78%	63%	48%	72%	25%
Vadavucode	31%	3%	34%	47%	0%	24%	63%	11%	42%	32%
Chumukedima	75%	6%	3%	5%	0%	18%	35%	1%	16%	6%
Dhanarua	53%	8%	7%	21%	0%	17%	17%	0%	0%	0%

Overall Avg.	**54%**	**7%**	**31%**	**25%**	**0%**	**26%**	**24%**	**14%**	**19%**	**7%**

Table 12: Means adopted to spread awareness and mobilize people under SVEP/ NRLM scheme (Block-wise analysis)

Blocks	Pamphlets	Word of mouth	Hoardings	Community meetings	Other
Chumukedima	0%	100%	0%	50%	0%
Dhanarua	100%	100%	100%	75%	0%
Mohol	33%	100%	8%	58%	0%
Moraul	25%	50%	25%	100%	0%
Rajpur	0%	100%	0%	60%	0%
Tappal	0%	100%	0%	83%	0%
Vadavucode	0%	100%	0%	100%	20%
Overall Avg.	**20%**	**96%**	**13%**	**71%**	**2%**

Table 13: Type of ICT tool/ techniques being used for data collection (Block-wise analysis)

Blocks	Tablets	Mobile	Computer	Manual records	None
Chumukedima	0%	0%	50%	100%	0%
Dhanarua	0%	25%	0%	75%	25%
Mohol	33%	58%	0%	17%	25%
Moraul	0%	25%	0%	100%	0%
Rajpur	0%	0%	0%	100%	0%
Tappal	0%	0%	0%	100%	0%
Vadavucode	0%	40%	20%	100%	0%
Overall Avg.	**9%**	**24%**	**7%**	**76%**	**9%**

Table 14: Parameters used for grading/assessing performance of SHGs (Block-wise analysis)

Blocks	Regular meetings	Internal lending	Regular savings	Repayment of loans	Book keeping	Financial transactions
Chumukedima	75%	25%	50%	75%	75%	0%
Dhanarua	0%	0%	0%	0%	0%	0%
Mohol	25%	8%	25%	17%	33%	0%
Moraul	75%	25%	75%	75%	75%	0%
Rajpur	0%	0%	0%	0%	0%	0%
Tappal	17%	0%	17%	17%	17%	0%
Vadavucode	100%	100%	100%	100%	100%	0%
Overall Avg.	**33%**	**18%**	**31%**	**31%**	**36%**	**0%**

Table 15: Suggestion for improving SVEP scheme in your village (Block-wise analysis)

Blocks	Time for getting loan should be reduced	Loan amount should be increased	Bank linkage should be facilitated	Rate of interest on CEF loan should be reduced
Chumukedima	75%	100%	25%	25%
Dhanarua	100%	100%	100%	0%
Mohol	100%	100%	75%	75%
Moraul	100%	100%	75%	50%
Rajpur	40%	80%	0%	10%
Tappal	100%	100%	17%	17%
Vadavucode	100%	100%	0%	40%
Overall Avg.	**84%**	**96%**	**40%**	**36%**

Blocks	Quality of services provided by CRP-EP should improve	Loan repayment time should be increased	More trainings should be provided	Other
Chumukedima	0%	50%	50%	0%
Dhanarua	0%	0%	0%	0%
Mohol	25%	67%	42%	0%
Moraul	0%	25%	0%	0%
Rajpur	0%	40%	0%	20%
Tappal	100%	17%	17%	0%
Vadavucode	0%	20%	40%	0%
Overall Avg.	**20%**	**38%**	**22%**	**4%**

Table 16: In which of the following schemes did you enroll entrepreneurs (Block-wise analysis)

Blocks	DDU-GKY	MGNREGA	RSETI	MUDRA	Atal Pension Yojana
Chumukedima	25%	25%	0%	25%	75%
Dhanarua	0%	0%	0%	0%	0%
Mohol	0%	0%	0%	8%	25%
Moraul	0%	0%	0%	25%	0%
Rajpur	0%	0%	0%	0%	10%
Tappal	0%	0%	0%	0%	0%
Vadavucode	20%	20%	0%	20%	0%
Overall Avg.	**4%**	**4%**	**0%**	**9%**	**16%**

Blocks	Prime Minister Employment Generation (PMEGP)	Janashree Bima Yojana for Khadi Artisans	Pradhan Mantri Suraksha Bima Yojana	Pradhan Mantri Jan Dhan Yojana	None
Chumukedima	0%	0%	25%	25%	0%
Dhanarua	0%	0%	0%	0%	50%

Mohol	0%	0%	0%	17%	0%
Moraul	0%	0%	0%	0%	0%
Rajpur	0%	0%	30%	70%	0%
Tappal	0%	0%	17%	0%	0%
Vadavucode	0%	0%	0%	0%	20%
Overall Avg.	**0%**	**0%**	**11%**	**22%**	**7%**

Table 17: Total Number of MCPs (Micro Credit Plans) received in the past 12 months (Block-wise analysis)

Blocks	Total Micro Credit Plans received in the past 12 months
Dhanarua	6
Mohol	60
Moraul	5622
Rajpur	68
Tappal	35
Vadavucode	0
Overall Avg.	**965**

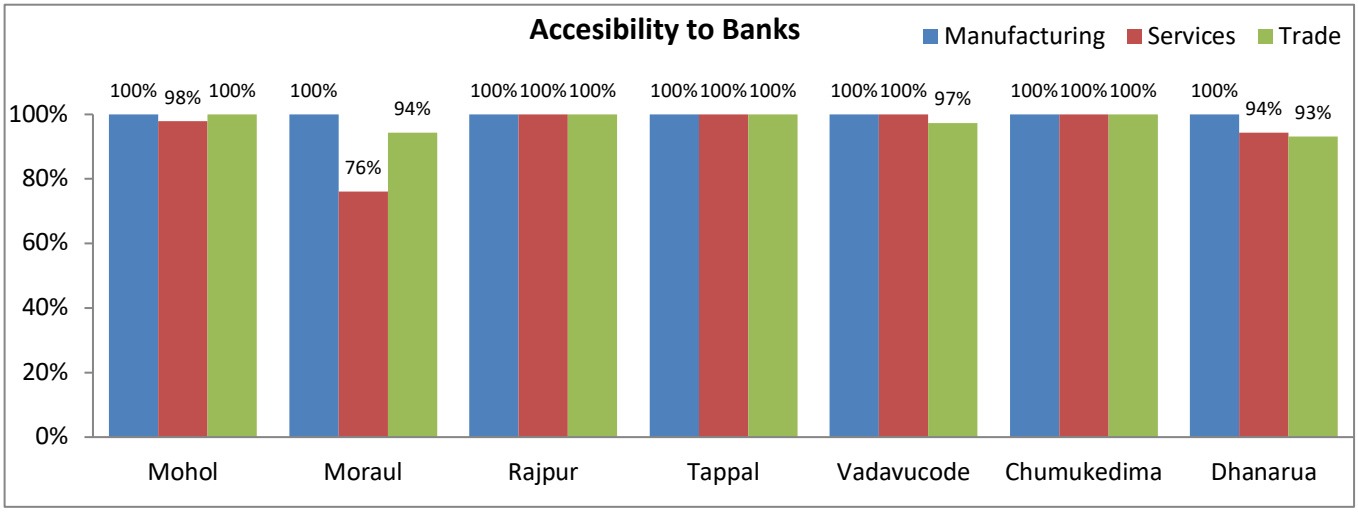


Chart 15: Accessibility to banks and financial inclusion (Block-wise and sector-wise analysis)