



EXPLORING NON-FARM IN THE NORTH EAST

28th June- 30th June, 2022
A comprehensive report of the 3-day workshop



Aajeevika
National Rural Livelihoods Mission
Government of India



Kudumbashree
Kerala State Poverty Eradication Mission
Government of Kerala

Kudumbashree-National Resource Organisation

Design & Layout
Communiqué Advertising & Media

EXPLORING NON-FARM IN THE NORTH EAST

28th June- 30th June, 2022

A comprehensive report of the 3-day workshop



Aajeevika
National Rural Livelihoods Mission
Government of India



Kudumbashree
Kerala State Poverty Eradication Mission
Government of Kerala

Kudumbashree-National Resource Organisation

TABLE OF CONTENTS

Abbreviations.....	5
Executive Summary.....	7
Inaugural Ceremony and Objective of Workshop.....	9
Technical Session 1- Non-Farm Intervention in the North East.....	12
Technical Session 2: Strategizing Micro Enterprise Development and support to existing enterprises.....	18
Technical Session 3: Panel Discussion on Mapping Credit and Market Linkages.....	23
Technical Session 4: Understanding Community Demands- Sharing of Experiences.....	31
Technical Session 5: Developing Community Ownership and their Capacity Development.....	36
Technical Session 6: Envisioning Local Economic Development for Livelihood Promotion.....	41
Entrepreneurs Discussion.....	45
Key Insights from the Workshop by all SRLMs.....	48
Discussions with NRLM.....	54
Vision of NRLM regarding Non Farm interventions in the North East- Possibilities, Prerogatives and Policy.....	54
Conclusion.....	57
Book Launch.....	58
Vote of Thanks.....	59

Abbreviations

AAP	Annual Action Plan
AGEY	Aajeevika Grameen Express Yojana
BEPC	Block Enterprise Promotion Committee
BDS	Block Development Society
BLF	Block Level Federation
BMMU	Block Mission Management Unit
BRC	Block Resource Centre
CBO	Community Based Organizations
CEF	Community Enterprise Fund
CIF	Community Investment Fund
CLF	Cluster Level Federation
CRP-EP	Community Resource Person for Enterprise Promotion
CRISIL	Credit Rating Information Services of India Limited
DoNER	The Department of Development of North Eastern Region
DPM	District Project Manager
FBE	Food Based Enterprise
FI	Financial Institution
GPDP	Gram Panchayat Development Planning
IB-CB	Institution Building-Capacity Building
MED	Micro Enterprise Development
NRLM	National Rural Livelihood Mission
NEHHDC	North Eastern Handicrafts & Handlooms Development Corporation Limited
NRO	National Resource Organisation
OSF	One Stop Facility
PIA	Project Implementation Agency
PTS	Performance Tracking System
PMFME	Pradan Mantri Formalization of Micro food processing Enterprises
RSETI	Rural Self Employment Training Institute
SHG	Self Help Group
SIRD	State Institute of Rural Development
SPM	State Project Manager State Project Manage
SeSTA	Seven Sisters Development Assistance
SFURTI	Scheme of Fund for Regeneration of Traditional Industries
VO	Village Organization
WDS	Ward Development Society

EXPLORING NON-FARM IN THE NORTH EAST

Executive Summary

North-East India represents a diverse and complex geographical, political, and administrative region of the country. This region comprises of eight states - Assam, Arunachal Pradesh, Manipur, Meghalaya, Mizoram, Manipur, Nagaland, Sikkim and Tripura. The population consists of tribal communities with traditional governance system over large areas as well as various minority communities.

NRLM, in their vision for extension over the next 5 years, has planned out extensive engagement in the non-Farm sector because of its pool of resources. This also offers a platform for Kudumbashree NRO to engage, experience and contribute towards sustainable livelihood opportunities in a holistic way.

Kudumbashree NRO proposed to host a workshop to share the knowledge resources it has developed while working in different partner states and has gathered the experiences of SRLMs of Northeast of working in non-Farm so far. The workshop was expected to act as a platform to learn, discuss and ideate on the larger requirements under the Non-Farm Sector in the Northeast region.

The workshop saw participation from senior dignitaries from NRLM, SRLMs, other organizations, NRP professionals and entrepreneurs to express and share their ideas, opinions, challenges and suggestions towards the Non Farm sector in the region. The dias was also an opportunity for Kudumbashree NRO to promote its Book Launch and promote products from social entrepreneurs from the region in the form of an Exhibition.

The workshop was divided into three days, wherein comprehensive session plans were shared during each day.

Day 1 consisted of discussions on introduction of non-farm interventions in the NE, strategizing on these interventions to support micro-enterprises, discussions on credit linkages and experiences of certain SRLMs.

Day 2 saw various discussions to understand the community's demands and how to develop community ownership and the vision for livelihood promotion in the region.

On Day 3, a brief summary of the previous 2 days were shared and all SRLMs were given a chance to share their insights from the workshop. The session also held a discussion by NRLM dignitaries to discuss about the possible prospects in the area.

The workshop was successful in planting the idea, 'It is important to work together to achieve something bigger.' in everyone with hopes of taking learnings, opportunities and practices at their level in their home states.

EXPLORING NON FARM IN THE NORTH EAST

NATIONAL WORKSHOP ON NON FARM
ENTREPRENEURSHIP IN THE NORTH EAST



EXPLORING NON- FARM IN THE NORTH EAST

28th July, Tuesday, 2022

Day 1

The session started with how North East as a region is bestowed with the spectacular gifts of nature, heritage and culture which provides an ever-expanding scope for the SRLMs to develop. Due to its natural and cultural diversity, tourism is one key aspect where North East India is potentially growing in.

This influx of tourists has paved way for providing opportunities to local people/communities in getting a source of livelihood not only in the said sector but other non-farm sectors which have found its way as a topic of discussion in this workshop.

Although the idea of Non-Farm is fairly new in the North East, there are various sectors like Handloom, Handicrafts, Tourism that have been becoming more prevalent which reflects a rich heritage of each community's individuality and presence.

Even though there is a vast range of policies working towards various livelihood missions and domains, the objectives are really difficult to attain because, North East has a unique nature of ever-evolving and is ever-changing. It becomes challenging for Govt and other organizations to overcome these diversity dynamic changes.

Based on different experiences with different regions, the workshop aimed to explore and understand the need for a customized plan for each state to explore the potential, opportunities, challenges and interventions of each sector for a community or a person to empower them.

Inaugural Ceremony and Objective of Workshop

The sessions started with a warm welcome to SRLM representatives from all states, expert agencies, and other stakeholders by Dibyajyoti Gogoi, State Project Coordinator - Assam, Kudumbashree NRO, on behalf of the organization. He also introduced Kudumbashree NRO to the guests, by putting up its history and the work done by the NRO.



Kudumbashree – the movement that has enabled millions of women in Kerala to chart a new course of life is an amalgam of stories – of struggles; of tears of joy and sorrow, and of victories small and big. The movement itself is a story, one that so far has only been told in parts.

The work done by Kudumbashree NRO is based on the experiences of Kudumbashree, the State Poverty Eradication Mission of Kerala. Starting from the Micro-Enterprise Consultant (MEC) project in 6 States to supporting 15 States under Start-Up Village Entrepreneurship Programme (SVEP) and National Rural Economic Transformation Project (NRETP), the partnership of State Rural Livelihoods Mission (SRLMs) with Kudumbashree NRO has steadily grown. Kudumbashree NRO's mandate is to work on two domains:

- *PRI – CBO Convergence Domain works with women's community networks and helps them to work with Panchayat Raj Institutions.*
- *Enterprises Domain supports the local economic development through community-based enterprises and livelihood interventions.*

The guests from different regions were made aware on why Non Farm as a sector, is important in the North-East.

The Scope of NRLM and Micro-Enterprise Development has increased in the area due to the pool of resources it has, in terms of nature and culture. And so this workshop would be a perfect opportunity for sharing experiences and Cross-Learning from various states and to create a platform to ideate and discuss issues, challenges and suggestions with different SRLMs and other organizations in the Non-Farm.

Inaugural Address by Ms. PI Sreevidya IAS, Executive Director, Kudumbashree, State Poverty Eradication Mission, Government of Kerala

After this, the Inaugural Address was given by Ms. PI Sreevidya IAS who was thankful to all SRLMS and external agencies who despite rain and unfavourable weather conditions spared their time and managed to make it to the workshop.

She stressed on the fact that, based on different experiences with different regions, there is a need for a customized plan for each state to explore the potential, opportunities and scope of tourism, handloom and other Non-Farm sectors, so that the community members can earn a decent livelihood.

Followed by this, the workshop continued with the 'Lighting of Lamp' by Ms. Beena Mahesan, Ms. Maya Sasidharan, Mentor Core Group Members, Kudumbashree NRO and by Ms. Tulika Gogoi who is a food service entrepreneur from Assam.



Context Setting of Workshop by Mr. Prasanth MP, Programme Manager, Enterprises, Kudumbashree NRO

Micro-enterprise and community level development always require convergence with local institutions. There is a need for using learnings of pilot programme's to move forward in the sector. It's always necessary to try and collaborate wherever possible.

A whole overview of the 3-day workshop was shared by Mr. Prashant, along with the plan for each session with a total of 6 technical sessions. The objectives of each theme by different organizations was voiced, which could include sharing experiences, interventions, experiences, promoting enterprises, different concepts, panel discussions, initiatives, observations, remarks from representatives from each NE state as well as Kudumbashree NRO, followed by a Question Answer/ Discussion after each session.



Followed by this, **Mr. Sajith Sukumaran, Chief Operating Officer, Kudumbashree NRO** shared his thoughts and views on the scope of North East. The domains in the region are really difficult to succeed because, North East has a unique nature of ever-evolving and so it can get really challenging for organizations to work in the North East, because the standardized programme doesn't fit for the east.

There comes a limitation, when it comes to capacity building and banking systems due to the regions' geography, distance travelled and uneven rural populations, but somehow the best all India programme comes out from the North East. The models from the East are an example for others to study.



For requirements in the state to be worked on, things need to be looked upon with respect to implementation, community challenges, learning and unlearning practices and comparison between each plans. To achieve this, there needs to be an exchange of ideas.

Technical Session 1 - Non-Farm Intervention in the North East

The non-farm sector is increasingly playing an important role in the development of rural areas of India. NRLM in their vision for extension over the next five years has planned out extensive engagement in the non farm sector. Under non farm, SRLMs through their community based organization are working on many alternative sources of livelihood other than the farm, to generate meaningful employment for the most marginalized.

The session, Non-Farm Interventions in North-East India focuses on the current non-farm interventions being implemented in the states, with a special focus on promoting enterprises based on tourism and handloom.

1.1. Context setting on Non-Farm, Rural Tourism and Handloom and hand-craft based interventions by Mr.Pallabh Goswami, SPM, Non Farm, Assam SRLM

Mr.Pallabh discussed the various scope of interventions under Non-Farm Livelihoods. He shared about various activities, convergence with other departments, interventions and Case Studies of best practices to have evolved from interventions.

It was found that the main focus of Assam SRLM is on Handloom and Handicraft sectors which includes - eri silk, wood craft, water hyacinth, cane and bamboo, jewellery products etc. There are various projects which has engaged communities in further Non Farm Sectors like: LED making, sanitary pad making, promotion of home stays, terracotta works, incense making, tamul plate and paper making to name a few.

There has been support from various organizations such as NEDFi to promote these enterprises.

When initiating a project, it is really important to look at the economics of the business which involves calculations because the income sometimes comes in Paises. For a business to flourish, it needs to be calculated carefully. It has often happened that after 4-5 months of the running of business in terms of making tamul plates, the intervention has gone in losses.

Kirana Stores and Vegetable Trading are two business types that have topped the charts in terms of number of enterprises.

Trading has incurred more incomes within the processes of Manufacturing, Services and Trading.

Interventions:

Some of the successful interventions in the state are AGEY and PMFME with a total of 300 and 4314 beneficiaries respectively. Apart from this, the LED/ACDC Bulb making project, Water Hyacinth Value Chain Project and Handloom Value Chain Project have proved to be fruitful in the state.

Case Study: Munmi Deoraja for Water Hyacinth Value Chain Project

In the month of September 2017, Munmi Deoraja attended an awareness programme organized by NEDFi under Assam SRLM. On attending the said programme, she was deeply intrigued by the idea that such beautiful products can be produced from Water Hyacinth, which otherwise had never been perceived as a resource. The market

opportunities and the demand for Water Hyacinth products globally also caught her eye. Munmi Deoraja mentions that there is a good demand for products like ladies bag, tiffin bag, file covers and have successfully delivered orders from across the country, Delhi and Mumbai amongst others. She has also proudly represented the products at Saras Melas held annually in Delhi and other places. She receives bulk orders in a regular basis.

KEY INSIGHTS:

- Looking at the total calculations before a business and after starting a business is really important.
- There is a lot of scope for business enterprises to start from the local resources available.
- Kirana, Vegetable trading are major leading areas of Non-farm in Assam.

1.2. Perspectives in Non-Farm Interventions by Mr .Tiasenba Longchak, SPM, Nagaland SRLM

Non-Farm interventions in Nagaland has fairly been new. Nearly 248 enterprises have entered in the enterprise model within 11 districts of the state.

The state has been focusing on E-commerce stores through platforms like GeM, iLando, Amazon, Flipkart.

Some Interventions:

Apart from AGEY and PMFME, there have been an initiation of other projects under FSSAI in convergence with Dept.of H & FW and SVEP who are undergoing the transition project and are awaiting further instructions of the same.

Challenges:

Few challenges include high attrition of CRP-EPs/ staff . There is a major issue of losing CRP-Eps, which ultimately gives rise to losing interest among the staff, resulting in unsustainability of the enterprise.

Along with this, MED initial investment has been too high for state and hence falling back to the initial cost of investment has been a problem.

Lack of quality control of Processed Food product hinders continuous monitoring and evaluation, hence its hard to keep up with the quality.

And lastly, there is a requirement of National Resource Person (NRP) who have expertise of working in NE.

Ways of Strengthening Mechanisms for better functioning:

After pandemic, loan repayment has been weak and so recurring loan drives need to be conducted routinely. Involving the CRP-EPs continuously as resource persons in the training can inculcate a sense of a 'savings culture' in entrepreneurs, along with other topics.

Also, actively involving the BLF Sub-committee in each stages of SVEP cycle and setting up quarterly targets can not only help in creating a support system but also initiate monitoring and evaluation.

Case Study: Seyieneizo and SVEP

Seyieneizo from Phesama village of Kohima had been working in a car accessories shop for 5 years with a monthly salary of Rs. 5000. He dreamt of owning a car accessories

shop and due to financial problems, his dream was just a myth until SVEP came and financed him Rs.80,000/- and also sharpened him with Business skills in 2018.

Today he has a shop of his dreams located at Phesama, where he is making a net profit of Rs.17,000-25,000 per month.

Beside this, he is now giving employment opportunity to a local in his shop.

KEY INSIGHTS:

- After pandemic, loan repayment has been weak and so routine Loan Drives can help in eliminating this issue.
- Setting up quarterly targets can be fruitful for CRP-Eps.
- Initiation of Online Stores to promote and enhance marketing of products has been the focus for Nagaland SRLM.

1.3. Understanding Tourism Sector as Non- Farm by Ms. Sweta Karki , Deputy Program Manager- Non Farm, Sikkim SRLM

Tourism has been a main focus for Sikkim, as it is a place to explore natural beauty, culture and Heritage. The state boasts a site of pilgrimage as well as adventure. Tourism in Sikkim started in 2012 and has been on an increase. 2016,17,18 had peaked in Tourism after which the state saw a decline due to Covid, with the sector going into 500-700 crores of loss.

The major domains where SSRLM is concerned:

SHGs and Entrepreneurs have come up and promoted homestays and they are a major enterprise building in Sikkim and nearly 448 homestays have been started. Apart from this, nearly 900 Fast Food Restaurants and Canteens are run by SHGs - who make local cuisines like Momos and Thukpa, Sel Roti.

Organic Farming/Organic Products have been promoted in the state as imported products were banned. This has added to an advantage for Sikkim and its people as it garnered the name of 'Organic State' in 2016.

Since Tourism is a main domain, marketing outlets have involved the local people into souvenir making which consists of Khukris, bags, incense sticks and other traditional items. This again has helped to built small enterprises in the state.

All of this SHG products have given rise to sales in an online platform 'Swayam Sikkim' which is an online platform - <https://swayamsikkim.com/>

which has promoted products ranging from handicrafts, textiles, food products, beverages etc.

Scope of integration through CBO structure:

The WDS and BDS has been involving tourists to put their feedback and hold discussions for better systematic organizations and improvement. This gives confidence and an opportunity to do better to the rural women.

Constant meeting are conducted by related departments which are attended by WDS and BDS leaders for relay of information to the community directly.

The state also wants to replicate institutional canteens of other states for more systematic organization.

Key Challenges:

- Natural calamities have put Tourism on hold due to bad road conditions and difficult terrain. Sikkim now sees 6 months of tourism due to weather conditions, which accounts to half a year where the people aren't able to get employed.
- Transportation has been difficult due to weather conditions, hence, it becomes difficult to connect and transfer goods and raw materials.
- The pandemic has incurred heavy loss on the tourism industry.
- Lack of Bank Setups have led to interruptions in credit linkages.

Case Study: Teek Maya Gurung- 29 years old Sahara Self Help Group

She joined Sahara SHG under Sikkim Rural Livelihood Mission in 2016 after which she took a CIF loan of Rs. 90,000/- and established a 5- bedded homestay.

First year, she earned a profit of Rs. 1 lakh and gradually repaid her SHG loan and within the next year saw a good profit, through which she was able to buy tourist vehicle. She currently employs four persons to help her run the homestay and has a future Plan of getting another vehicle and expanding her homestay.

KEY INSIGHTS:

- Promotion of the 'Swayam Sikkim' is one of the thriving interventions to market traditional food items and handicrafts.
- Bank Setups can help to attain bank loans smoothly.

1.4. Focus on Hand loom and Handicraft based Intervention by Brig. Rajiv Singh , Managing Director, NEHDC

The Vision of NEHDC serves as a simple purpose of drawing parity to the artisans of North East India. The key focus is to promote the online world and encourage and capacitate artisans to sell online.

Some Interventions:

The website: <https://nehdc.com/> has been put to more light and the necessary changes have been compiled together to convert it into a resource centre which can be easily accessed to everybody.

Launch of Mobile App is on its way so as to easily access it on the mobile phones, where artisans can upload their products, information and promote it easily and directly on the app.



<https://purbashree.com/> is a GoI Enterprise to promote handloom, textiles, apparels, as well as handicrafts. Within 6 months of putting the website together, the enterprise saw vast sales in the month of March'22.

'Purbashree on Wheels' is another initiative to take the market to the people. These are mobile showrooms taken to places where the market is.

One key observation is that there is a serious requirement of market intelligence. understanding the market, market research, identifying potential customers, designing plans for promotion needs to be focused on, so as to not only better the sales but in fact empower communities through this. The main question to be asked is - What is the product? Why is it being made?

Hence, MoUs with prestigious institutions like IIM Shillong, NIFT, NIDJ, NECTAR have been signed to collaborate, partner, ideate and better understand the existing challenges.

Skill Development Training Centre have been established- Purbagyanam in Guwahati to enhance skills of people.

MoU with Etsy - An online platform which joins the buyer and seller directly.

Challenges, Scope and Solutions:

- Market in NE is supply driven instead of market Driven. And so to overcome this, it is key to identify the market trends through seminars, trend spotters, workshops, market intelligence, trend forecasting. - VISION NXT Programme.
- NEHDC wants to replicate the concept of CRAFT Villages- Empowering handicraft makers and help them to gain an identity as a national asset, where 12 villages have been identified to convert them along with support from SRLM.
- Handloom Sector - as highest handlooms in the country. 90% weaver households depend on local market - the market is looking inwards which does not help the market to grow and hence other issues come out which is consumed locally.
- There is a need for items to be GI tagged apart from only Muga Silk.
- The outcome conveys that the hard work done by local artisans come to only 5000 Rupees- which is very less for one household. (Why are we unable to change this?)

New Projects Sanctioned-

- Eri Silk Spinning mill encourages the use of new innovation technology for time and efficiency.
- Focus on Project on market development by way of Digitization, Authentication and Traceability in handloom sector of North Eastern States.

DIGITILIZATION OF HANDLOOM WEAVING -

The technology which in combination of tamper proof labeling and IOT Device will help in assessing the authenticity of each product and trace the product journey along the supply chain

Weave Sense and Weave Project- are 2 innovations which senses the details of handloom product, the artisan, the process and each of them have a unique identity. This helps to bridge the gap between seller and buyer and can put a sense of getting to know the journey of a handloom product.

ASTHALAXMI HAAT - Promotion of Haats to showcase the work by all NE states in Handlooms, Food, Agro, Handicrafts.

Areas of Convergence: Formulation of a Handloom Export Policy to protect its rights and setting up of Integrated Handloom Export Hubs and organize Handloom Heritage Weeks in all states.

To implement SFURTI projects and collaborate for GIS mapping of handloom clusters

KEY INSIGHTS:

- There is a need to understand Market Intelligence very carefully so as to have a sustainable growth.
- Its important to understand that there are different requirements for different tastes.
- Need to be sensitized with 'Handloom Protection Act' to addresses piracy so as to protect Authenticity and detect Traceability in any handloom product.
- Social Responsibility needs to be incurred when buying a handloom or traditional product.

(The discussion after the Technical Session 1 did not take place due to time constraints)



Technical Session 2: Strategizing Micro Enterprise Development and support to existing enterprises

Income generating activities and livelihood interventions, especially in the Nonfarm sector within the North Eastern Region have certain advantages and disadvantages, some of which are common across the states. The pros include an abundance of resources, and better community ownership and engagement, especially among women as compared to other parts of India, etc. The cons include difficult terrain and access to mobility along with a lower population for consumption within the local market, etc. This session shall look into the existing body of learnings in the creation and support of micro-enterprises. Various aspects of this process such as identification of potential, setting up, continuous hand holding, overcoming challenges etc shall be discussed within the session.

2.1. Context Setting by Mr. Sankar Das, Assistant General Manager, NAB-ARD

The session stressed and encouraged others to understand what actually is an Enterprise- It is one who can measure future risks in current/present times. The differentiation between Micro enterprises, economic enterprises was also drawn.

To think about Sustainability is crucial. The question of how to think of a support ends (from an organization) is very important.

Role of Banks play a pivotal role in Micro Finance and there is need of Synergy which is essential for cash inflow. Entrepreneurs and banks can help understand each other better and there is room for more flexibility- for banks to assess loans when this happens.

NABARD Support-

The following areas are some, where NABARD has given their support. They are:

MEDP- support to community, NGOs which is skill based which is for both farm and non-farm sectors

Focus on LEDP- Skill Development has been focused on, through the website: <https://www.nabskillnabard.org/> - which provides training to - tailoring, dress designing while also moving towards new skill sets- plumbing, electrical repairing, IT sector.

Community based Programmes are - Tribal Development Programmes in various districts which include Non Farm - OFPO

There has been support and focus on promoting Rural Haat and Rural Mart for the last 3 years and it has been extended to 1 more year.

The Zila Parishad counts in Applications for opening an enterprise with the applicant having a requirement of possessing only land to start an enterprise.

KEY INSIGHTS:

- There is a need for synergy between the banks and the entrepreneur for the market to flow inwards and outwards.
- A micro enterprise should be able to measure risks in the future.

2.2. Opportunities and Scope for Development of Micro Enterprises in North Eastern Region, Mr. Laldinthara Sena, SMM, Non-Farm, Mizoram SRLM

Opportunities in the Non-Farm sector in Mizoram is usually identified in Vegetable Food trading, Shops, Tea stalls, Handloom and Handicraft, Food Processing and Tourism.

There have been many households, which have started nano-enterprises in the rural areas of Mizoram.

Some Interventions:

AGEY was introduced where auto rickshaws and other vehicles to travel and transport were promoted.

Apart from this, SVEP, SFURTI, PFMFE were initiated.



Community Based Enterprises consist of:

Fruit Juice Processing units which is being managed by VO, RTS Technology from Central Food Technological Research Institute (CFTRI), Mysore used for processing. Apart from this, Arecanut Sheath Molding has come into the picture where it pays - Rs 1 to 1.5/ plate - which is a secondary source of income, as it is too less to be made into a primary source.

Certain examples:

- Kimkim SHG under Thingsulthliah BMMU stitched 2244 aprons for Aganwadi Workers worth Rs. 5.6 lakhs under convergence with Women and Child Development.
- Internal Tourism is much prevalent in the state which has given rise to Tourist Lodges leased by 3 VOs by Tourism Dept., and if needed could be leased to SHGs.

Mr. Sena expresses that the vision of these enterprises is to reach Aizawl and then later outside the state.

Potentials Identified:

It was found that there is a lot of scope in Food Based Processing Enterprise to promote ginger and passion fruits. Along with this, there is a potential in Apparel Manufacturing Enterprise with plan of tailoring same school uniforms and promoting Handloom & Handicrafts Production Enterprise

Challenges:

- Geographical conditions, hilly topography has led to difficulties in transportation.
- Season is main factor for markets to flourish, and it is usually rainy in the state.
- Low population densities in the state leads to low demand which induces towards a lack of proper market.
- Raw materials usually cost high and so competition at the market is at risk as the final product costs higher.
- Even though there are enterprises, growth is very difficult because as the market is filled with the same kind of products.

KEY INSIGHTS:

- The growth in market is very difficult, as it is filled with the same kind of products.
- Without a proper market, products are not being able to be promoted.
- Nano-enterprises have come up from the households of the people.
- A proper Advisory should be there so as to identify and ideate problems. Demand side generation needs prioritization with specific advisory.

2.3. Supporting Existing Enterprises and role of Handholding, Ms. Moitreyee Nandi, Thematic Anchor, Kudumbashree NRO

This session stressed on how “Growth” of an enterprise can be measured.

Introducing new products, increase in operations, employment generation can all lead to growth of an enterprise.

The session asked pertinent questions as to if it is possible for all of these businesses to grow all at once? If the market is full, growth is very difficult because, the market is filled with the same kind of products.

And so, if 3/5 enterprises are already there, there is no scope for it to grow.

There are two main processes through which we can select an enterprise to grow. They are:

Quantitative Process- Before selecting an enterprise, it is very important to study the scope of a market. There are certain areas that need to be looked in after which the process starts with: Shortlisting, Listing, Assessment of finance, determining the skill set and willingness of the entrepreneur to grow.

Qualitative Process- This process includes developing a thorough understanding of the patterns of livelihood of the community, the scope of business promotion based on geographical location and value addition to products. It is crucial to look at Credit and market linkages available along with availability of Human and institutional support.

For all businesses to flourish, one main thing required is handholding.

Role of Handholding

Handholding Support to existing enterprises: can help enterprises to function better by marking all checklists along its way. Some of the components that can help this is through:

- Tracking- Constant monitoring in village level or SHG level is essential to understand where the performance of an enterprise is.
- Performance improvement plans can help plan the change to be brought in.
- Training and Capacity Building is important to survive hurdles in the way.
- A need for smooth flow of forward and backward linkages in Credit.
- Value Addition and Branding can help in fetching more money. This can be customizable to different goods.

KEY INSIGHTS:

- Introducing new products, increase in operations, employment generation can all lead to growth of an enterprise..
- Before selecting an enterprise, it is very important to study scope of a market.

2.4. Interventions in the Food Sector by Ms. Sritama Rana, Thematic Anchor, Kudumbashree NRO

In 2018, food was found to be a suitable sector for enterprising, as it is an easy to start business, where women can be brought into entrepreneurship because of their production skillset.

Challenges

- An appropriate market for women to access had been difficult, which led to inability to successfully utilize business opportunities.
- Lack of support systems for Food Based Enterprise (FBE) in terms of skill sets leads to less drawing of customers.
- Food has been found as a dynamic sector. Keeping skills upgraded was difficult by women.
- Continuous handholding required along with with continuous Monitoring to meet the market demand and compete with other enterprises.

How to build a sustainable Ecosystem for FBEs:

- Convergence and networking with Government and Private institutions, agencies, schemes for opportunities can prove to be fruitful in developing safety net for the entrepreneurs.
- Identification of Knowledge and resource partners can help to look at things from a new perspective and can help provide better skills.
- It has become very difficult to compete with the open market and so establishing policies and strategies can help better planning in the future.
- Development of community ownership gives entrepreneurs a space to hold their brand for sustainability. To always ask the question- How can we strengthen this? And support our entrepreneurs? is very crucial.

KEY INSIGHTS:

- Community Ownership is key in strengthening sustainability.
- Knowledge Partnerships can help capacitate entrepreneurs to survive challenges midway and can boost promotion.

QUESTION/ANSWER DISCUSSION

A suggestion came up in the discussion:

In rural marts, apart from SHG products, there should be other products like Food based products as they have a good scope. Sustainability becomes difficult when its only SHG product.

Q. What is the most support required for entrepreneurs to tackle the challenges ground?

A. Availability of raw materials is important. Public demand can't be met if there are no raw materials and hence need to be bought from outside. If a logistical support is given, it can be helpful. Apart from this, there is very less support on marketing.

Teams are not available for proper marketing.



Technical Session 3: Panel Discussion on Mapping Credit and Market Linkages

Explorations in the aspects of credit and market from the standpoint of community as well as the SRLMs, are essential to understand the dynamics of development. In the context of North-eastern region of India, challenges related to these aspects are further magnified because of the topography, demography and other geographical attributes. A cursory overview of the CIF Utilization data of most of the North-Eastern states shows that around 80% of the credit is spent on Poultry, Piggery and Fishery. Yet, these pursuits are unable to become part of sustainable income generation activities of the community. Rather, they become a risk factor for further impoverishment with the burden of repayment of credit.

In addition to credit, linkages to the market are also impacted by the tough terrain and scant as well as time taking connectivity to market. The geographical isolation combined with a scarce population result into a small market which renders the otherwise tried and tested models of livelihood obsolete in this situation. In such a situation, the concept of market and its dynamics can be relooked and reimagined for north-eastern region.

3.1. Context Setting on Credit and Market by Mr. Sibi R, Assistant General Manager, SIDBI

The session saw the importance of Credit to start and run an enterprise. Market linkages are important to take care of credit - If there is no selling, there is no repaying. The availability of a Market is seen as the repayment of initial investment.

Scope of Artisans to promote the Market:

Artisans have options of promoting their products in Melas and involving middlemen in the picture. The online world like Amazon and other platform can also be looked as an option to deliver and market the items.

Thing to keep in mind before selling a product:

- Display and show is very important for a product to sell.
- GST Registration is essential- This can be done with the help of a CA and also add to financial advisory
- Training B.com graduates to act as a CA and help people as they charge a nominal fee compared to CA.
- To set up these, small support systems are required to capacitate and train the youth.

SIDBI Support :

Prayas - Micro Credit

Prayas is an initiative to control in-cash flow within the systems. It is a direct intervention in livelihood space through financial & non-financial partner institutions. Aimed at creating better credit culture and building good credit score among micro borrowers, it also controls credit risk management.

Market Linkage- Swavalamban Hunarbaaz with ASRLM

This project aims to build the capacity and handhold artisans for onboarding / sale of their products to organizations / end users directly on digital platform. It also aims to create a globally recognized sustainable demand for Indian Artisan goods at profitable competitive rates through E- commerce stores.

KEY INSIGHTS:

- Portfolio quality is to be always maintained.
- Under MUDRA, borrowers can avail business loans ranging from Rs. 50,000 to Rs. 10 lakh.
- Improving social standards through support from govt and local administration to strengthen it is important.
- The duty of local administration is to be efficient. Until and unless their duties are not shared, there won't be an employment generation.
- Teamwork between all stakeholders can support systems and make these systems more sustainable.

3.2. Livelihood and Financial Inclusion by Mr. Dulan Boruah, Regional Manager (Operations), CRISIL

Mr. Dulan stressed on the importance of Financial Management for a sustainability of an enterprise.

He paved a simple example that the conversion of Rs 200 to Rs 500 is entrepreneurship. And if it's the other way round it is a failure.

He also brought to table that North East as a region is not difficult but different. With the correct approach, a lot can be done, especially when it is done with innovation and conviction.

CRISIL's main Focus lies in Financial management and financial awareness. All the unclaimed money in banks is used by RBI to educate people of banking systems.

Centre for Financial Literacy (CFL) has adopted a mix of face-to-face discussions with, small and large group formats for driving outreach, keeping in mind the rural demographics. Virtual and digital platforms like Audio/Visual Training, Awareness camps, walk- in counselling, flipbook based trainings are used for wider dissemination as well as leveraging existing groups and platforms at community levels, like SHGs, women groups, youth. At present, 298 Centre of Financial Literacy are set up.

Role of CFL in FM for Sustainable Livelihood:

- Universal Access to Financial Services: Easy and hassle-free digital process and processes should be geared towards a less-paper ecosystem.
- Providing basic bouquet of Financial Services: Every adult who is willing and eligible needs to be provided with a basic bouquet of financial services that include a Basic Savings Bank Deposit Account, credit, a micro life and non-life insurance product, a pension product and a suitable investment product.
- Access to Livelihood and Skill Development: The new entrant to the financial system, if eligible and willing to undergo any livelihood/ skill development programme, may be given the relevant information about the ongoing Government livelihood programmes thus helping them to augment their skills

and engage in meaningful economic activity and improve income generation.

- Financial Literacy and Education: Easy to understand financial literacy modules with specific target audience orientation (e.g. children, young adults, women, new workers/ entrepreneurs, family person, about to retire, retired etc. in the forms of Audio-Video/ booklets shall be made available for understanding the product and processes involved. It is also expected that these modules would help the new entrants.
- Customer Protection and Grievance Redressal: Customers shall be made aware of the resources available for resolution of their grievances. About storing and sharing of customer's biometric and demographic data, adequate safeguards need to be ensured to protect the customer's Right to Privacy

Challenges :

Partnerships with Technical partners for knowledge, skills, design, technology are present, but there are times funds are not managed. Sometimes, the community still feel banks are inaccessible. People fear banks. These barriers need to be broken in the mind.

KEY INSIGHTS:

- A right kind of approach can help in curating a design that suits the enterprise.
- Financial Literacy in the community is key in a successful business running.
- Platforms like audio/visual training, awareness camps, walk- in Counselling, Flipbook based trainings are used for wider dissemination as well as leveraging existing groups and platforms at community levels.

3.3. Explorations into the Market- Linkages, Bottlenecks and Interventions by Mr. Ramu Eluri, Director (Rural and SHG Commerce), Kalgudi

Mr. Ramu stressed on the importance of different requirements of a market for it to flourish. For this, it is important to look at the kind of market there is for the products.

Different markets have different requirements and they answer different questions:

In Urban Markets- customers ask questions relevant to where the products are made, where it is coming from, what is the process. There might be a sense of consciousness of using the product where they feel they are also supporting entrepreneurs from the rural community.

Overseas Market- Here customers directly look into the feasibility, authenticity and where it is actually coming from.

Meanwhile local markets or rural markets are concerned with products in their vicinity. The people look into the availability of the needed products.

There is a channel which is required to reach the other markets and that is through digital marketing or the online world. The online market broadens the view of market globally.

This is expected to be a trillion dollar opportunity. This can be seen by SHGs connecting to institutional buyers, SHGs connecting to consumers, SHGs connecting directly to overseas and SHGs connecting to other SHGs where these other SHGs may have different requirements in terms of raw materials.

But it is often noticed that the SHG groups don't participate in Digital Marketing. There are several reasons for this. Some of them are:

- Inventory Model - the production, borrowing and investment capacity of SHGs falls less and so it takes a long time to actually get the process started. Sometimes, the waiting moment in the online world is so much that instead the local market is lost.
- Understanding the right angle and dimensions of product image is important. To know how to click a picture, how to onboard the products is essential.
- To get registration of products is crucial for it to be sellable. The information of registering a product is not there.
- Packaging- Sometimes, the kind of packaging done, is not sellable in online platforms. The quality is not up to the mark. This is because there is lack of information to get better quality packaging material which induces extra investment
- Returns & Cash on Delivery- there are fears from past experiences as it has happened that the client has returned a product different from the delivered one and this has incurred a heavy loss.
- Sometimes the delivery takes a long time for the product to reach to the buyer and so by the time it reaches, the buyer tends to return it, which again pulls to a loss.
- Order acceptance by sellers wasn't there and so it can be said that there is a lack of motivation or information when it comes to using technology.
- There is a need for Seller Support - The ranking system from online platforms goes down due to consumer behaviour and so the sellers products fall far behind in the web pages.
- Supply Chain for Last Mile Delivery is difficult because of lack of persons responsible for delivery in remote areas. This is also because of vast distances that are difficult to overcome.
- Certification of a product is often missing, which leads to inauthenticity.

How can support be provided?

It is important to understand that SHGs are Makers and not Marketers. They need a Marketing support.

Some of Kalgudi's e-commerce solution by which SHGs can be supported and can be encouraged to sell online are by Network Management - where creating a network to connect one SHG to the other can help in driving an entire ecosystem and activities for the SHGs. Profiling and segregating the products is also essential.

Product Onboarding should all be about story telling about the product and the maker This also means standardizing the product and putting product information and its traceability.

Promoting their own brand in line with the current trends and various social media channels can open a link.

Customer support through feedback systems and logistics can help not only in providing support but in building the brand through their networks.

KEY INSIGHTS:

- Standardization of products/ Packaging is very important while selling a product.
- Thinking of how do we better backward and forward linkages is key.
- We need to keep in mind that SHGs are Makers and not Marketers, who need Support. They are not good marketers, hence it is important to accept that there needs some handholding till some extent.

3.4. Experiences of the community and Institutional platforms (SRLMs) in the North-East- A look into the Credit and Market scenario in Manipur by Ms. Atom Bijaya Devi, District Coordinator, Manipur SRLM

Like other states in the North East, non farm has also been new in Manipur.

MSRLM is entering all 16 districts with CIF disbursed to SHGs. CIFs are mostly utilized in Farm Livelihood activities such as Poultry, Piggery and Vegetable Plantation like mushroom cultivation etc. Few Non-Farm Livelihood activities like weaving, grocery stores are also funded by the same.

Handloom is one major sector, where the Non-Farm focus is on, as most of the people are engaged in weaving traditional garments.

Market Scenario:

The market in the state is very constricted and fairly exists out of the state, because the demand for traditional items is very less. Also, raw materials have become scarce, which has led to bringing in materials from other state, which falls expensive, hence it becomes difficult to produce it.



The concept of Tourism Based Market is new to the people and will take time for them to accept it.

There was an example that came up, where a traditional Chadar was sold through Facebook. On receiving the product, the customer returned it, because the color did not seem upto the mark. Ultimately, the seller went into a loss. So, it is important to understand that negative past experiences also hinder the market to grow.

Vision for Non-farm in Manipur:

- To develop proper market both online and offline which is easily accessible to the rural people. This is in terms of producing Raniphi Handloom items which consists only in Traditional Market of Manipur because the demand is less.
- To implement SVEP in all districts and blocks.
- To bring in MED in 3 blocks along with ICICI and NABARD
- Artisan Cluster Promotion and One Stop Facility Centre, facilitating the entrepreneurs are yet to be proposed in the state.
- To develop a proper training and incubation centre to facilitate training for Entrepreneurship, branding and packaging, market survey, etc.
- Performance Tracking System - to monitor and evaluate the entire process to keep performance in check.

Through this, the intervention plans in the state are: to introduce SARAS fairs, support Rural Homestays and ultimately support Rural Tourism, bring in rural marts and Haats to market traditional handloom and handicraft items by NABARD.

Apart from this, Manipur SRLM has also shared a SWOT Analysis for them to understand where they lie.

SWOT Analysis

Strength- Human resources and a new market

Weakness- Poor infrastructure, transportation. There is only production where there is a demand. Customization of products are there, but the cost is high. SHGs incur loss, when a product is returned, when the buyer needs are not met.

Opportunities - increasing interest in traditional items, tourism. There are different support programs in plan.

Threats- inflation, increasing competitions are all threats to the market. Also, branding costs are high. If the brand is not there, the quality is not up to the mark in the market.

KEY INSIGHTS:

- The focus is entirely on Handloom and there is a plan to promote Rural Tourism in the state.
- Incubation Centres and One Stop Facility Centre will help in facilitating entrepreneurs and provide them with the necessary training.

QUESTION ANSWER/ DISCUSSIONS

(Asked to Mr. Sibi)

R. What are the experiences in terms of bank Linkages and Market Linkages when it comes to SHGs?

S.

A. Honestly, in recent years only it has become accessible but before that it was difficult.

Banks are coming up and are engaged in SHG applications on particular days for them.

Support from banks has led to achieving 1 lakh targets. Bank linkage portal is good in terms of Assam. They are getting and accessing the credits and have achieved more than 100% target.

There are challenges in regards with the MUDRA loan as it is quite new. Bank Linkages are about to saturate. Utilization of loan is very less in non farm sector which is only 2%. The focus on this will be more in the future.

(Asked by Mr. Nabam Tubin)

Q. In Arunachal Pradesh, SHGs were reluctant to take the loans but now it has pumped up. Why has there been a delay in disbursement of loans?

A. I admit that there is a delay, but these delay depends on institutions. Sometimes, there are a lot issues with documentation, like spelling mistakes in name, decrease of manpower etc. There are issue with pockets and the best thing to do here is to take the issue to the lead bank.

But the system is bound to change and will improve certainly.

(Answered by Mr. Dulan Baruah)

Q. Is there something we can do for entrepreneur applications to move towards the bank? Again, why is there a delay when it comes to entrepreneurial applications?

A. Remote parts are not equipped well, with only a very few employers working in the bank. The documentation part becomes weak. There are spelling errors in names which are different for Aadhar or PAN card. Most of the applicants often face these issues.

The only solution to do this training and capacity building of youth and others so they can educate their family members with the information.

An important point that came up during the discussion which also summarized the entire discussion:

How long can we go on in this approach, where there is a delay in payment to SHGs? We need to think of sustainability

A new market avenue is e-market. We need to understand the market is at a 'footfall'. There is a need to transfer this into the community and it all depends on how we are walking through the entire process and how we are handholding them. It depends on how involved we are with the community and making them understand about the business.

After the discussion and all the sessions of Day 1, a summary was shared concluding all the sessions of the day. This was led by Ms. Ruchi, NRP.

Summary by Ms. Ruchi, National Resource Person, NRLM

Through these discussions there have been pertinent issues that have come up which relates to each state. Although the understanding and knowledge around Non Farm is fairly new, but all the states sharing their issues, challenges and successes has been motivating and has given an opportunity to learn about their practices and what they are doing differently.

There are critical challenges regarding credit and market linkages and understanding market demand is critical to take the business to the next level. All of this points towards the need for innovation and innovative approach to handle credit issues in NE states.



Exploring Non-Farm in the North East

29 July, 2022

Day 2

Technical Session 4: Understanding Community Demands- Sharing of Experiences

Every state has its own line departments and institutions through which different government schemes, policies, investment, and support is provided to strengthen the rural economy and livelihood base of the rural communities. For the North eastern states, special services and arrangements have also been done by institutions and agencies. It is observed that these departments have been working in the North eastern states within their self-developed structures. Although the initiatives and efforts taken by each body effectively address the issue of poverty alleviation, there is a need to optimize efforts through inter-sectional approaches. The convergence of different departments will not only ensure the proper delivery and completion of the task, but the larger vision of rural development will fulfil the ultimate objective of benefiting the beneficiaries in all ways. Additionally, this will be a way forward for sustainability where the community will have to take up efforts for its own self-development by following the footprints laid down during the implementation and continuation of the project.

4.1. Context Setting by Ms. Harshita Jha, State Project Coordinator, Assam, Convergence Domain, Kudumbashree NRO

Ms. Harshita talked about the Village Reduction Poverty Plan and how it is a comprehensive and inclusive plan for SHGs to accelerate maximum participation in order to reduce poverty in rural areas. It also acts as a bridge between Panchayati Raj institutions and SHG network for development.

They also sensitize the rural population about the various schemes covered by various departments.

They Enhance the role of SHG network in local governance process and promotes active citizenship.

Under these schemes, acquiring health card, ration card, job card are addressed and these steps are formulated for the SHGs. Other than that, there are Livelihood plans that are created that revolves around animal husbandry, agriculture, empowerment, skill development etc.

Why Livelihood plan as a component of VPRP?

One of the major aim of GPDP is to enhance economic development in their local area. Demanding a decent livelihood is an entitlement of the community and so upgrading their skills in the existing livelihood falls under these plans. This support that they seek from various departments is to start or upscale farming or any other livelihood.

The MoPR and MoRD mandates the participation of line departments in local GPDP Planning and the presence of Line Departments in Gram Sabha should be there along with the SHG network as:

EXPLORING NON-FARM IN THE NORTH EAST

- It is a mandate in local GDP planning
- It ensures greater reach and avoids duplication of efforts.
- Increased capability of CBOs to demand entitlements through improving the awareness of SHG network
- Departments can provide knowledge revolving around schemes and how to get about it.

This departmental convergence will bring in: Sensitization of schemes being offered to SHG members.

Materialization of Community Demands, Communities will be equipped to work with various departmental institutions, tap local resources to begin livelihood opportunities. This will bring PRIs and Departments together too.

Some Strategies for Convergence-

To hold joint stakeholder meetings at block and district level to discuss about plans to ensure segregation of demands and schemes that can be further worked upon efficiently.

One stop mela/convergence camps can be beneficial- Beneficiaries can fill out applications to collaborate and bring in all line depts & others together.

Unity in unit convergence will lead to discussions around how VPRP can align with SRLMs to provide support with whatever resources they have.

Thematic integration for Achievement of community demands within SRLM.

KEY INSIGHTS:

- Convergence with line departments will bring knowledge as well as efficiency in the entire process
- Demanding a decent livelihood is an entitlement of the community and so upgrading their skills by VPRP is key.

4.2. Convergence with various Government Departments-by Ms. Fidelia Kharbangar, Project Executive Meghalaya SRLS

MSRLS presented about their convergence with almost 12 institutions and the benefits reaped by the SHGs. This include, training SHG members, innovation technology, training entrepreneurs, having infrastructure and field support etc. to support SHG's in empowering themselves.

Experience Sharing:

Having shared Values and similar Goals is significant: As together we share our challenges and come with common plan and strategies. By working in convergence, it helps to access knowledge and resources (Financial and Man Power) to reach more target Groups/ Beneficiaries in the same



project area in various aspect: Capacity Building / Training / Financial Assistance etc. It has helped MSRLS enhance its staff as well as planning and implementation performance and credibility in working with the Communities in implementation of Economically viable projects at the Nano and Micro Level.

Preparation of the Joint Plans at the Block/ District/State Level has omitted the gap – be it overlapping of targets or duplicity of the targets and helped re-direct the resources to the Beneficiaries in a more efficient manner : E.g.: Capacity & Training funds maybe met from NRLM AAP, Infrastructure and installation of equipment's and machineries from the Dept/ Agencies.

Networking at all Levels is the Key: State/ District/ Block/Village: At all levels the Mission Management Unit have linked the Staffs to coordinate and there's timely monitoring and review of activities jointly

Scope for convergence for future:

- Enhancing quality in the end product which can only be done through better implementation with NECTAR
- Seeking technical support
- Promoting eco-tourism along with the department of Tourism
- Promoting zero interest loans with PRIME Hub
- Collaboration to develop a training module and a design catalogue with NIFT

KEY INSIGHTS:

- MSRLS has been able to achieve quite a lot only due to convergence with various departments.
- Networking in all level is key for timely monitoring.
- It is found that, there is some sort of credibility with line departments, hence they are more economically viable.

4.3. Integration of Non-Farm with Community demands by Ms.Rousy K Baruah, SPM for Social Mobilization and Institution Building and Capacity Building, Assam SRLM

Non Farm is an important sector for Rural Development and the advantages gained from it are various. Some of them are Learning new skills, Optimum resource utilization, Creation of Employment opportunities etc.

After years of experiences with the community, it comes to understanding what the community requires and what are the demands that need to be fulfilled.

The few questions that come out of thinking about Community Demands is

How can we tap infrastructures for greater production or manufacture?



How can we absorb a larger workforce?

How can we integrate VPRP into GDPD?

Finding- Many community members who first worked in Agriculture fell helpless and resorted to other Non-Farm sectors when the pandemic hit, or in times of floods or natural calamities. This led them to leave this form of livelihood and shift to open small enterprises.

The main aim or objective through Integration is to provide:

Optimum manufacturing- Value addition is higher if the workforce is higher.

Optimum service - if youth is given services like capacity building, skill building and training, they can surely add to a lot. This can be done by increased investment in rural area.

Value Additions are necessary for better marketing and promotions and ultimately create employment opportunities for youth and SHG members - who are vulnerable and have a weaker place.

Community Demands have come up in terms of developing Micro enterprise has in VPRP plans. There needs to be sensitized planning in Non Farm which needs to be worked upon in alignment with GDPD.

Few Challenges that have come up are weak infrastructure at rural area in regards with electricity.

The Quality of Manpower has a tendency to decrease. To tackle this, continuous Community Building is essential as many are illiterate and unaware.

Forward and Backward Linkages have to be the focal point to make Quantity produced Quality.

Scope and opportunities include Capacity building of youth, better planning, CSC Transformation to be enlarged and capacitated and transformation of worldview and hind sight.

KEY INSIGHTS:

- Capacity Building and Training is key in working in alignment with community demands.
- A larger workforce can have a lot of impact for the community's demands to be successful.
- We have to cater NF and F and collaborate them to function better.
- These demands through VPRP should be integrated through GDPD and line dept.

Question/Answer Discussion

(To Ms. Rousy asked by Moitreyee Nandi)

Q. What has been the process of converting demands into successful implementation. Was there a support in doing so? Are there monitoring systems for these?

A. Value Addition comes under Non Farm Packaging, branding comes under Non Farm and this training is provided to SHGs. The activities are suitable to geography and it is upon them as how they choose to increase productivity

Through cadres, intervention blocks, VOCC does the monitoring part.

If plans are demanded, the community is actively engaged to further take up the action plans.

(To Ms. Fidelia asked by Rashmirekha, Thematic Anchoring & Monitoring, Kudumbashree NRO)

Q. Can you elaborate on the VO outlet mechanism in Meghalaya? Is there any kind of VO offices becomes a retail centre?

A. We receive orders from vendors which are in demands basis and every SHG is involved in transportation of their own products, as it is fairly new. VO offices are recently coming up and there is a plan to put focus on this.



Technical Session 5: Developing Community Ownership and Capacity Development

Given the expectation of non-farm expansion to be organic within the SHG federation its implementation cannot happen in aloof with the SRLM vertical. The Non-farm implementation would require a strategy for building the social & financial capital and ensuring that the institutions are in place to support the entrepreneur at the ground level. Therefore, there is an evident need to understand the different ways in which the non-Farm vertical can integrate with other verticals of SRLM and the impact that it can lead for entrepreneurship development in the state. Given the geography, population, and the close-knit community structure in the North-East India, it is important to discuss the integration aspect more to have an optimum utilization of social & financial resources available in the block. Along with this to make the non-farm intervention successful a critical aspect of capacity building of community and developing their ownership is important.

5.1. Context Setting by Mr. M Chandra Shekhar Rao, Integrator (Operations), SeSTA

Mr. Rao emphasized the focus of livelihood interventions in states of Assam, Tripura, Meghalaya is on capacity building. He put the context for Experiences in the non-farm livelihood sector. For this integration, there needs to be integration of SRLM verticals for statewide interventions.

For any Livelihood Intervention to start it is basic to have the following tools used:

- Resource Mapping and Social mapping at the Village level
- Wealth Ranking- identifying poorest of the poor
- Resource identification through Transect Walk
- FBLP (Family Based Livelihood Planning) to understand the resources available with the groups and what activities they can do.

SeSTA also shared their Livelihood Models for income enhancements with focus on different interventions in the Farm Sector.

In the Farm Sector, Animal husbandry in terms of Goat, Backyard, Pig, Duck Rearing are prevalent. To decrease the mortality rate some standards are to be maintained like hygiene and vaccination and these are usually low cost.

Apart from this, there is Grooming of Community Cadre- Krishi Sakhi and PasuSakhi. Collaboration with Assam SRLM and line departments happen to organize activities like yield estimation, seed treatment and vaccination .

The condition of sties becomes degraded due to seasonal changes, i.e mainly due to rains.

And so SeSTA has partnered with Assam SRLM to conduct discussions in the block and district level. Under this they also worked towards Asset creation which consisted of Backyard poultry shed, wall painting and pond creation.

SeSTA's promotion of NF FPCs at block level includes a 5 year plan in which, every year, the focal point changes, which includes engagement with the community, planning, promotion of producer groups, registration and formation of FPCs, product finalization etc.

Operations of FPC and Challenges:

- Aggregation and Storage becomes a challenge due to lack of infrastructure.
- Since getting electricity is tough, use of traditional processes like sun drying after boiling is prevalent which leads to time constraints.
- Market Linkage can be difficult.
- Grinding and Packaging using rice mills- Branding and Value Addition is still not upto the mark

KEY INSIGHTS:

- Integration of SRLM verticals for statewide interventions can lead to better implementation.
- Holding discussions and asset creation is helpful in empowering the community.

5.2. Demystifying Thematic Integration within SRLM possibilities by Mr. Nabam Tubin, PM- Livelihood and Skills, Arunachal SRLM

The session started with questions to other SRLMs to understand their scenario and conditions when it comes to integration of different verticals in the state.

Are all the verticals functioning in their capacity?

Is there a need for communication?

These are the replies from the following states:

Manipur : It is drastically entering all the districts.

Mostly focusing on IBCB as, livelihood interventions are lagging behind because of lack of staff.

Nagaland: We have all verticals and good manpower. There is a 50-50 integration and there needs to be an upscale.

Meghalaya: An isolation happening - Farm and NF sector coming up - everyone is new to this FI teams - register with many departments,

But there was isolation but now there is an integration.

Verticals are working in Isolation in all NE states which poses as a huge CHALLENGE

When reviewing a plan, it is found that the blocks are not interacting with each other. Even district, state national thematic are not in communication and hence they are working in isolation.

Arunachal SRLM was given all training and help to take forward the mission. As time is passing, the power is not there to send new teams for capacity building

There is limited time to achieve targets due to seasonal issues revolving around Rains.

The practicality of verticals working is getting challenging.

Challenging from banking perspective and communication -- getting the right kind of information is challenging as information doesnt percolate down to the last person.

What can we do?

Communication is key- exchanging reporting systems and interchange of information. It is important to remember that if there is No communication, there is No integration.

Some Interventions:

AGEY- Grant from State gov is interest free and has proved to be fruitful where 300 Vehicles (Passenger & Goods Carrier) are to be provided to the community members through PLF.

A grant of 6 Crore is provided by the State Government, where the majority is Credit Linked., but this also led to some challenges as there was a delay in communication.

Role of Thematic Verticals in implementation process consists of : Resource Mobilization, Proper Orientation, Business plan , CIF support, Loan Submission and CBRM to ensure repayment

Scope of Integration through VPRP is either through individual or group Micro enterprises.

Marketing Support has been provided by NABARD, which is usually mobilized through VO's or the community. This helps in continuous monitoring by VO and has given a good result.

KEY INSIGHTS:

- When we go about integrating, we need to communicate effectively to bridge the gap and not fall towards isolation.

5.3. Developing Community based resource pool by Ms. Arya Raj, Thematic Anchor for Capacity Building, Enterprises, Kudumbashree NRO

The sessions encouraged all SRLMs to ponder on How can each SRLM ensure the community demands can be fulfilled? What can be done in order to fulfill the demands?

To understand this, there is a need to bring in Social Capital, Financial Capital and all Institutions together, so that catering to the Non-Farm Livelihoods gets achievable.

The spokesperson also emphasized on the power of Social Capital. Adequate manpower helps not only in Adequate knowledge dissemination, but also provides an end-to-end support to entrepreneurs. This also develops and strengthens a sense of community ownership, which in turn leads to making of a sustainable intervention.

Social Capital needs to be developed of the Community- the SHGs, VO as they would be able to reach out to other families and form a network. Also, the cadres that need to be placed with the community need to be trained in such a way, that they cater to the requirement of the community effectively and efficiently.

Capacity Building, when empowering and developing a community resource pool is key And so, to do this, capacity building training should be provided. Experimental Learning can help in learning to face real life situations and challenges. Apart from this, there should be an extensive handholding system, as many of the people are not experienced and are usually first timers.

Kudumbashree NRO's approach for building capacity:

- Principle of Adult Learning- The tools used here are more discussion-centric along with activities, games, field leanings.
- Effective Learning tools use IEC material to make it easy to understand concepts.
- Community trainers have initiated chain training from a cadre to the community and involves tools like experience sharing or teaching.
- These resources are available both for communities as well as cadres.

KEY INSIGHTS:

- Without capacity building, it is almost impossible for a community to grow forward and fulfil their requirements.
- Training in both the community level and cadre level can help bring in a lot of change.
- Encouraging manpower is crucial for efficiency.

QUESTION/ANSWER DISCUSSION

(Asked by Ms. Swarnabhar Nari to Mr. Chandra Shekhar Rao, SeSTA)

Q. How is SeSTA moving towards Capacity building? What benefits are there? Can you throw some light on Capacity Building?

A- There were plans made in terms of Documentation, but it would often happen that identification documents would get stuck. So there would be delay due to lack of computer operations.

We had block level and district level from application to approval state to sanction, but lack of skills set and IBS often had struck the process.

Q. When you promote an FPC, don't you think the legalities are too much too handle?

A1- An idea of FPC was noble and to meet those, product finalization had to be done. The major role and challenge of the community comes in packaging.

A2- We involve the FPC from the beginning. With the right kind of staff, involving BOD and youth from family to meet technicalities is the answer.

There are certain online process which can be learnt by the youth, so so to not depend on CA and to prepare them through the process. This will also help in changing the mindset.

(Asked to Mr. Nabam Tubin)

Q. Under the NRLM scheme of things, how will SRLM also look at demand from community point of view. How will the community manage themselves on field and move towards Sustainability? What are the capacities that the community will develop? Is the support required, different?

A. The question to be asked here is how do we make the model to become self sustaining? We have close to 400 community cadres. The answer lies in building capacity to make ownership.

NE regions models that are developed are sold to other states. Where we in the region look to other states, we ourselves don't know whom to learn from. This is something even we are struggling to look at. The community affinity is still there, but there are problems with FPC promotion

A (By Chandra Shekhar Rao)

SeSTA is corroborating with SRLM teams to identify and provide end to end support. There are 17-18 districts, where a lot of handholding can be provided.

Q. Have you developed any strategy for integration on Energy?

A. There hasn't been any. Although, we went about screening community cadres. The vertical-wise development sub committee is lagging.

Q. Why are banks providing loans to SHGs and not to the individual capacities?

(Answered by Mr. Nabam Tubin)

A. As per the RBI circular, bank recognizes SHG as an entity. Assistance is provided only to SHGs and not even VO.

Arun Sri Rin Yojana has been a good initiative where 500 best performing SHGs in the state are given 1 lakh FD for the next 3 yrs wherever they open the account. Banks become more comfortable to giving loans to SHGs.

Q. Multiple numbers of enterprises are coming up with 2-3 yrs of experiences. Is it possible for BDSP to guide them in the future?

A. Yes BDSP will support, whoever has an experience and the cadres have overpowered. There will be a need to capacitate the members.

If we put in the right effort in terms of ME. Then the community gets evaluated, and will be in the same level.



Technical Session 6: Envisioning Local Economic Development for Livelihood Promotion in NE India

A holistic Economic Development of a place or region is possible only when it is done through the micro-level economic activities engaging the marginalized section of the society. It enhances the standard of living of the people, increases the income of the household, provides for improved education, and creates better employment opportunities for the people. Development of a place cannot happen in isolation without taking LED into consideration. Even when we further dissect LED, self-employment or engaging in entrepreneurial activities plays a major role in the entire methodology of achieving LED. Knowing the challenges and context of the North Eastern states it is important for the states to have a vision in this regard. This session will focus on connecting these aspects of the vision building along with the strengthening of capabilities of the region in terms of its human, financial and institutional resources to drive the Local Economic Development.

6.1. Context setting by Mr. Sajith Sukumaran, Chief Operating Officer, Kudumbashree NRO

While understanding local economic development, we need to acknowledge why we bother about local economic development. We work on poverty and livelihoods and therefore we work towards development in the local level.

Increasing percentage of unemployment among youth and decreasing work participation, Covid, reverse migration has caused a distress in management which is problematic. All these factors points towards the need of a program relevant to employment generation locally.

How can we create jobs locally? How can we work towards employable skills? Is it only through skill development? These are questions that need to be asked when we are promoting rural enterprises. And promoting local economic development.

SHGs are put at a lot of pressure to take risks, but these poor SHGs are not capable of replacing the middlemen. Are we trying to create an ideal situation when we talk about replacing middlemen? Are they not also taking risks? Are we aggravating the risks factor when talking about programmes?

Where exactly is the value chain where the profits for the rural women lie?

Can we engage rural women to engage well with the middlemen instead of eliminating them.

Can we think beyond schemes?

What money is flowing in and out of the village?

Where are the areas where we can have an enterprise?

What are the skills that youth need to run a business sustainably and not drop out?

All of these questions were encouraged and put in the hindsight before the next session started.

6.2. Overall Context of Entrepreneurship in North East by Dr.Sriparna Baruah, Director, IIE

Dr. Sriparna had given a context of North East as a region, with its resources, potential and possibilities. Because of which, there is enough awareness and interest as a result of schemes and incentives.

North East India is abundant in bamboo, medicinal plants, agriculture, tea, Eri which leaves a lot of scope for it to develop.

IIE has been working towards Cluster Development through the Regional Resource Centre since 2008. The centre is involved in Identification of MSME Clusters and has provided handholding services, strategic intervention assistance for tangible results. They have also been facilitating developing networks for forward and backward linkages and evaluating and monitoring cluster development programmes and undertaking research/documentation activities on cluster development.

Some of the major ongoing projects include SFURTI with over 25000 beneficiaries, PMVDY which has worked towards value addition of forest products with over 38900 beneficiaries and OIL Jeevika with over 400 beneficiaries.

The interventions taken over are Hard Interventions which include availability of Common Facility Centres (CFCs), Raw Material Bank or Supply for machinery. Soft Interventions focus more on Artisan Training and Branding & packaging.

Some of the Challenges faced are:

There are Time bound projects with limited handholding, and so when the business is initiated, the project is lifted which leads to the community having no support. This results in failures. Lack of market linkages and lack of value addition pulls down the product from reaching its full potential.

Apart from this, there is a need for constant upgradation of skills and the need for bringing in new technology.

These challenges have brought in to think over certain areas of interventions, which are product development, access to credit & market and focus on better technology.

Experiences from 2 cluster projects:

- PYRANGA Eri silk cluster from Kamrup is run by 100% women artisans. Today the cluster has over 300 artisans, where one village has turned from weaving to spinning. Natural dye was also introduced with 30% income enhancement.

The intervention saw challenges like lack of consistency and awareness, outdated designs and lack of BDS providers.

- OIL JEEVIKA is an induced Cluster with over 400 beneficiaries.

Some of the main challenges were a lot of resources was going waste and so there was an assistance given in helping them in packaging and grinding. There was very little market linkage and had suffered a high cost of transportation.



Present Status:

- Handholding for the next 6 months with a sustainability plan is being worked upon.
- There is an ongoing establishment of Common Facility and Business Information Center (CFBIC) which will include a range of machineries covering various needs such as processing, filtering etc. is initiated.
- Oil Jeebika products will be marketed under the brandname 'HARVEST'.

KEY INSIGHTS:

- Handholding till the final point is necessary for businesses to flourish.
- Clusterization has proved to be fruitful in many projects. This can be an example for others to follow through.

6.3. Ecosystem Development in North East for LED by Manoj Kumar Das, MD, NERAMAC & DGM, NEDFi

Many industries have come to NE and the Govt. has initiated plans for industry placement in the region.

The many policies like Look East and Act East policies for development have been initiated but still the youth of the region remain unskilled.

More than 6.6 crore youth and 2-3 % are certified youth are there in the region, but the implementation has not been up to the mark.

The spokesperson asked a pertinent question- How is there an abundance of youth and with improper guidance and skill?

There can be very great interventions that can be planned. There needs to be viability and flexibility of each plan. To tackle this, there is a need to find out what exactly needs to be done with a sincere attempt in implementation of the schemes. At every level, we need a mentoring service to guide and take the lead and take right and informed decisions at every step .

Clusterization cooperatives along with financial support will be helpful in local economic development instead of duplicating efforts and plans.



Question Answer Discussion

(Asked by Partho Jyoti Duarah to Dr.Sriparna Baruah)

Q. I am facing difficulties in getting weavers from the Rabha community. Can I get assistance from weavers?

A- There may be the minority community. Their knowledge and attitude may be difficult to change as there is confidence and trust which is required. The only way to get assistance from the weavers is to form a bond with the community.

(Asked by Mr. Rao to Dr.Sriparna)

Q. What would be the ways of promoting youth to involve them in the process of development?

A. The only way to do is understand the challenges faced by youth. Train them and then give them roles so they can form a network in their own community

Q.The success model may take up years. Can we do something for a shorter period?

(Answered by Dr.Sriparna)

A. It is agreeable that this process may take years, but once the community sees an example of a success story, participation becomes easier, as there is a sense of trust that builds up.

(Asked by Mr. Prasanth to Dr.Sriparna)

Q. The convergence with different departments has been there. What is your learning from these business interventions from your experience?

A- It is really important to break barriers of control held by different NGOs as they work in most of the government projects. All these projects depend on how they are implemented. And so, implementation needs to be constantly evaluated and monitored.

Irrespective of project names, we should be able to open a system to help and support entrepreneurs and then only we would be able to look at rural development in terms of Opening of business and Marketing linkage

(Follow-up question)

Do you draw any conclusion in mentoring from your experience?

A. Mentoring is done to an individual and not cluster groups. When we start counting mentoring clusters, it soon becomes a number game. One needs to be very conscious of these.

(Asked by one of our ground entrepreneurs)

Q. Is there any convergence with SFURTI and Khadi ?

Ans- Yes. There has been from KVAC. There are certain success stories and what matters is the effort in making the lives better for the community.

Entrepreneurs Discussion

This part of the report will deal with understanding the bottom-up approach and what the community actually thinks and what is the on-ground reality from the community's or the entrepreneurs point of view. The discussion was initiated by 3 entrepreneurs. They are: Mr. Arindam Das Gupta, Ms. Lovely Baruah and Ms. TulikaGogoi.

A. Arindam Das Gupta - CEO, Tamul Plate Pvt Ltd, National Resource Person, Non Farm, NRLM

With over 15 years of experience, Tamul Plates have found a way to produce Areca Leaf Plates through 1,00,000 plantations in the NE, which is not only eco-friendly but also, user friendly. They can be used in microwaves and suits the modern lifestyle well.

The business has created a direct employment with Livelihood being the main aim for the entrepreneur.

There is a scope of creating items that are Leaf based, husk based.

From raw material collection to value addition - involving the village in Production was the aim. They kept on procuring and kept on producing- empowering them was pertinent.

Certain **Challenges** along the way were- Lack of infrastructure, bad road connectivity, socio-political issues. It was also very difficult to generate Finance to set up these units. Accessing it was difficult as it took a lot of time, even when there are schemes.

In terms of Market Scenario - Selling is not the problem but Production is.

Solutions

- Upgrading the skills to reach the quality parameters was crucial.
- Persistence and Patience helped in reaching the goal.
- Creating a sustainability chain at a right price and delivering it to production units added an advantage.

Vision and Action Plan

- To create more clusters to accurate production in rurals
- Training and Capacity building
- R&D for better prospects in the future.

B. Ms. Lovely Baruah - Founder, Fitbird

Ms. Lovely Baruah has initiated a business to promote traditional fashion accessories and items and has given an opportunity to the rural women of Tripura to work outside the duties of a home.

Her journey started as a cluster coordinator for designing in Tripura Bamboo Mission where she interacted and worked with grass root level artisans in each district. This helped her understand their point of view.

After some time working with them, the experience conveyed that, the women have skills, resources and scope in bamboo production but there is no Value Addition of these products.

And so ultimately, a plan came up- i.e SKILLING them in the areas needed.

In a few villages there is no bamboo. But there is skill and forwardness to work by

the women and so, the community women have come up with products made from straw, stones, turning it into something unique.

This has found its way to the market under Fitbird, which now has been turned into a Store, Websites and other e-commerce centers.

Ms Lovely shares that the plan is to get into the German market. She also shares a few Challenges along the way:

- Logistical issues
- Accessories are not available in Tripura
- Work culture needs to be changed at every level.

C. Ms. TulikaGogoi- Food Based Enterprise

Joined as an SHG member in 2016 and moving her way up, Ms Tulika started her journey from SRLM and has always had a strong link with Kudumbashree NRO. She is a fine example of how community institutions are in collaboration.

She started various ventures, one of them being Mushroom manufacturing which was a VALUE added product. She represented her enterprise in Indian Food Court. This is where she and her group got the confidence to speak, present and had been made aware of business knowledge.

Challenges-

- Availability of raw materials are seasonal like Bhoot Julokia
- Since demand is more, price is more
- Middlemen connections are not good and at times, they try to take advantage.
- People are concerned with branding and since its a small scale enterprise, it is costly.
- Marketing help is required in promoting products.
- Lack of awareness as big companies are using preservatives. While small scale businesses are organic and there comes a block- the mindset of people are always towards saving money
- Packaging has not been very attractive.

Question/Answer Discussion

(Asked by Mr. Prasanth to Mr. Arindam)

Q. Can you share some experiences and suggest Ms. Tulika on how to acquire raw materials?

A- The key is to be patient and persistent. Raw material sourcing needs to be managed and enlarged

Transportation takes a higher cost. Volume enhancement can help in this.

*There needs to be an intervention when it comes to packing and materials required for it. How can we liason these? Can we do it from CSR or some other departments?
(Suggested by Mr. Ramu Eluri)*

Lot of centralization can be done this way at the SRLM level.- if it can be sourced in bulk and distributed through SHGS and later a packaging set up can be built up.

The market linkages take up time.

When linkages are made, everything will be on the phone- volume will increase and upgrade at every level.

(Asked by Ms. Tulika to Mr. Arindam)

Q. How can we compete with big companies in market?

A. When marketing a product, it is important to see where we are selling. Where is the channel being credited. Can it be sold through word of mouth. We need to figure out ways to not stay in direct competitions with the big companies, because there is always going to be a comparison.

Maybe a trial method can be given a try- for the market to realize that your product is better.

(Asked by Mr. Tubin to Mr. Arindam)

Q. How can we maintain the consistency of quality of sourcing raw materials, as there are various units involved?

A. There is need for training to continue consistency at a deep level, while keeping all process and practical exposure

All activities from collection to production level are repeated and at the end goes through a testing process and are then assessed..

There have been times, when samples have been rejected. There is a whole circle of quality checking and if there is a reject, work goes into it. All the gaps are tried to identified.

To inculcate consistency, seriousness needs to be there towards a project. An attempt to upgrade technical skills is to be made.

Q. How do you address keeping the motivation high of SHGs?

A. Continuous awareness programs need to be held. Attending VO meeting and sensitizing people about future opportunities is key. Before taking up a project, a detailed household survey is done. Looking for urge to work, attitude of women and family is the main criteria, after which they are asked to test the machinery. This determines their training and willingness to work.

KEY INSIGHTS:

- Generally in media, we celebrate successful entrepreneurs- we need to be open about failures- then only we can be successful
- Innovations are talked about very much - but sometimes we are unable to fit into the box. Leave some space for innovation to happen.

Summary by Mr. Arup Ghosh, National Resource Person- Non Farm, NRLM

The sessions throughout the day was concluded by Mr. Arup Ghosh, NRP. He reminded everyone that the Community is at the core of whatsoever we do. Different units have to come together for the project to be economically viable. The line departments need to work closely with SHGs to create a synergy.

There is a lot of work being done, but is integration really happening? To understand this, there is a need for being frank and embrace failure to move forward.

Lastly, he emphasized on the fact that adult learning is all about empathy

EXPLORING NON- FARM IN THE NORTH EAST

30th July, Thursday, 2022

Day 3

Day 3 started with an overview of all the topics and discussions exhibited in the previous 2 days from the inaugural welcome to the technical sessions and the participative discussions that led on for various other topics.

Through Day 3, the objective was to gain key insights from the different SRLMs through learnings, future prospects to create a platform for cross learning. Day 3 was also crucial as to have an open session among NRLM resource persons and all SRLM members to better understand possibilities, problems to perform better in the future so as to put the community at the centre and empower them effectively.

Key Insights from the Workshop by all SRLMs

1. Arunachal SRLM - presented by Mr. Nabam Tubin, PM, Livelihood and Skills

The expectation of Arunachal SRLM was for all the important verticals to be here. Hearing different stakeholders share their challenges and hearing their perspective would be an example for other organizations to learn.

Learnings:

Discussions to hear from entrepreneurs was interesting as it was from a practical approach. Failures are what we learn from and are needed to be successful. This can be done by blending in. A suggestion came up where, all states can be given an invite successful entrepreneurs to share their story, experiences and challenges in Non Farm.

It is important to ensure and take on stakeholders, from the very beginning.



Arunachal SRLM has confessed to learning from others' mistakes in terms with challenges associated with SHGs.

Actionable Outcome

The plan is to accelerate more works to be done towards FBEs. Apart from this, the plan is to enable community level integration at CLF Level and work towards building better Marketing and Sales

Integration with SIDBI can help the state as the area of interest matches when it comes to '*Swavalamban Hunarbaaz*'.

Food for Thought

Customization for SVEP can help in smooth implementation for Non-Farm initiatives. Support is always appreciated, and so a dedicated fund from NRLM structure might be fruitful.

If SIDBI can help in Arunachal, it will be significant as it is a common area of interest: Swalamban Hunarbaaz

There have been technical issues in 3 districts as these are less populated. This has given rise to lack of communication amongst the verticals and so there needs to be a support from important stakeholders in terms of development fund or to set up infrastructure. Some corpus can be given to the community as loan.

2. Assam SRLM- presented by Mr. Indrajeet Das, SPM, Enterprise Promotion

Key Learnings-

The thin line of Farm and Non Farm can be well linked by doing value addition in various aspects for optimum use of resources. We can not separate non farm and Farm and this has to go side by side for it to succeed.

Developing a robust market linkage is pivotal.

Development of community resource cadres for bringing about a change can lead to many possibilities.

Actionable Outcome:

Strengthening of CLFs with a target of 750 CLFs and VPRP can help in measuring the interest of the people so maximum members of SHG can be reached.

Convergence with NEDFi to promote and market products through both offline and online means. To strengthen business management systems, support from BDSP for developing other cadres to give business management trainings will be initiated.

There is also a need for convergence with line departments and NEHHDC, NABARD, SIDBI

Policy Amendment for NF

Turnover Criteria: Relaxation in the annual turnover criteria for programs like OSF, Incubators etc.

Enterprise Product tracking MIS: The investment of more than Rs. 25,000/- actually restricts the entry of potential enterprises who may have started at a lower investment but have grown gradually over the years.

NFOMC: (Non Farm Operations Management Committee) A committee may be formed at all districts even if there is no block with SVEP, OSF for catering the services

of BRC or OSF MC committee. This committee will support NF activities for the district starting from MED to Clusters.

3. Manipur SRLM- presented by Mr. Thokchom Lellel, District Coordinator, Non Farm

Learnings:

Promoting rural tourism by taking cues from Sikkim in promoting homestays has been helpful in contributing to rural development.

Since women in Manipur are engaged in production, they need grooming to upscale/ create Micro Enterprises.

There needs to be a depth analysis with NABARD for rural entrepreneurs.

Actionable Outcome-

An attempt to converge with Line dep. to promote tourism will be put to initiation.

Handloom and Handicraft cluster promotion by partnering with PLAs like NEHHDC and KALGUDI can bring a significant change.

Accelerating Financial institutions to facilitate SHGs to prove loans will bridge a gap of transportation, infrastructure.

Food for thought

When manpower is more, the work done is more. And so, a need for sufficient staff in departments can avoid hindrance in the entire process. Integration of the various Thematic Staff from State to the Field level can be something that can be looked into for smooth implementation. And for this, Capacity building is key for better functioning at grass root level.

4. Meghalaya SRLM- presented by Ms. Fidelia Kharbangar, Project Executive

Learnings-

Market Research is key to plan and be literate with Market intelligence as it is lacking in the state: It should be market driven and not supply driven.

PRIs and Line dept can achieve more when they work together

Thematic integration within the SRLM integration can be prolific.

Actionable Outcome-

To focus more on Expansion and Diversification of the activities/units. This can be achieved by adding new products, services, or features that will appeal to the customers in the new markets; market intelligence. For this, there is a need to ensure access to knowledge systems and resources.

Establishment of raw material banks- Problems in matters relating to the inaccessibility of required raw materials can be eliminated. With the support of various line departments, raw materials can be purchased at a subsidised rate. Facilitating through financial assistance for the purchase of raw material and meeting other costs can be beneficial.

Food for Thought

Payment and remuneration structure can be revised.

Eliminating third parties and free riders as their failure to contribute makes the resource economically infeasible to produce.

5. Mizoram SRLM - presented by Mr. F Laldinthara**Sena, SMM, Non Farm**

Learnings-

No matter what, a support is always needed for existing and new start-ups to minimize business risk.

Convergence of various schemes give synergies. This can be achieved through planning, process and implementation. Apart from this, Thematic Integration is crucial for the missions' success.

Actionable Outcome

To promote NF, the plan is to get in touch with experts with agencies to acquire support in Non Farm for value addition. For ex- CLF model in business planning with IBCB team to ensure sustainability.

A need for convergence with Line Departments is key.

NF initiative in model CLF- business planning with IBCB team to ensure sustainability.

Food for thought

Policy level and guidelines for skill training for Food processing can be worked upon as it has a lot of potential.

To tap resources, a state resource group can come up in the state, which can be from CFL or whatever body that can be effective for the state.

6. Nagaland SRLM- presented by Mr. Tiasenba Longchak, SPM, Non Farm

Learnings:

Taking learning from Arunachal SRLM, integration of all verticals is crucial for an activity to succeed. Leveraging promotion of Sustainable Non-Farm Enterprise by taking external support can be crucial for success. Ex- Taking support from NABARD in terms of infrastructure to give rise to a market platform.

VPRP can be an effective platform for SHGs to move forward in Nagaland.

Actionable Outcome

The focus is going to be on strengthening traditional skills and Value Addition. This also means assisting SHGs to connect directly to local market and global market through e-commerce platforms although offline market seems more practical.

The Sub committees can create an action plan for NF

Policy Changes

In Nagaland, there is no customization for SVEP guidelines. This needs to be worked upon. Apart from this, register CLF cooperatives to include NF activities as part of the action plan could prove to be efficient.

7. Sikkim SRLM- presented by Ms. Bedhna Subba, State Project Manager- Livelihoods

Learnings:

There is a realization that even Sikkim SRLM is working in insolation only to run over targets. The solution is to work on convergence with thematic integration. Without any convergence it is impossible to move forward and promote entrepreneurs and enterprises. To achieve this, a research to find real potential has to be carried out, to find if there viability or not.



Actionable Outcomes:

LED bulb making from ASRLM seems to be a potential area. And so there are plans to initiate this and bring Sikkim SHG members to Assam for learning and implementing it in home state.

The finished product in Sikkim cost high, hence, promote small fulfilment centres in block level can help in controlling pricing.

Apart from this, the focus is also on quality of food products.

Food for Thought

Customization is necessary due to geography or whatever challenges for success of project.

Following this, **Ms. Namita of NIESBUD** shared her views and learnings from the workshop.

After many years of working in the North East, there is a finding that the market is not sales driven. The sales mindset that needs to be there is missing and ultimately, reaching the right kind of market becomes tough. The mindset of the people is in such a way that the entrepreneurs don't understand the right pricing for a product.

The spokesperson gave an example of the traditional gamosa which generally has a price range of Rs. 70- Rs. 800. But in a particular place, the gamosawas being sold for Rs. 2000 due to embroidery.

This shows that, there is clearly a lack of knowledge of putting the product in the right market and lack of market intelligence. The best marketing is mouth to mouth.

A Major Takeaway from the workshop is to always check the practicality and feasibility of a project.

Mr. Arindam Das Gupta, CEO, Tamul Plates Pvt. Ltd, National Resource Person- Non Farm, NRLM

Mr. Arindam spoke from his experience and shared his views on the market.

When we talk about market, we are focusing on institutions- community level institutions. They are dependent on exhibitions which are not sustainable. The idea of online market is global but it is very difficult to manage as it is a different ballgame. It is necessary to bring in market knowledge, design inputs, customer feedback and possibly VA, so that the community can also gain.

There are lot of learnings and opportunities to grow from, but we can't expect margins to be at a higher level when put into a small level.

Professionals and private entrepreneurs can assist a lot in terms of branding. There is a huge focus on institution and structure, so that social development targets as well as financial development targets are met.

Social Development is an important part in meeting local economic development. And so, when we come up with schemes and policies with value chain enterprises, we need to be more flexible in the budgeting part as per the conditions existing in the field.

Adaptation is important. A business has to work in an external environment and so many structures makes it difficult to adapt rapidly to changes.

Mr. Arup Ghosh, National Resource Person, Non Farm- NRLM

Mr. Arup tried to convey the idea of a steady business plan template for other states to try and tweak the process to their needs for a business enterprise to start.

He tried focus on how to bridge the gaps by making these templates available for different entrepreneurs. This could also be an attempt to create a tool and give them confidence.

He planted the idea and seeked to play around with the idea of maybe having a 2 member team for Value addition, or for forecasting how the project will grow in the future.

He further ideated on how Whatsapp or any other communication app as means should be used for creating a network and make diverse connections.

Mr. Ramu Eluri (Rural and SHG Commerce), Kalgudi

Mr. Eluri stressed on the fact that it is in NRLMs capacity to address various issues that all the states are going though.

Although, we are moving towards economic development of rural places along with social development, the states still have come up with challenges in terms of aggregation of raw materials, capacity building, packaging, branding etc. To solve this, the classical way of market approach may not work.

The NRO should try and design some NE specific strategies and plan with respect to market linkages.

Ms. Ruchi RP, National Resource Person- Non Farm, NRLM

Based on experiences, Ms. Ruchi conveys that through opportunity to conduct orientations in the North East, she has discovered about market and credit linkage issues in the region.

As North East begins to venture on Non Farm through SVEP frameworks- the guidelines need to be customized at the state level.

There is low demand of products owing to low populations in NE but we often forget that the local market is important too. A cluster level approach is vital in achieving viability.

Since many of the enterprises face a challenge with aggregating raw materials, the possibility for bulk procurement of things in terms of resources, packaging material can be looked into.

Convergence with Energy departments and other departments may bring in a lot of potential by building a strong support system.

Discussions with NRLM

Vision of NRLM regarding Non Farm interventions in the North East- Possibilities, Prerogatives and Policy

After the respected professionals shared their opinions and suggestions on what can be done further, an interactive session was initiated on the Vision of NRLM regarding Non Farm interventions in the North East. The session aimed at covering Possibilities, Prerogatives and Policies with respect to North East.

This was led by Mr. Raminder S. Rekhi, Non Farm Consultant, NRLM

India as a diverse nation has to work towards its issues keeping in mind plenty of flexibility in its guidelines. There is a need for states to modify policy changes and be open about possibilities that can be facilitated.

North East as a region is unique because of scattered population, large distances. The presence of exploitation of resources in terms of commercialism and other things are the reason why the centralized policies may not work. And so, Mr. Rekhi requested all SRLMs to write to the centre for their states customization in a way that suits their mechanism of work.

The entire concept of SVEPs and other policies aim to meet local needs and boost local consumption.

Instead of using one cost norm for funds, the states should be allowed to calculate and plan and ultimately make a detailed report. This diagnostic approach can later be sent to the centre asking for funds.

He further adds: The probability of opening enterprises is limited. The potential or basic supply becomes limited. Hence, we have to look at trading to places which have got larger consumption . This focus needs to be changed.

QUESTION/ ANSWER DISCUSSIONS, SUGGESTIONS:

The question answer session was led by a senior dignitary from NRLM, **Mr. Raminder Singh Rekhi** and saw participation from **Dr. Rakesh Shrivastava, Chief Operating Officer, Arunachal Pradesh SRLM** and **Mr. Rollan Lotha, Chief Operating Officer, Livelihoods and Skills, Nagaland SRLM.**



This was an open discussion in which National Resource Persons from NRLM such as Ms. Ruchi, Mr. Arup and Mr. Arindam and other SRLMs, and external agencies joined in to talk

over various issues that have been prevalent in their state or in the system as a whole.

Q. When you talk about customization, what are the customization you feel that is needed?

(Answered by Mr. Rekhi)

A. Customization in terms of technical expertise can come through. We need to see if things can be channelized. And for this, a platform is also required. The NRPs are there but we require the agency also for assistance.

Agencies like these are few and non consistent the region. North East has been a place of market failure for years. The size of market potential is low. We can build this by bringing in people from SRLM and look into it locally or district wise.

(Answered by Mr. Lotha)

A. There needs to be interface training and capacity building by NRPs in the state of Nagaland. Even the existing CRP- Ep's are finding it difficult to organize entrepreneurs, as we ourselves are the first generation entrepreneurs in the state and we don't have much idea. So, a support is needed from the NRPs.

The interactive session took turns to other topics as well:

(Answered by Mr. Lotha)

A. Its the capacity of SRLMs to decide their way forward. Identifying villages in NE with minimum support price is key but the main challenges in having the ground ready for other institutions to take part and contribute in the state of Nagaland. Since, everything is very new, we as a state need to prepare for external resource persons to fit in their places in the state.

There is a need to start small and think Big with the limited HR.

Clusterization can also help when starting small. The NGOs can have an assistance in terms of Capacity building and structure.

(Answered by Dr. Srivastava)

A. When expanding locally, a suggestion is, if the ministry can come into this, and provide ties with some companies looking to expand in the North East, the SRLM will come and take it forward. This direct implementation can involve all the concerned parties together. This will not only provide jobs locally, but also have a sense of empowerment among the people.

(Answered by Mr. Arup)

A. Doing a pilot project as a trial for taking things forward can be done, if there is a fear of failure in the market spaces. Contractual basis projects like contract farming can be looked into. And we can see from there onwards, the phase of things can be decided.

(Answered by Mr. Lotha)

The aim is in production and not on the entrepreneur. Along with this, constant monitoring by organizations who are dedicated and have a sincere quality check can help in boosting production and sales.

(Asked by Mr. Rekhi)

Q. What can NRLMs do to help?

A. The focus should not only be on SVEPs, but there needs to be more weight in Annual Action Plans (AAP) so that pilots can continue. We need dedicated NGOs for an end-to-end support. Events can be held to look for probable potentials and this can help in fetching a network.

(Answered by Dr. Srivastava)

A. Another suggestion is that we can have a link with defence services, where they can only buy our products. In Arunachal Pradesh, the army procures its ration from outside North East. If some part of these products are procured locally, it can hold a huge impact as well.

In times of Covid, the supply from outside the state was stopped. This was the time when everyone fell vulnerable and so a chain was formed between the local sellers and defence personnel's who were the buyers. But after Covid, this was stopped.

Maybe the centre can promote this market linkage and a policy decision can be made which can obviously hold a huge impact.

Some of the other points and suggestions that came up:

In North East, there is a lack of adequate engagement. There are balance models, but all of them have to work in combination.

Creating resources for various services is critical. There is a need for bringing in experienced bodies. We need people with practical knowledge to help build a set-up in the community.

When customizing a plan, we need to think of tools needed for better functioning and the variations from SRLM and NRLM point of views.

Credit management is a challenging thing- how can we bring in systems concerned with this. Selection of block has to be very stringent.

Most of the NE has problem with getting money from the treasury. The Issues is not the state share in itself. The norms that are releasing the money, take time. The installment from the NE was 50% and now is 25%, which is problematic.

We talk about gender inclusion, we need to do gender budgeting, which is directly impacting women.

(Asked by Ms. Lovely Baruah)

Q. NGO's are getting every facility when they work towards community development. But why isn't there any scheme for social entrepreneurs working at the grass root level? If community development is there through these social entrepreneurs, my request is entrepreneurs should get something in return too.

(Answered by Mr. Rekhi)

A. I agree with you and unfortunately there are no schemes in those regards, but there are options from MSME who are doing well as social entrepreneurs.

The thought process is such that while trying to encourage women to do business may be a businessman point of view.

MoRD only funds SHGs and we can't fund anybody outside that realm.

(Suggestions by Mr. Arindam)

A. To get into the system, one should be engaged with the system. As private --we should be also open with social enterprises. When we get into a location, we get into the end to end link.

We are not asking from support from MoRD, but we can also engage with NRLM structures with such communities, where we can bear the costs in terms of training.

Small entrepreneurs can also be a relevant part for market engagement other than the big governmental organizations or institutions.

(Suggestions by Mr. Lotha)

A. If some kind of recognition is given to these individual entrepreneurs by the MoRD, they can do do business with the SHGs and a platform can be given to these entrepreneurs. If they commit mistakes- they are blacklisted. This also gives an opportunity for individual entrepreneurs to come up in the North East.

(Answered by Mr. Rekhi)

A. As long as the SHG has a collective, you will reap all benefits. As for Empanelment, it can't be done in the national level. It can only happen in the state level.

Key Insights from Discussion:

- States can write to the NRLM centre stating what they need.
- The need for NRPs assistance or experienced bodies for interface training and capacity building in the state can be fruitful for projects to be effective.
- Running Pilot Projects as a test can help to see how things will work at that time and this can be taken forward if all goes well.
- A recognition to social entrepreneurs can be provided and a platform can be provided to them to do business in the state.

Conclusion

The workshop served as a good platform for initiation of conversation on the exclusive challenges of the North Eastern Region. The SRLMs were able to discuss similar issues that they have been dealing within their respective states. The potential areas of resources that need more work such as tourism and value addition of products were discussed. External agencies and the various other govt. agencies were also able to put forward the areas of support such as credit, marketing and training services that they can offer to the community. This shall help in future networking to access these services and to plan better interventions including all them.

Since the workshop saw participation from across the North Eastern states and various stakeholders, the discussions encouraged each other's learnings in a way they could apply in one's own state. This platform was a stage to cross learn and cross examine the process of implementation and what can be done to better improve the existing domains.

Book Launch



After the interactive session ended, Kudumbashree NRO took an opportunity to engage the honorable guests in the launch of Field Facilitator's Guide. The 'Field Facilitator's Guide: Planning and Implementing Non-Farm Interventions using the SVEP approach' is a 4- part book, which helps readers to bring up ways to implement activities outlined under SVEP in an organized manner. The guide will also serve as good reference material for those who are involved in implementing other non-farm interventions based on the SVEP approach.

It should also be noted that the guide has been developed based on years of experience working with the women SHG network and rural enterprises. The areas mentioned in the book are intended to be continuously improved through its practical usage.

The workshop also hosted an exhibition of the knowledge resources developed by Kudumbashree National Resource Organisation in the Enterprise Domain as well as the Convergence Domain. Resources such as training materials and faculty manuals for community mobilization and adult learning, case studies of success stories and best practices, field guides and toolkits for implementation were exhibited along with Kudumbashree NRO's other works. Additionally, the exhibition was also a space for the entrepreneurs who attended the workshop to bring forth the good work they had done in terms of organic productions, marketing, branding and packaging.



Vote of Thanks

The 3-day workshop came to an end, with the felicitation ceremony carried out by Mr. Sajith Sukumaran, COO Kudumbashree NRO for all senior dignitaries from NRLM such as Senior Consultant, Raminder Singh Rekhi and State Mission Directors such as, Dr. Rakesh Shrivastava (Chief Operating Officer, Arunachal Pradesh SRLM) and Mr. Rollan Lotha (Chief Operating Officer, Nagaland SRLM) and other SRLMs

The external agencies were felicitated by Mr. Manu and Mr. Prasanth for Ms. Namita Das, NIESBUD, Mr. Chandra Shekhar Rao and Mr. Dipankar Barman, SeSTA, Mr. Dulan Baruah and Mr. Dipin, CRISIL, all NRPs Mr. Arup Ghosh and Ms Ruchi, Mr. Ramu Eluri, Kalgudi, Ms. Lovely Baruah, Fitbird, Mr. Arindam Das Gupta and Ms. Tulika Gogoi from the Community.

The Vote of Thanks was given by Mr. Piyush, Field Coordinator, Kudumbashree NRO appreciating all the participants, all team members from all SRLMs, to share their experiences for this cross learning at all levels.





Aajeevika
National Rural Livelihoods Mission
Government of India



Kudumbashree
Kerala State Poverty Eradication Mission
Government of Kerala

Kudumbashree-National Resource Organisation