

START-UP VILLAGE ENTREPRENEURSHIP PROGRAMME (SVEP) IS PROPELLING ENTERPRISES IN RURAL AREAS AND BUILDING RURAL ENTREPRENEURS

Relevant for: Indian Economy | Topic: Issues Related to Poverty, Inclusion, Employment & Sustainable Development

Start-Up Village Entrepreneurship Programme (SVEP) is implemented by Deendayal Antyodaya Yojana –National Rural Livelihoods Mission (DAY-NRLM), Ministry of Rural Development, as a sub-scheme since 2016. With an objective to support the rural poor come out of poverty, supporting them setup enterprises and provide support till the enterprises stabilize, SVEP focusses on providing self-employment opportunities with financial assistance and training in business management and soft skills while creating local community cadres for promotion of enterprises.

SVEP addresses three major pillars of rural start-ups namely - finances, incubation and skill ecosystems. Activities under SVEP are strategically designed to promote rural enterprises, one of the key areas is to develop pool of community resource persons – enterprise promotion (CRP-EP) who are local and support entrepreneurs setting-up rural enterprises. Another key area is to promote the block resource center (BRC) in SVEP blocks, to monitor and manage the community resource persons, appraise SVEP loan application and acts as the repository of enterprise related information in the concern block. BRCs play the role to support sustainable revenue model to operate effectively and independently.

During the initial years of implementation, the SVEP focused on mobilizing rural communities to setup and strengthen the institution structures, invest on training and capacity building on business management aspects for the BRC members, created pool of CRP-EPs and provided them intensive training, supported the entrepreneurs to scale up their existing enterprises as well as establish and support the new enterprises.

Over the years the SVEP has made an impressive progress and has extended business support services and capital infusion to 153 blocks of 23 states as of August 2020. Around, 2,000 trained cadre of Community Resource Person-Enterprise Promotion (CRP-EP) are providing services to rural entrepreneurs and as on August 2020, around 100,000 enterprises are supported by them. Entrepreneurship Development Institute of India (EDII), Ahmedabad is the technical support partner of SVEP.

A mid-term review of SVEP which was conducted in September 2019 by Quality Council of India shows about 82% of the sampled entrepreneurs across the blocks reported being from SC, ST and OBC categories which signifies social inclusion - one of the pillars of NRLM. 75% of the enterprises were owned and managed by women and average monthly revenue of enterprises

was Rs.39,000 - Rs.47,800 in case of manufacturing, Rs.41,700 in case of services and Rs.36,000 in case of trading. The study also shows that about 57% of the total household income of the entrepreneurs is through SVEP enterprises.

SVEP promotes both individual and group enterprises, set-up and promote enterprises majorly on manufacturing, trading and service sectors. The program invested largely on building the capacities of the entrepreneurs to run the businesses profitably based on the local demand and eco-system. The CRP-EPs are certified and provides business support services to the entrepreneurs. Investments are also made under SVEP on use of ICT to create standard E-learning modules for minimizing the transmission loss in technical aspects like business plan and profit and loss account preparations.

The response to COVID pandemic

As the country fought the coronavirus pandemic (Covid-19), women SHGs of DAY-NRLM stepped up as effective frontline responders and reached the last mile ensuring an immediate relief to the rural communities and the most vulnerable population. These SHG women shouldered the responsibilities of the situation and emerged as a strong task force in producing several quality products like masks, protective gear kits, sanitizers and hand wash across the country. Products were procured and distributed by the local administration to various stakeholders. While addressing the need, these SHG rural women entrepreneurs set up an example of themselves and earned an additional income.

As on August 14, 2020, around 318,413 SHG members are involved in the manufacturing of face masks, protective kits and sanitizing products. Women SHG members in 29 states have produced around 23.07 crore face masks, 1.02 lakh litres of hand wash and over 4.79 lakh litres of sanitizer resulting in an estimated business turnover of Rs.903 crore. While most of the businesses in the country were at halt during the lockdown, these rural women made an estimated additional income of around Rs.29,000 each.

Face masks produced by these women SHGs have been the most successful product during the Covid-19 lockdown period involving 2.96 lakh SHG members (59 thousand SHGs) which has produced 23.37 crore face masks in almost 150 days generating an estimated business volume of Rs.357 crore and are being supplied to masses through government procurement.

Some of the women SHGs were involved in running community kitchens, serving cooked meals to over 5.72 crore vulnerable community members.

Initiatives by women entrepreneurs from few states are mentioned below:

Ms. Sharda Devi: Bihar

Sh. Dileep Kumar an entrepreneur from Khajawati village of Atiya Panchayat from Bodhgaya block started his business of readymade clothes (kids clothes, pajamas etc.) manufacturing in 2018. His wife Ms. Sharda Devi, a member of Ram SHG, Anand village organization under Ekta CLF, made news as she made a record of producing 18,565 masks in just 30 days. The production was possible as she bought a specialized stitching machine set (along with ancillary units) through funding support worth Rs.50,000 from BRC (SVEP), Bodhgaya. Another loan of Rs.60,000 was received by Dileep and their own equity of the business was Rs.1.28 lakh.

Her masks were sold to district administration and different government departments at a comparatively higher price. The sales figure touched Rs.3.71 lakh in just 30 days out of which she kept at least Rs.1.68 lakh as the margin in the business. She is grateful to BRC, Bodhgaya team for coming forward to her from a future possible business disaster. The business turnover FY 2019-20 stands at Rs.6.50 lakh and it earned a profit of Rs.1.80 lakh in FY 2018-19.

Ms. Bhagyashri Londhe: Maharashtra

Ms. Bhagyashri Londhe, joined Jijawu SHG in Jahanpur village, Barshi Taluka in 2014, where she got opportunity to participate, learn and discuss various social issues. Bhagyashri formed Sakhi Mahila Gram Sangh (VO) which helped her to get exposure of higher order training inputs. Initially she promoted small business like Jijawumasala, papad and pickles.

Bhagyashri got a loan of Rs.45,000 as CEF from SVEP BRC Barshi in May, 2016 and used locally available organic raw materials so that on one hand the cost of production could be minimized and on the other to provide the local flavor to the customers. She participated in the Mahalaxmi Saras 2019-2020, Mumbai where she earned a revenue of Rs.5 lakh in just 10 days and a profit of Rs.1.50 lakh.

She didn't stop there, she got a vehicle under Aajeevika Grameen Express Yojana (AGEY is sub-scheme of DAY-NRLM to promote rural connectivity from the village to the nearest towns) to scale up her business and market the products to the nearby towns. Scale of operations increased and the unit started production of 60 kgs of masala and 300 packets of pickles per day providing a return of Rs.45,000 per month. During the COVID-19 lockdown, she took the opportunity to sell vegetables and other grocery directly from the farmers to the customers at their door steps.

The drive to learn more to run her business, helped Bhagyashri to complete her 10th standard from Yashwant Rao Maharashtra Open University and this happened after she got an exposure from UMED-DAY-NRLM. She received various trainings as Krishi Sakhi, Business Development Training etc. from NRLM and sorghum processing, FOSTAC trainings from Krishi Vigyan Kendra Solapur. Bhagyashri as entrepreneur have learned the art of doing business and her enterprise Jijawau Graha Udoyg engages more women workers and they plans to launch new products,

buy more machines, find new market avenues to expand their business.

Ms. Poonam: Uttar Pradesh

Coming from a very humble origin, Ms. Poonam has made headway to overcome her financial problems and societal taboos to earn the title of the “Best Performing CRP-EP” of Najibabad block of Uttar Pradesh. She joined her journey as a SHG member and her desire to be independent and support others motivated her to join as CRP-EP under SVEP. She got married to a private school teacher after completing her B.Ed. She was restricted to household chores only after marriage, but she could manage to come out and join SHG which changed the outlook and provided opportunity to be independent. Samuh Sakhi of the SHG introduced Poonam to SVEP Program and her passion to become an entrepreneur grabbed the attention. After passing her exams, she went through a rigorous 54 day CRP-EP training, where she learned about enterprise promotion in detail and the role it plays to promote sustainable livelihoods.

Poonam narrates: “I couldn’t do much after even being educated. But due to SVEP, I am independent and earning my own livelihoods as well as supporting other to start-up new business. This gives me immense satisfaction.” She supports about 40 enterprises with business plans, monthly consultations, credit and market linkage. Her dedication and zeal to learn has helped her to achieve her dreams and contribute to the successful implementation of the program in the block.

Market plays an important role in SVEP: Haryana

Local market/haat/bazaar operates once or twice a week, on weekends or monthly across the rural India, which serves as an important economic platform where a range of products, like agriculture produce, grains, vegetables, fruits, herbs, poultry produce, essential day-to-day commodities like groceries, fancy items, clothes, utensils, footwear, spices etc. is traded. A typical rural haat is mostly indigenous, flexible and multi layered structure which accommodates the economic activities of various nature. Apart from tapping various festivals, the state mission of Haryana established local haats in SVEP blocks of Pinjore and Gharaunda, to market products of the local entrepreneurs. The district and block units along with the local panchayat played an important role in coordinating with various departments to set up these markets.

Establishing these local markets has motivated SVEP entrepreneurs to take up demand based production, advertise their enterprise and increase earning opportunities. In both the blocks, these markets have been very effective in introducing new products like handicrafts, home-made pickles, masala powders, jute products and woolen products and so on. SVEP entrepreneurs from about 200 enterprises sold their products in 8 rural markets established in 2 block of Haryana, generating a revenue of Rs.6.31 lakhs.

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