

Tripura Rural Livelihood Mission

Rural Development Department



**Guideline for functioning of Community Resource Persons –
Enterprise Promotion (CRP-EP) under Start-Up Village
Entrepreneurship program.**

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Vision and Scope of SVEP

The vision of SVEP is to help the rural poor come out of poverty by helping them set up enterprises and provide supports for these enterprises till they stabilize. This will be done by providing them with business skills, exposure, loans for starting and business support during the first critical 12 months of the enterprises by using the NRLM SHGs and their federations. To promote self-employment among SHG members, the SRLM may make use of the project - SVEP. Under the SVEP project, a cadre called Community Resource Persons – Enterprise Promotion (CRP-EP) is trained in microenterprise development.

The SVEP shall benefit the households and communities even beyond the financial gains it provides. It shall help rural people specially the marginalized sections, women, and SC and ST communities to gain a sense of dignity and self-reliance leading to great social changes. Similarly, the wealth generated in the local economy shall have a multiplier effect resulting in strengthening the local economy and reduction in distress migration. People engaged in a range of enterprises shall create further employment and improve the market. It shall promote enterprises in the field of sanitation, drinking water, renewable energy etc. This shall offer more economic opportunities for the rural areas and bring people out of poverty

Objectives of SVEP

The overall objective of SVEP is to implement the Government's efforts to stimulate economic growth and reduce poverty and unemployment in the villages by helping start and support rural enterprises.

The key objectives of SVEP are:

- a. To enable rural poor to set up their enterprises, in its proof-of-concept phase, by developing a sustainable model for Village Entrepreneurship promotion through integrated ICT techniques and tools for training and capacity building, enterprise advisory services and to provide loans from banks/SHG & federations.
- b. Develop local resources by training a pool of village-level community cadre (CRP EP) and build the capacity of the NRLM and SHG federations to monitor and direct the work of the CRPs-EP.
- c. Help the rural entrepreneurs to access finance for starting their enterprises from the NRLM SHG and federations, the banking systems including the proposed MUDRA bank.

Introduction to the CRP-EP

Under the Start-up Village entrepreneurship Program (SVEP), an enterprise ecosystem to be developed to provide support for entrepreneurial activities for rural poor through entrepreneurial capacity building, skilling, need based finance, facilitation for bank linkage, and continuous support for setting up and running viable village enterprises, using the institutional platform of SHGs and their federations under NRLM

The responsibility for promoting self-employment among Self-Help Group households under the State Rural Livelihood Mission (SRLM) rests with community institutions. However, at present it is difficult for the community network to support the first-generation entrepreneurs given their limited understanding on business management. To cover this gap, the SHG federations shall engage with the Community Resource Person for Enterprise Promotion (as individuals or a group of individuals) CRP-Eps to provide technical support to the Block Resource Centre for enterprise promotion being set up under SVEP.

CRP-EP development strategy

In the blocks adopted under SVEP, SRLM and BRCs will select a pool of local resources from the block. Understanding of the principle of self-help groups/community organisations and mutual co-operation will be required for appointing CRP-Eps. Community Resource Person for Enterprise promotion (CRP-EP) would require to undergo several stages of residential and non-residential trainings, exposure visits, certification, monitoring and evaluation. These trainings will be provided by the SRLM through PIA in that block.

CRP-EPs are individuals trained in Business Management to support the first generation entrepreneurs starting from assessing the skills which an entrepreneur have to start an enterprise from idea generation of a potential business to ground the business and further helping in smooth running of the business. CRP-EPs have the capacity to do a viability check for the business and foresee what factors can affect the business in a long run. Based on that, they prepare Business Plan thus reflecting on the point of break-even of the business and also track the performance of the business in the subsequent month after set up. They also help the entrepreneurs in getting financial support through different institutions and also establish market linkages for the business as per the requirement of the business. The reason of selecting them from the community is because of their understanding of the community, culture and geography of the place. Also, it achieves the objective of SVEP of local economic development by generating employment opportunities for the rural youth. Against all the services provided by the CRP-EPs, they receive honorarium on task basis.

Learning from previous similar experiences with SRLMs, it has been observed that over a period of the project CRP-Eps tend to work efficiently as a group. Therefore, the CRP-EP should be encouraged to form a group and operate as a single entity from beginning of the operations. This is beneficial to both the entrepreneurs and the CRP-Eps as they can take the

benefit of different CRP-Eps having different skill sets and expertise areas in offering hand-holding support to the entrepreneurs.

Operational Area

The geographical operation area of CRP-EP group will be defined by the BRC. Ideally, it should be within a geographical spread of approximately 5-8km from the CRP-Ep place of residence to facilitate easy travel and support to the enterprises and also to benefit from the knowledge of the local geography, consumption patterns etc. of the CRP-EP.

A CRP-EP should be:

- Age between 21 to 45 (Preference will be given to married)
- Minimum 10th pass
- Written and oral communication ability
- Familiar in basic mathematics
- Comfortable to travel - anywhere in the block. (Should have health condition too).
- Ready for mingle with all types of people
- Ready for participation in residential training for 7-8 days continuously. It will be in a frequency of 2 or 3 in a month.
- Good communication skill
- Support from family members
- Ready to spend time between training and after training for learning the process, paper work, assignment work , technical knowledge etc.
- Positive attitude.
- Better those who are active with CBO, who have business experience / knowledge /any other field work experience.
- Ready to work with in TEAM.
- Must be a member of SHG

Formation of CRP-EP Group and their Activities

Each CRP-EP group should function according to certain legal criteria as mentioned below:

- **Partnership Deed:** The CRP-EP group shall function as a partnership firm. The partnership deed may be prepared by the CRP-EP group by referring the example of the partnership deed provided in Annexure .
- **Bye-Law of CRP-EP Group:** The bye-law is document detailing the daily activities and internal activities to be conducted by the CRPs-EP. This may be prepared by the CRP-EP group with reference to the Bye-Law example provided in Annexure .

- **Affiliation:** Each CRP-EP group is required to be approved by the SRLM. The affiliation may be done at the district level. The group is required to submit the details of each member in the prescribed format along with details like registered partnership deed and bye-law and bank account details. The District Mission Management Unit of the SRLM is required to verify the submitted details of the CRP-EP group and the District Mission Director is to provide a letter of affiliation. All financial transactions of the group must be from this approved bank account. In case of transfer of bank account, the CRP-EP group is required to notify the same with the necessary documents within 7 days of such activity.

Subsistence Allowance

Subsistence Allowance (amount in Rs.)				
CRP EP Work year	Subsistence Allowance	Travel Allowance	Communication Allowance	Total
Year 1	1800	500	200	2500
Year 2	1300	500	200	2000
Year 3	500	500	200	1200
Year 4	500	500	200	1200

Note: - BRC-EP needs to devise a working mechanism so that none of the CRPs-EP consistently depend upon the subsistence allowance. A monthly performance review of CRPs-EP should be conducted regularly and for underperforming CRPs-EP the subsistence allowance can be reduced by Rs. 1000 per month. The performance review should be conducted on parameters decided by SRLM and PIA/NRO. Moreover, BEPC is encouraged to discontinue any allowance to CRPs-EP who continues to underperform in a quarter. The CRPs-EP should be paid subsistence allowance or task-based honorarium whichever is higher on monthly basis/ or a defined periodic basis.

Service charges for CRP-EP

- Most of the services to be provided by CRPs-EP will not require travel outside the block. There may be some activities like start-up support and market linkage which may require travel outside the block.

- o In special cases where skill, PIP trainings, exposure visits etc. are to be undertaken outside block, CRP-EP group should get prior approval from BRC-MC. Respective honorarium can be claimed by the CRP-EP. For activities outside district, Travel Allowance has to be given to CRP-EP as per guideline of SRLM.
- The CRP-EP group shall issue a receipt of fees paid by entrepreneurs against services availed by them. The receipt of the same should be maintained at BRC-EP.
- The charges to be paid from project, and by entrepreneur, for each service provided by the CRP-EP group to entrepreneurs under SVEP is provided in Table 1 of this Annexure.
- The activities that can be included under Start-up support for enterprises with the concerned service charges to be paid are provided in Table 2 of this Annexure.
- The activities that can be included under Market Linkage for enterprises with the concerned service charges to be paid are provided in Table 3 of this Annexure.

Table 1 : CRP-EP service charges

These figures are based on assumed per diem of Rs 300 within the block, Rs 150 transport allowance for travelling to block HQ and Rs 250 transport allowance for travelling outside the block HQ

Activities	Location of work	Batch size	Days	Fee to be paid		Expected output	Documents to be submitted
				Project	Entrepreneur		
SHG orientation	Local	15-20	0.5	150	0	Completion of orientation	Orientation report
VO orientation	Local	10-15	0.5	150	0	Completion of orientation	Orientation report
Triggering meeting to identify entrepreneurs	Local	20	0.5	150	0	Identification of actual entrepreneur	Orientation report
Training to VO subcommittee/Executive committee	Local	15	1	300	0	Completion of training	Training report
Training to CLF	Local	1	1	300	0	Completion of training	Training report
Training to BRC-MC members	Block	All BEPC members	2	600	0	Completion of training	Training report
GOT	Local	20	1	300	0	Completion of orientation	Orientation report
Soft skill training	Local	20	2	600	0	Completion of training	Training report
Viability study/check of enterprise/ enterprise idea	Local	1	1	300	0	Completion of viability check in prescribed format	Report of viability check/diagnostic study

Activities	Location of work	Batch size	Days	Fee to be paid		Expected output	Documents to be submitted
				Project	Entrepreneur		
Preparation of business plan	Local	1	1.5	350	100	Preparation of business plan in pre- scribed format	50% of fee (from SVEP fund) to be paid at the time of submission of business plan; rest to be paid after submission of One Time Format (OTF)
EDP	Local	30	2	600	0	Completion of training; minimum 50% attendance from total batch size mentioned	Training report
Performance improvement training (as per requirement of entrepreneurs)	Local	20	3	900	0	Preparation of performance improvement plan and completion of list, minimum 50% attendance from total batch size mentioned	List of entrepreneurs
Loan follow up support	Local	1	1	300	100	Follow up by CRP- EP for Bank loan, to be sanctioned if the Bank loan has been provided	Copy of cheque sanctioned to the Entrepreneur/ Sanction letter provided by the Bank
Support for starting enterprise	Block HQ	1	4	(1900-2200)	(upto 200)	-Refer Table 2-	A letter from Entrepreneur acknowledging the services provided by CRP- EP
Continued support and PTS for first 6 months (1	Local	1	6	1620	180	Timely PTS report/consultation slip	Copy of Financial statements and Consultation slip

Activities	Location of work	Batch size	Days	Fee to be paid		Expected output	Documents to be submitted
				Project	Entrepreneur		
day/month)							
Continued support and PTS for 7 th to 12 th months (0.5 day/month)	Local	1	3	810	180	Timely PTS report/consultation slip	Copy of Financial statements and Consultation slip
Market linkage	Block HQ	1	2	(1350-3750)	(Max. 2% of revenue/sales)	-Refer Table 3-	Report on markets/ activities under market linkage

*An acknowledgement receipt to the entrepreneur in lieu of services provided to them.

Table 2: Support to be provided for starting an enterprise by CRP-EP

S. No.	Activity	Nature of Service	Service Charge to be paid by Project	To be provided by the Entrepreneur
1	Registering enterprises at District Industrial Centre (DIC) - Udyog Aadhar	Complete the required procedures for gaining registration certificate	Rs. 100/ business	Form Fees, Registration Fees, Stamp Paper Fees
2	FSSAI and/or other similar registrations	Providing the necessary support to enterprise until completion of registration	Rs. 250/ business	Form Fees, Registration Fees, Stamp Paper Fees
3	Lab testing of edible items	Submitting the edible items for lab testing. Providing the necessary support until testing is completed. Provide the detailed description of test results after completion of testing.	Rs. 200/ business	Rs. 50/ item
4	Purchase of Machinery	Purchase of machinery. Determine the use of machinery based on the activities conducted.	Within district- Rs.450 Outside district- Rs.600	Actual cost of travel

5	Packing and Labeling	Packing and labeling of items	Rs. 450/ item	Rs. 50/ item
6	Purchase of Raw Materials	Purchase of raw materials at reasonable prices	Within district- Rs.450 Outside district- Rs.600	Actual cost of travel

Table 3: Support to be provided for Market Linkage by CRP-EP

S. No	Activity	Nature of Service	Service Charge	To be provided by the Entrepreneur
1	Taking initiative for conducting market	Organizing/facilitating weekly/Festival/Monthly markets under the guidance of CRP- EP	Rs. 450 for each Weekly Market organized. Minimum 8 SHG member/family-owned enterprise need to be linked to the market. CRP-EP group can claim for 12 weeks support from the initiation of the market. Rs. 600 for each monthly market organized. Minimum 10 SHG member/family-owned enterprise need to be linked to the market. CRP-EP group can claim for 6 months support from the initiation of the market. Rs. 2700 for each festival market. Minimum 20 SHG member/family-owned enterprise need to be linked to the market.	
2	Providing guidance for selling of products	CRP-EP taking initiative to identify sources for availing bulk orders for an enterprise	Rs. 450/ business (on selling of products/services)	Maximum 2% of the total revenue/sales
3	Providing guidance and conducting exhibitions	CRP-EP taking initiatives for increasing sales by providing guidance and/or conducting exhibitions	Within District- Rs. 450/ day per CRP-EP Outside District- Rs. 600/ day per CRP-EP	Maximum 2% of total revenue/sales

Non-negotiable under SVEP:

- Honorarium payment to CRP-EP should be tasked based and in case it cannot be structured as fixed pay.
- There is no provision of individual grant under NRLM, hence entrepreneur is encouraged to start paying partially in the initial stage and fully as their enterprise stabilize and become financially stronger for the CRP-EP support to their individual and group enterprises.

Grievance Redress

All disputes that arise will be resolved amicably. However, in case the issue is not resolved, a redressal committee, comprising members from the FIRST PARTY, concerned CLF / VO and Block Project Coordination and Implementation Unit (BPCIU) will seek to resolve the same. The redress mechanism will be as follows.

Party 1	Party 2	Redress Committee	Final Authority
SECOND PARTY	FIRST PARTY	BPM SVEP, BPM	DPM
SECOND PARTY	CLF	Representative(s) from FIRST PARTY, BPM SVEP	BPM
SECOND PARTY	VO	Representative(s) from FIRST PARTY, CLF Office bearers	BPM-SVEP
SECOND PARTY	SHG	Representative(s) from FIRST PARTY, CLF Office Bearers, VO Office bearers	BPM-SVEP
SECOND PARTY	ENTREPRENEUR	Representative(s) from FIRST PARTY , CLF Office bearers, VO office bearers, SHG Office bearers	BPM-SVEP

