

# Livelihood Specialist INDUCTION KIT



**JEEVIKA**

Rural Development Department, GoB



# Glossary

SVEP	-	Start-up Village Entrepreneurship Program
AGEY	-	Aajeevika Grameen Express Yojana
RRS	-	Rural Retail Shop
NRLM	-	National Rural Livelihoods Mission
BRLP	-	Bihar Rural Livelihoods Project
BTDP	-	Bihar Transformative Development Project
SRI	-	System of Rice Intensification
SWI	-	System of Wheat Intensification
SCI	-	System of Crop Intensification
WFPC	-	Women Farmer Producer Company
SFI	-	Syngenta Foundation India
DCS	-	Dairy Cooperative Societies
KMMP	-	Kaushikee Mahila Milk Producer Company Limited
DDUGKY	-	Deen Dayal Upadhyaya Grameen Kaushalya Yojana
RSETI	-	Rural Self Employment Training Institute
BCC	-	Behavior Change Communication
VO	-	Village Organization
VRP	-	Village Resource Person
SHG	-	Self-help groups
FFS	-	Farmer field schools
FPO	-	Farmer Producer Organizations
PG	-	Producer Groups
FPC	-	Farmer Producer Companies
AAPCL	-	Aranyak Agri Producer Company Ltd
FWWB	-	Friends of Women's World Banking
JWAPCL	-	JEEViKA Women Agri Producers Company Ltd.
MKSP	-	Mahila Kisan Sashaktikaran Pariyojana



SLACC	-	Sustainable Livelihoods with Adaptation to Climate Change
NMMU	-	National Mission Management Unit
ICT	-	Information and Communication Technologies
FTIC	-	Farmer Training and Information Centre
IVRS	-	Integrated Voice Record Systems
LHS	-	Livelihood Specialist
FTIC	-	Farmer Training and Information Center
SEW	-	Skilled Extension Worker
ISRO	-	Indian Space Research Organization
TLC	-	Training and Learning Center
AE	-	Agri-Entrepreneurs
NBFC	-	Non-Banking Finance Company
RGB	-	Representative General Body
EC	-	Executive Committee
TOT	-	Trainer of trainers
DCS	-	Dairy cooperative societies
FMD	-	Foot and Mouth disease
AI	-	Artificial insemination
PRP	-	Poultry Resource Person
MU	-	Mother Unit
CEF	-	Community Enterprise Fund

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## Chapter 1



# JEEViKA

## An Overview

### JEEViKA- Leading Transformation in Rural Bihar

JEEViKA is India's largest state level women's socio-economic empowerment program, working directly with nearly 90 lakh families in rural Bihar and is one of the flagship programs for poverty alleviation by the Govt. of Bihar. The objective of the program is to diversify and enhance household-level incomes and improve access to and use of nutrition and sanitation services among rural households. The program involves mobilization of women into affinity-based Self-Help Groups, commodity specific producer groups and higher federations. These community institutions enable collective capacity building, social development, improved access to finance and public services and direct linkage to markets.

The program was introduced in 2007 under the World Bank supported Bihar Rural

Livelihoods Project (BRLP) in 6 districts of Bihar. Successful implementation of the first phase of the program (2007-11) provided a large-scale proof of concept where women collectives emerged as platforms for delivering transformational socio-economic outcomes and prompted restructuring of the erstwhile SGSY program into the National Rural Livelihoods Mission (NRLM). JEEViKA is presently funded under the World Bank supported Bihar Transformative Development Project (BTDP), NRLM and leverages significant resources from several state level livelihoods and welfare schemes.

JEEViKA presently operates in 34,115 villages across 534 blocks and 38 districts of Bihar. Under the program, Bihar has the highest number of SHGs nationally, nearly 8 lakh Self-Help Groups, further federated

into 54,753 Village Organizations and 900 Cluster Level Federations. By the year 2020, the program targets to mobilize a total of 10 lakh SHGs covering nearly 60 percent of rural Bihar. The program focuses on poorest of the poor by initiating social mobilization from poorest hamlets in villages, ensuring adequate representation of poorest section in group and federation leaders, implementing specialized financial products around food and health security to reduce vulnerability and linking eligible households to key govt. schemes for accessing benefits and entitlements. Today, more than 22,000 JEEViKA Village Organizations are capable of undertaking collective procurement of food grains including pulses and oil for its most needy members, ensuring basic nutritional security at the household level.

JEEViKA has successfully amplified the reach of rural bank branches in Bihar by developing SHGs as credible borrowers. JEEViKA groups have thus far leveraged more than INR 7042 crores of bank credit, stimulating investments into productive livelihoods while reducing vulnerability to seasonal shocks and predatory local moneylenders. In addition to financial support from the project, JEEViKA SHG women have collectively mobilized nearly 700 crores in small savings, highlighting the immense inherent potential of rural women. Improved access to finance has resulted in increased household incomes and solidified women's status as equal partners within their families. Today, there are more than 4 lakh JEEViKA women entrepreneurs in rural Bihar, who have successfully established small businesses that not only provide additional incomes but also create

new jobs in rural economy.

Realizing the importance of agriculture in Bihar's economy, JEEViKA has implemented several large-scale farm-based interventions like System of Rice Intensification (SRI), System of Wheat Intensification (SWI) and System of Root Intensification in Vegetable and Pulses, during the project period commonly known as System of Crop Intensification (SCI), nutrition gardens among small farmers and landless and development of Farmer Producer Organizations. System of Crop Intensification has since then been included in the state's agriculture roadmap. JEEViKA has carried out value chain interventions where clear opportunities for commodity specific clusters were identified. Commodity specific clusters were identified based on value chain analysis. In the farm value chain intervention, the forward linkage is supported by post harvest and market access for realizing higher price for farmers produce through Producer Group and Women Farmer Producer Company (WFPC). Farmer Producer Companies have emerged as strong market forces leading to improved trading practices in local markets. Different agencies are engaged with JEEViKA as partners and resource to promote the farm based activity and farm value chain intervention within the JEEViKA SHG households. Till now JEEViKA formed seven Women Farmer Producer Companies (WFPC) in Bihar. In addition, Syngenta Foundation India (SFI) promotes sustainable agriculture technologies in collaboration with JEEViKA; reaches out to the poor and marginal farmers of Bihar with the objective of transferring such technologies for improved

production, productivity and higher incomes.

Similarly, large scale programs around livestock including dairy, backyard poultry and Goatery have been implemented with more than 2 lakh families, leading to improved incomes and nutrition at the household level. Dairy intervention with formation of dairy cooperative societies (DCS) reached out to 3507 women dairy producers in partnership with COMFED to provide them a formal channel for marketing surplus milk at better prices. In order to strengthen milk procurement system, Automated Milk Collection Units were installed in dairy cooperative societies. On 22nd September 2017 **Kaushikee Mahila Milk Producer Company Limited** (KMMPC) was formed for providing sustainable livelihood alternative through dairying to women milk producers round the year in the districts of Saharsa, Supaul and Madhepura. JEEViKA also implemented poultry intervention in convergence with Department of Animal and Fish Resources, Govt. of Bihar under Integrated Poultry Development Scheme. A total 582 poultry mother units have been established in the state covering 1.36 Lakh households. The intervention is implemented through a model of **poultry mother unit** which functions as a hub for backward and forward linkages to serve individual household level units. The project has actively promoting backyard poultry as viable livelihood options; especially for the poorest and marginalized sections. The intervention has proved to be a significant source of secondary income at the household level and has also helped in

improving nutritional intake among the largely poor participant households. JEEViKA has started implementing Integrated Sheep and Goat Development Program in seven districts of Bihar. The main focus of the program is to induct best breeds of Black Bengal to improve the present goat rearing scenario in Bihar. *Till 2018, the project has reached out to 8300 households linked with Goat producer groups in seven districts.* JEEViKA has also entered into an MoU with Aga Khan Foundation to implement Project MESHAI Initiative supported, by Bill and Melinda Gates foundation in four blocks of Muzaffarpur district for improvement in small ruminant's production by providing services by trained Pashu Sakhis. Total 493 PashuSakhis has been trained to provide different services like castration, First-Aid, Training, Etc.

To promote the Entrepreneurship among the women SHG members of Bihar, JEEViKA has reached 34023 SHG households with comprehensive value chain interventions, Start-up Village Entrepreneurship Program (SVEP), Aajeevika Grameen Express Yojana (AGEY), **Rural Retail Shop (RRS)**, Didi Ki Rasoi, region-specific non-farm activities like agarbatti making, bee-keeping and arts & crafts products which are aimed at increasing the market share of SHG members involved in these activities. Till 2018, JEEViKA formed more than 400 non-farm producer groups in Bihar. The project roped in leading private players for technical assistance and buy back of the finished products (incense sticks, bee-keeping, jute, and carpets). For buy back support, MoU is



signed with ITC for incense stick, Dabur for Honey and Jaypur Rugs for Carpet. These agencies also provide handholds training to the community. Significant benefits that accrued to members because of non-farm livelihood interventions included: enhanced production and quality, improved market linkage and skill improvement for traditional artisans involved in Madhubani, Sikki Sujni and others crafts; subsidized inputs for bee-keepers in convergence with the State Horticulture Mission; and overall improved resilience and skill levels of producer groups and members involved in non-farm activities.

The hygiene and quality of food served at canteens of government institutions such as hospitals, DM office etc. has been a cause of concern. Considering the significant number of customers served by these institutions canteens at District and sub-divisional level, these establishments present a viable enterprise opportunity where women SHG members can participate. Hence, community members of JEEVIKA propose to operate these canteens would provide high quality & hygienic food while earning gainful employment with the technical help from "Kudumbashree". At present JEEVIKA SHG members successfully runs the canteen as "Didi Ki Rasoi" at Vaishali Sadar Hospital and gain a turnover of Rs. 448000 till December 2018.

Rural Retail Shop (RRS) emerged out from disparities and the inability of the existing ecosystem to deliver the good quality nutrition products to the PoP household at an affordable price and the unsupportive

ecosystem for the producers/ entrepreneurs. Rural Retail Shop (RRS) is the place where retailer will purchase products from a Nodal store. A nodal store termed as Rural Retail Shop (RRS) will act as wholesale store. All retailer will join together to form association called Rural Retail Association. RRS will directly link with companies/ distributor for the purchase of kirana items. RRS will purchase, store and then sell kirana items to the retail shop. It gives a better structure to the unorganized rural retail, will act as the interface or medium for capacity building and training, create common infrastructure, transportation and an effective point of market linkage to the microenterprises and producer groups. It also provides branded, genuine and product of standard quality to the beneficiaries, provides more margin on products to the community also promote the SHG products.

Start-up Village Entrepreneurship Program (SVEP) is a scheme of MORD, GoI and implemented by JEEVIKA in Bihar. It provides support for start-up village enterprises and provides direct employment to the community. The SVEP helps the rural poor come out of poverty by helping them set up enterprises and provide support till the enterprises stabilize. It also addresses all three missing ecosystems - Knowledge, advisory and finance ecosystems and provides the supported enterprises with business skills, exposure, loans for starting and business support during the first critical six months of the enterprises by using the NRLM SHGs and their federations. Total 4922 entrepreneurs are identified and started there business in

6 Blocks of Gaya, Muzaffarpur, Vaishali and Patna. Aajeevika Grameen Express Yojana (AGEY) is a scheme of MORD, Gol and implemented by JEEViKA in Bihar. It helps to provide safe, affordable and community monitored rural transport services to connect remote villages with key services and amenities (such as access to markets, education and health) for the overall economic development of backward rural areas.

JEEViKA with an objective to increase employability is providing skill training and placement facilities to rural youth through several programmes like Deen Dayal Upadhyaya Grameen Kaushalya Yojana (DDU-GKY), Rural Self Employment Training Institute (RSETIs) etc. The project undertook a two-pronged strategy under its skill-based interventions, such as direct placement and placement through skilling. Community institutions were utilized to mobilize target youth groups looking for livelihood opportunities in the formal sector. The project simultaneously partnered with skill development agencies to work on skill enhancement of identified rural youths. Total 9221 youths placed out of 13995 trained under DDU-GKY, 4556 placed under Direct Placement through BRLP and another 10620 youths placed through job fairs.

JEEViKA is leveraging its massive outreach

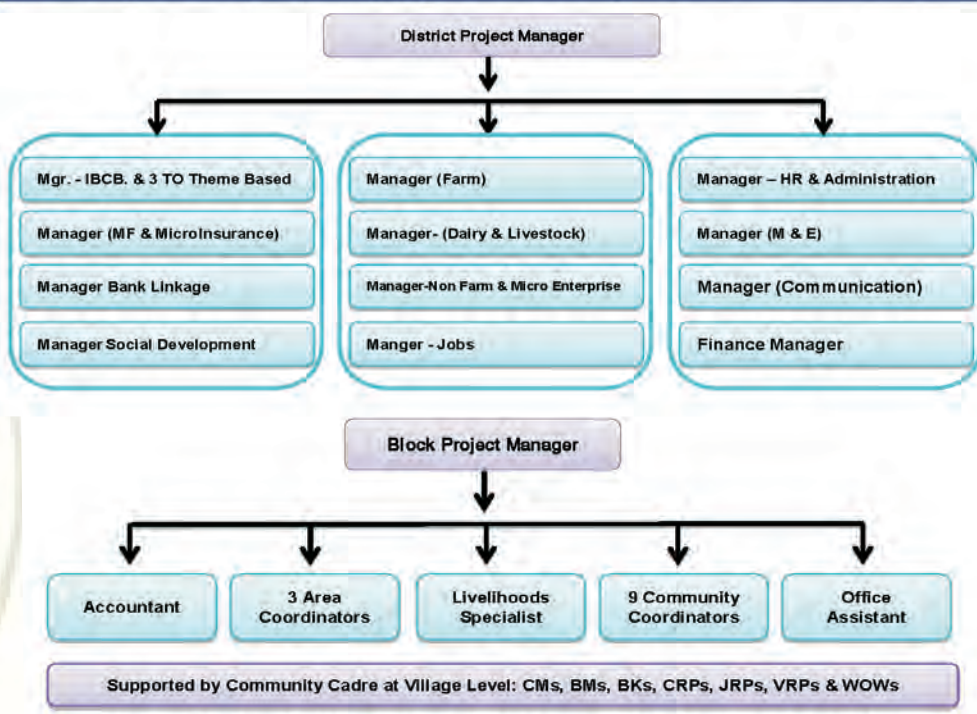
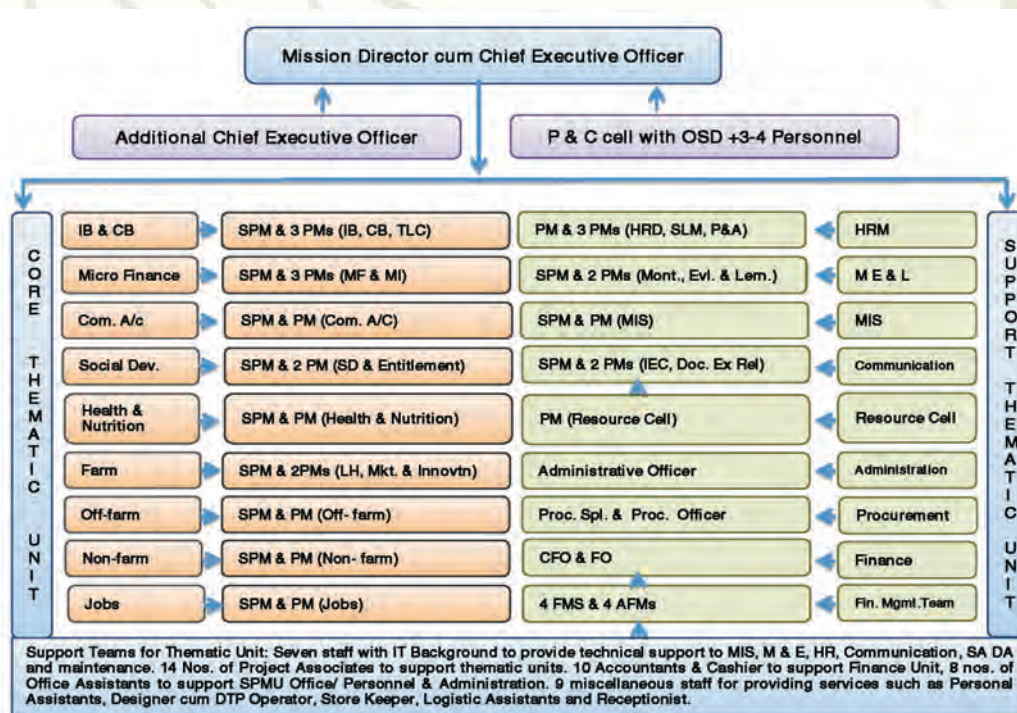
to deliver large scale behavior change communication (BCC) on improved nutrition and sanitation practices. JEEViKA groups are playing a vital role in the sanitation value chain by triggering demand for improved sanitation through BCC, facilitating ready availability of finance and materials for toilet construction and ensuring sustainability by participatory monitoring of toilet usage and maintenance. JEEViKA SHG women have emerged as potent forces for social change, acting as vigilant citizen platforms supporting local institutions like Schools, Anganwadi centers and PRIs while also actively participating in campaigns around alcohol prohibition, dowry and child marriage.

Today, the sight of JEEViKA women huddled together in a rural neighborhood, discussing and resolving their social and economic issues without any external assistance is a ubiquitous one. JEEViKA continues to strive for empowering and enabling every rural household to have greater social and financial freedom, improved access to nutrition and sanitation services and access to key public services. By 2020, it is expected that 6 out of 10 households in rural Bihar will be part of the JEEViKA program. Considering the journey of the program thus far, this massive outreach is well poised to result in massive transformation in rural Bihar.

# Chapter 2

## Livelihoods Specialist in Human Resource Structure

### 2.1 Organisational Structure of JEEVIKA



## 2.2 Roles and Responsibilities of Livelihoods Specialist

- ✎ S/he will be responsible for rolling out of all livelihood's interventions (agriculture, animal husbandry, beekeeping, fishery, etc.) in the VOs/SHGs.
- ✎ S/he will be responsible for coordination with CC and specialized community cadre developed for each of the intervention.
- ✎ S/he will be responsible for training and developing a specialized community cadre for scaling up in the various livelihood interventions.
- ✎ S/he will be responsible for producing Village Livelihood Plans (which detailed out current livelihoods of SHG HHs and potential opportunities)

## 2.3 Benefits

BRLPS aims to develop a policy which 'cares' for the employee. This plays a critical role in building an image of a 'caring employer'. Thus, apart from the salary, BRLPS would also extend the following benefits to its entire staff:

### Medical & Accident Insurance

The project will benefit all contracted staff as well as staff on deputation with Medclaim and Group Accidental Insurance (GAI) cover with appropriate coverage as explained under.

Sl.	Categories	Maximum Coverage (Rs.)
1	Category III	Mediclaime up to 2,00,000 and GAI as decided

This benefit will be available to staffs till their services are continued with the Society.

### Self Learning

Provision of reimbursement of expenses incurred for purchasing books and other periodicals will be made to BRLPS staff with a limit as described hereunder:

Sl.	Category	Max limit per year
1	Category III	Rs 1000

Employees who have completed their probation will be entitled for this reimbursement. The reimbursement will be made on production of bills and verified by the supervisor. In case of CEO and Addl. CEO, s/he will be the self-verifying authority.

### Advance for purchase of Motorbike for Field Employees

For purchase of motor bike, a provision of advance against their salary has been made. The maximum amount, permissible as advance for this purpose, will be Rs 50,000 (Rupees Fifty Thousand only). This amount would be recoverable from the salary of the concerned employee in a maximum of ten equal installments. For getting advance for purchase of motor bike and claiming mobility expense, the concerned employee must possess a valid driving license in his name, a photocopy of which shall be submitted to BRLPS. The motorbike purchased by staff using advance from BRLPS would be hypothecated to the Society till the advance is completely settled.

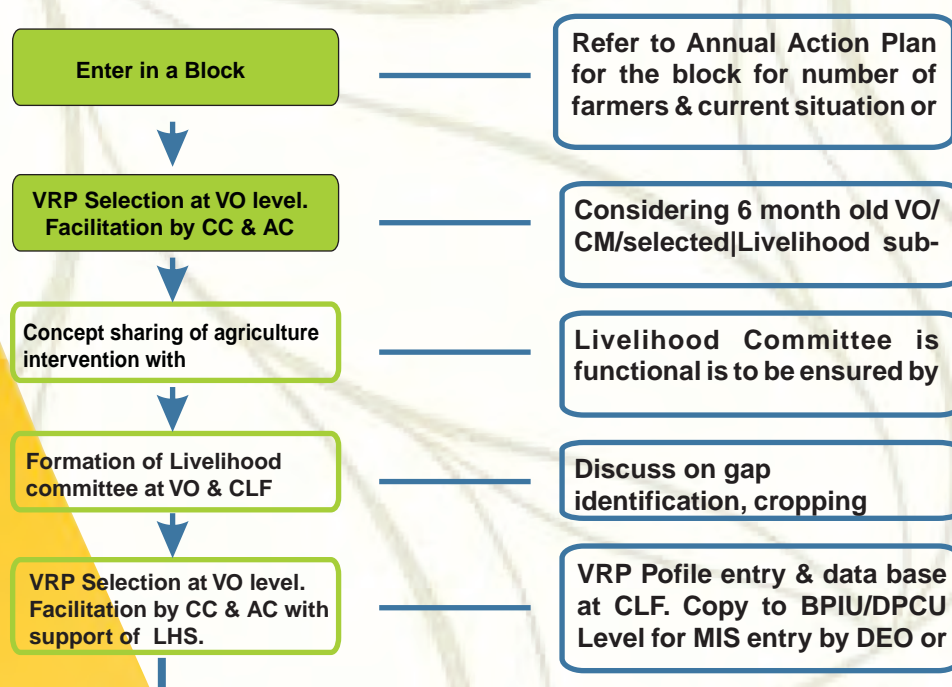
## 2.4 Leave Entitlements

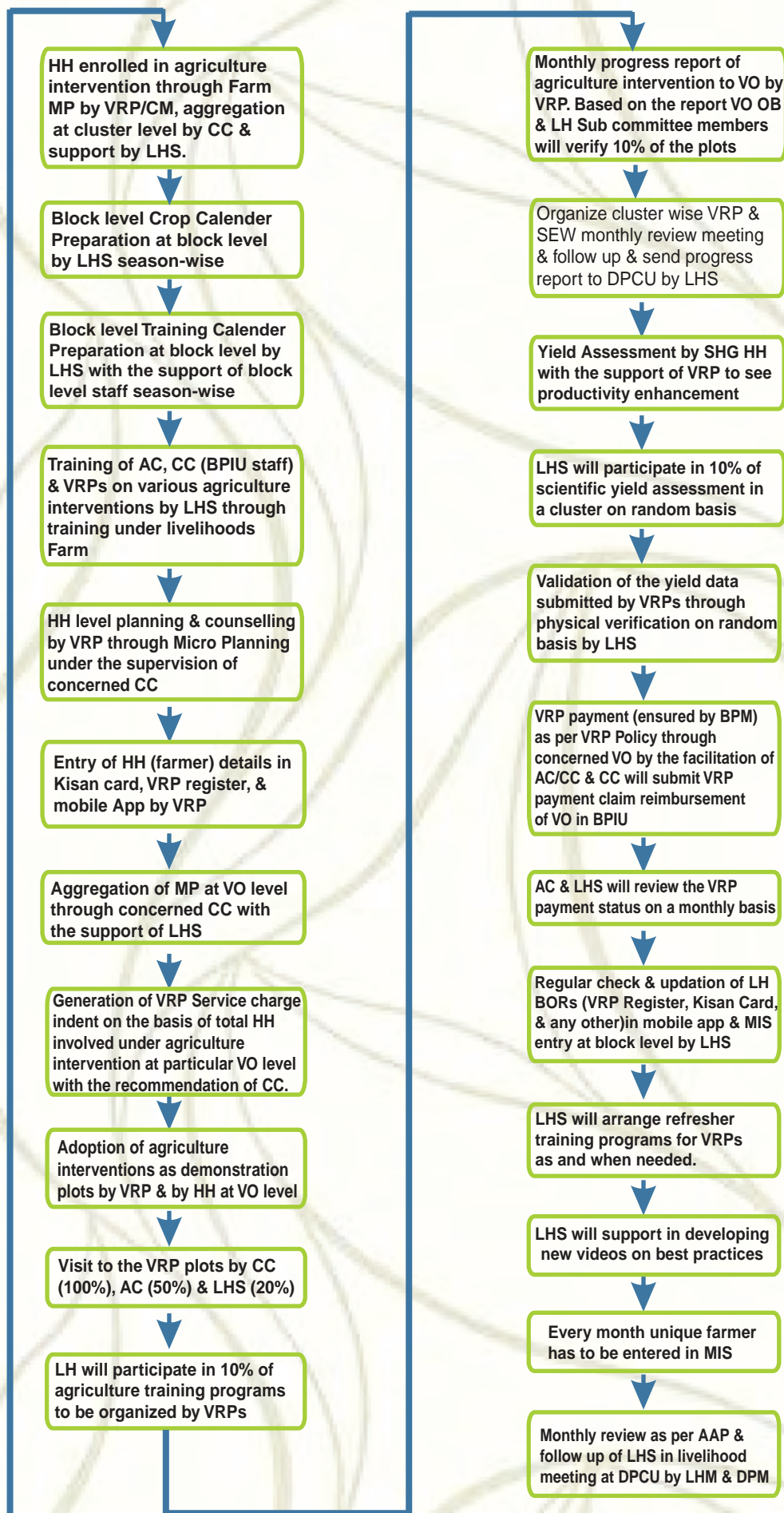
Sl.	Types of Leave	Description
1	Casual Leave (CL)	1 leave Earned after completion of 1 month of service
2	Earned Leave (EL)	2 leaves earned after completion of 1 month of service
3	Maternity Leave (ML)	All female staff are eligible to avail Maternity Leave upon production of a medical certificate. The period of leave granted may extend up to 6 months, subsequent to its date of commencement or six weeks subsequent to the date of confinement, whichever is earlier.
4	Paternity Leave (PL)	Male staff may be granted Paternity Leave on production of medical certificate of spouse. Paternity leave shall be granted to a maximum of 15 days from its date of commencement. Period of leave must be within 15 days before / 15 after the date of delivery
5	Special Leave (SL)	All women staff is eligible to avail two days of special leave every month because of biological reason. This is in addition to all the other eligible leaves.
6	Leave without Pay (LWP)	Leave without pay will not be granted if leave with pay is due to a staff. Under normal circumstances, leave without pay shall not be granted in excess of 30 days in one occasion

## Chapter 3

# Livelihoods Implementation Arrangements

Livelihoods Implementation Arrangement For Agriculture extension	
<b>Points to be noted</b>	
1	Training & capacity building of block staff & cadres.
2	LHS has to be involed in livelihood interventions.
3	Universalization of productivity enhancement.
4	Every activity/intervention is demand driven.
5	Any livelihood production planning survey or other is facilitated by LHS whose proper records are maintained at VO, CLF & BPIU level.
6	In value chain/FPC block or any other interevtion block LHS has to facilitate & involve in operation & management.
7	Update & prepare AAP of block in discussion with BPM.
8	Adminitrative reporting of LHS (In case of block posting) will be to BPM.
9	Funtional reporting of LHS will be to LHM.





## List of Farm Reports

Sl.	Particulars
1	Farm (Livelihoods) MPPR
2	Yield assessment format
3	Profile Format for VRP
4	Fund requisition Indent format VRP Service charge
5	Calculation format VRP Service charge
6	Quarterly UC format for VRP service charge by VO/Agri-PG
7	Process for cross verification Mechanism (CVM)/Community Monitoring Mechanism
8	VRP Register
9	Farmer card/ किसान कार्ड
10	Format for demand of farm equipments यंत्र हेतु मांग पत्र
11	Work progress report format for VRP on Kitchen Garden
12	Work progress report format for CM on Kitchen Garden
13	BORs of NEERA
14	Proposal Format for NEERA PG
15	Production planning for NEERA (Season/Cycle wise)
16	Livelihood MP Format
17	मासिक प्रतिवेदन एवं मूल्यांकन प्रपत्र (ग्राम साधनसेवी)
18	मासिक प्रतिवेदन एवं मूल्यांकन प्रपत्र (कुशल विस्तार कार्यकर्ता) (SEW)
19	CM Indent Format
20	CM Progress Report
21	CM related Format
22	CM UC Format
23	Farm MIS Format
24	Farmer Profile Format
25	Farmer Transaction Format
26	Livelihood - farm
27	MP Deemand generation format
28	SEW Monthly Report
29	SHG level Farm MP format A4
30	VO Compilation MP Compilation
31	VRP Indent Format
32	VRP Monthly Report Format
33	VRP Payment Format
34	VRP Profile Format
35	VRP UC Format
36	FTIC UC Format



Farm Producer Company	
1	Proposal Format for financial assistance to PC
2	Work sheets forming part of proposal for financing PGs
3	PG Production Planning/Activity Plan/Crop Micro Plan
4	First Tranche Requisition Format from PC to DPCU
5	Utilisation certificate from PG to BPIU
6	Utilisation certificate from FPC to DPCU

### Trainings under Livelihood Farm (Usage of training module/audio/visual aids)

Sl.	Types of training	Remarks
1	Production Planning- AAP & MP	
2	Technical aspects of different crops & seasons	
2.1	Khairf (Before & during Kharif Season)	Design of cropping system, Soil Management, Seed treatment, Land Preparation, Seed replacement, Nursery Management, Resource Conservation Technology, Weed Management & Water Management, Integrated Nutrient Management & Insect Pest Management, Integrated Nutrient Management & Insect Pest Management  SRI, SWI, DSR, Improved Paddy, Zero Tillage, Drip irrigation, Sprinkler irrigation
2.2	Khairf (Before & during Kharif Season)	
2.3	Zaid (Before & during Zaid Season)	
3	Pest management	
4	Yield Estimation	
5	BORs like VRP register, etc.	
6	Organic Farming, Bio Pesticide & Non Pesticide Management	
7	Introduction to New Technology in Demonstration & Seed Production	
8	Value chain & Farmer Producer Company	
9	Machan (लत्तर फसल की खेती)	
	NPM (देशी/ प्राकृतिक द्वारा फसल प्रबंधन)	
	Nursery उन्नत फसल उत्पादन की नींव	
10	Kitchen Garden	
11	As per demanded by VO/Agri PG	
12	Specialised trainings through Resource Persons from ATMA, BAMETI, KVK, NABARD, Agriculture specialised Institute, or etc.	
13	Hands on training on dcumentation	
14	Refresher Trainings	

## Chapter 4

# Farm Based Livelihoods Promotion

### 4.1 Enhancing Agricultural Livelihoods Through Community Institutions in Bihar, India

Bihar is the third most populous state in India with over 100 million inhabitants. The state's economy is dominated by agriculture: it constitutes 19.2 percent of state's GDP and employs nearly 75 percent of the labor force. 92.8 percent of the farmers in Bihar are small and marginal (small holders), which is much higher than the all India average of 83.5 percent. Furthermore, Bihar's agriculture productivity is one of the lowest in India. Low agriculture productivity is a multi - dimensional problem.

#### 4.1.1 Agriculture Technologies and Practices

'JEEViKA' has introduced several livelihood interventions in the last five years based on the demands of the communities. The set of practices promoted by JEEViKA are not a high-cost technology intensive solution but a mix of scientifically proven methods, indigenous knowledge, and better management of soil, water, plant and nutrients. The core principle of this methodology is to ensure adequate development of roots to enable greater access to nutrients in the soil. The project emphasizes nurturing the growth of a larger

and a more robust root system through early establishment and sufficient spacing for roots to grow. The new practices adopted by JEEViKA farmers are different from the 'traditional' practices (or current methods in the non-JEEViKA land/households) in the following ways.

#### Seed treatment

The seed rate in the new method is a fraction of the seed rate in conventional farming, e.g., seed rate for rice is 90 percent lower than earlier.

#### Nursery preparation

The nursery bed created for sowing the treated seeds in the new method is much smaller than the conventional method. The area of the bed usually depends on the spacing to be maintained in the main field, and the preparation is different for each crop, as individual seeds need customized intensive treatment.

#### Land preparation

In the new JEEViKA method, land is ploughed well so that the soil is pulverized for easy root growth, and appropriate soil moisture should be maintained by adequate irrigation.

#### Transplantation

Under the new methodology, seedlings from the nursery that are transplanted into the field are younger compared to the

conventional method. Wider spacing in a uniform manner: Currently, farmers are not transplanting in a uniform manner, which limits the growth of the plant.

#### **Efficient water management**

The optimal water management for the new method is alternate drying and wetting, which minimizes the water requirement for that crop. Rotary weeding and soil aeration: The field is not hoed in the conventional farming method, but in the new methodology the land is weeded at regular intervals. Use of organic fertilizers: Under the new method, there is an emphasis on the usage of organic fertilizers like farm yard manure and vermi compost to sustain the high fertility of the soil, which follows the principle—'feed the soil, and soil will feed the plants.'

#### **4.1.2 Single Window System at the Doorstep of Small and Marginal Farmers**

The most innovative aspect of JEEViKA's implementation has been the creation of a single window system for small and marginal farmers at their doorstep, which provided all services within 2 kilometers of the farmer's house. Implementation of various interventions through community-based organization led to the creation of a single window system. Agriculture interventions are implemented based on the expressed demand of the village organization (VO), after which a village resource person (VRP) is hired to assist with the implementation. The role of VRP is critical for the successful adoption of the new improved agriculture methodologies amongst communities as it builds technical capacity in the village. Self-help groups (SHGs) mobilize the farmers and help in formulation of a village level micro-plan based on farmers' requirements. The micro-plan consists of the following: list of farmers interested in the new techniques,

consolidated list of all the input requirements and a request for land leasing on loan basis as per the need. VO is responsible for the financing of the micro-plans and procurement of inputs in an efficient manner. VO has also facilitated significant savings by aggregating procurement at the village level. Farmer field schools (FFSs) facilitate the transfer of peer learning and act as a platform for experimentation. The VRP is entrusted with the responsibility of identifying plots in the village that have successfully implemented the new techniques. These plots become a local platform for demonstration of best practices and training.

The project partnered with several technical agencies, which were selected by a unique selection method of Bihar Innovation Forum. These agencies had prior experience in implementing similar interventions at large scale. The partner agencies have been crucial in helping the project build up the capacities of the project staff, village organizations and the community Para-professionals associated with the intervention. The agriculture interventions of JEEViKA were piloted in 2007 but have scaled up rapidly in Bihar. The communities adopted these new technologies rapidly because farmers witnessed a visible improvement in plant and grain growth, and a significant improvement in yields. The productivity increase was achieved at minimal cost, which has resulted in an income increase leading to wide-ranging systemic impact and policy changes.

#### **4.2 Value Chain - Fpo Based Value Chain Development**

Farmer Producer Organizations (FPOs) promoted by JEEViKA emerged as promising economic platforms in tackling

the challenges of small farmer agriculture. In the face of rising input lowering margins, these FPOs are delivering value by leveraging economies of scale, improved inputs and technologies at lower costs and bringing the small farmer to larger markets hitherto out of their reach. JEEViKA has adopted a twin-pronged strategy. Firstly, large scale capacity building of farmers around improved farming practices and productivity enhancement interventions is undertaken.

This is driven primarily by a bottom community led extension mechanism where more than 4,200 Village Resource Persons (VRPs) provide regular training support to farmers at the village level. Secondly, JEEViKA is promoting development of economic clusters around specific commodities/activities by way of mobilizing farmers/producers into informal Producer Groups (PGs) at the village level. These PGs are then further federated into Farmer Producer Companies (FPCs) on a needful basis. The producer organizations allow more streamlined delivery of inputs and services to a set of farmers engaged in production and marketing of specific commodities. In 2016, Women Producer promoted under JEEViKA achieved combined turnover of INR 85.4 million (USD 1.3 million) while delivering 15–20% higher return for member farmers. The recently launched Bihar Transformative Development Project (BTDP) is supporting JEEViKA to mobilize nearly 500,000 farmers/producers into FPOs around specific agriculture commodities: dairy, poultry, goatery as well as arts and crafts.

#### **4.2.1 The Institutional Model**

The approach of collectivizing farmers into Producer Groups was first initiated as part of BRLP in 2014. The objective was to

develop business centric institutions that will continue to have organic links with the community institution architecture of SHGs and federations but will focus more on creating value chains for small farmers and producers by enabling direct market linkage. At the village level, Producer Groups are formed by mobilizing anywhere between 20–100 small farmers depending upon the commodity in focus. These PGs serve as effective platforms for collective orientation and capacity building of producers while facilitating backward linkages through parent producer companies. The small farmers are oriented on benefits of aggregation and quality control. Production planning is undertaken at the start of every season to aggregate demand for inputs as well as to assess potential procurement volume. Village level PGs are equipped with requisite basic infrastructure and quality control tools to serve as primary aggregation hubs. VRPs serve as the interface between PGs and the FPCs and deliver services like training, weighing, quality assessment and daily price communication.

Farmer Producer Companies are larger, registered business entities comprised of shareholder members ranging from a few hundred to many thousands. These FPCs undertake the responsibility of large-scale aggregation under standard procurement procedures and fair business practices including fair weighing, quality based pricing and on-time cash-less payments. With lesser intermediaries as opposed to traditional market systems, small farmers are able to command better prices for their produce. These FPCs also enable crucial backward linkages by aggregating input demand and doing bulk purchases to deliver quality inputs at competitive prices to members. Many of these FPCs are

undertaking short-term storage of produce in accredited warehouses to gain lean season price advantage and are using technological solutions including trading on online commodity platforms like National Commodity Exchange (NCDEX) to reach out to multiple markets simultaneously.

#### **4.2.2 JEEViKA Farmer Producer Companies : Leading the Way**

☞ Four Farmer Producer Companies (FPCs) have been promoted under JEEViKA so far. All of them have been successful to varying degrees in achieving higher price realization for their member farmers. Depending upon the commodity, these FPCs have adopted slightly different business models. However, a number of common elements have emerged as guiding principles for all these companies, viz., collective aggregation and marketing of produce, strong focus on quality control and emphasis on reaching multiple markets to diversify and minimize risk. Each of the FPCs have important lessons for promoting profitable value chains for small farmers.

##### **Aranyak Agri Producer Company Ltd., (AAPCL), Purnea**

AAPCL, Purnea has been a major success story highlighting the inherent potential of FPCs in delivering value for smallholder farmers. Operating in Purnea and Katihar districts, a region known for winter season maize in India, the company has established a farmer centric maize aggregation and marketing model delivering constantly higher price realization for member farmers while turning in higher profits with every passing year. Under the prevailing market systems, small farmers lost out owing to unfair procurement practices by the local collection agent. Apart from manual weighing practices where substantial

amounts of produce (5–10 kg/quintal) was siphoned off, multiple layers of intermediaries kept the village level prices much lower than those at the bigger markets.

AAPCL disrupted the traditional system of maize marketing with village level PGs acting as aggregation and quality control hubs for harvested maize. The PC, owned and managed by SHG members has linked with online commodity trading platforms like NCDEX for spot and future trading and has also established linkages with accredited warehouses for storage. The SHG members have benefited through higher price realization owing to direct marketing by PC, on time electronic payments, fair weighing practices and off-season sale at higher prices. Apart from providing 15–20% higher prices to farmers, the PC has made profits to the tune of INR 6.3 million in its first 2 years of active operation. From the pilot procurement of 1,014 MT in 2015, the PC ramped up its operations and has reached more than 10,000 MTs during the procurement season of May 2017, benefiting nearly 6,000 farmers. The intervention clearly indicates that provided the right technical assistance and handholding support, rural communities, especially small farmer's organizations, can emerge as credible market players for specific commodities and value chains. AAPCL has been able to achieve a series of firsts in agriculture marketing in the state. Apart from being the first woman farmer producer company to register under the NCDEX and the NeML platform, the company was the first to introduce moisture meters at the Producer Groups (PGs) to ensure high quality in procurement. The company has distributed patronage bonuses to the extent of 70% of the profits from year-1 and introduced a host of

innovative solutions including mobile-based agro-advisory and price information and warehouse receipts for loans against produce. The company is also licensed to market fertilizers and has facilitated supply of 155 MT of fertilizers to more than 200 members. The company has leveraged institutional credit to the tune of USD 780,000 from formal financial institutions like State Bank of India and Friends of Women's World Banking (FWWB).

**JEEViKA Women Agri Producers Company Ltd. (JWAPCL), Khagaria**

Working on the lines of AAPCL, the producer company in Khagaria initiated aggregation and marketing of maize in 2016. In the first year of operation, the company undertook procurement of more than 1,000 MT of maize, generating revenues to the tune of USD 220,300. During its formative years, the company was engaged in production of certified seeds for paddy and wheat. In 2017, the company made procurement to 3,000 MT.

**Samarpan JEEViKA Mahila Kisan Producer Company Ltd., Muzaffarpur**

Samarpan is a multi-commodity producer company engaged in aggregation and marketing of a wide variety of commodities including wheat, vegetables and litchi. The producer company is the first in the state of Bihar to register under the fresh platform of NeML (NCDEX E Markets Ltd.) for the fruits segment. The company markets fresh fruits and vegetables around the year to institutional buyers. The company is in a unique position to leverage on popularity of Shahi Litchi of Bihar and is gearing up for marketing of 100 MT of fresh litchi fruit in the harvest of May 2017. The model was first piloted in FY 2015–16 where the company marketed 6 MT of litchi, primarily through the NeML platform and could supply fresh

fruit to institutional buyers across India. The company enters into pre-harvest contracts with women farmers engaged in litchi production and undertakes packaging and transportation of the litchi fruits via air cargo, supplying to buyers all around the country. However, as opposed to traditional market systems where producers used to lose out due to fixed contract pricing, the women FPC is sharing additional profits with farmers in instances of production going above the projected estimates. This is leading to a more equitable risk-shared reward system between litchi farmers and the FPC. Many of the company members express pride of being business owners as opposed to contract farmers under the traditional market systems.

**Sahyog Women JEEViKA Agri Producer Company Ltd., Nalanda.**

Sahyog is a multi-commodity based producer company primarily engaged in aggregation and marketing of vegetables, largely potato. Post the initial pilot in 2015 where the company procured 413 MT of potatoes from nearly 250 members, the company has ramped up operations procuring 1,230 MT of potato in 2016. The company has tied up with local cold storage points for short-term storage of potatoes. The company is also engaged in promotion of kitchen gardening among member farmers and has an ongoing enterprise around packaged seed kits for distribution amongst SHG members. In the coming year, the company plans to undertake large-scale potato seed production to enable availability of quality inputs to its member farmers who are otherwise dependent on seeds procured from other parts of the country. This is expected to not only reduce input costs but also prevent critical delays in sowing.

### 4.3 Projects – MKSP, Organic Cluster, SLACC, FTIC, Agri-entrepreneurs,

#### 4.3.1 Mahila Kisan Sashaktikaran Pariyojana (MKSP)

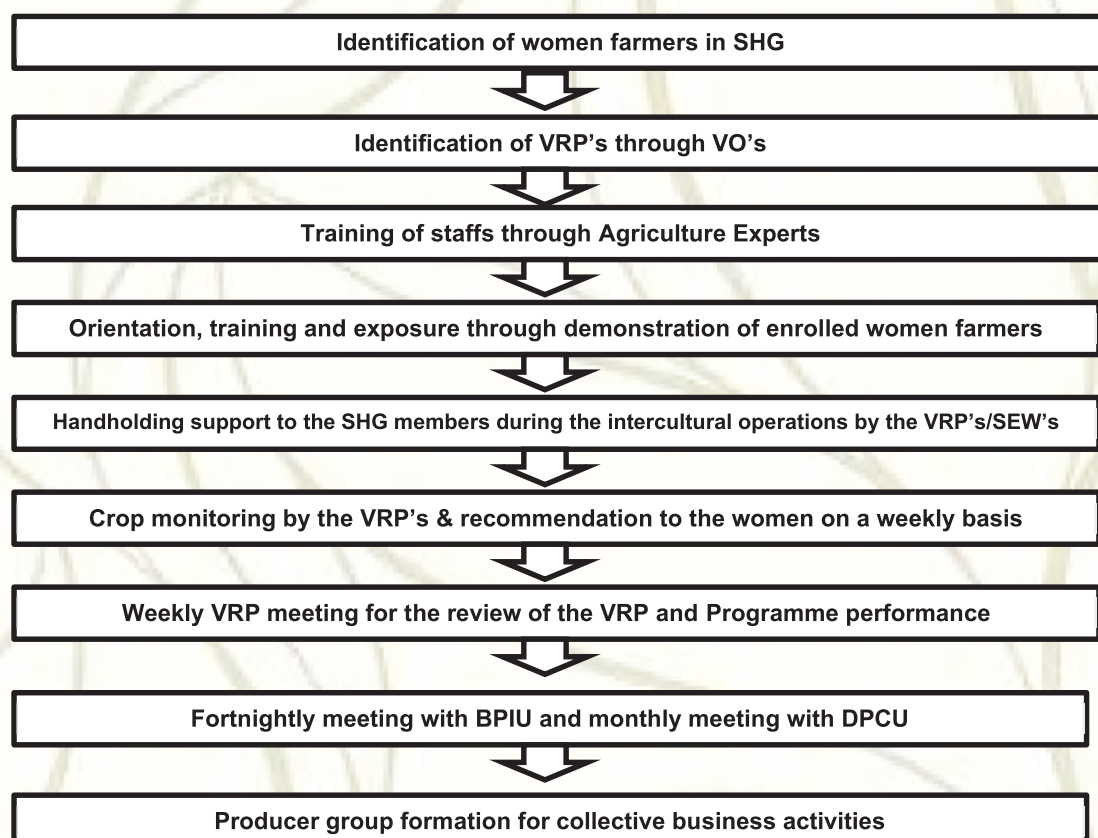
In response to the disparaging situation of women farmers Mahila Kisan Shashaktikaran Pariyojana (MKSP) is an initiative of Government of India as a sub-component of National Rural Livelihood Mission (NRLM) to enhance women's control over assets, access to essential services & products in agriculture. The project period was from 2012 to 2016 across 9 districts. By the end of the financial year 2015-16, 96332 farmers were associated with the project.

MKSP recognizes the centrality of women in agriculture and aimed to enable them to use of local resources, farmer-led and environmental-friendly technologies for achieving sustainable agriculture production. It initiated a learning cycle by creating sustainable agriculture livelihood

opportunity and in process ensuring food and nutrition security at household and community level. The specific objectives of the project were

- ✍ To empower women in agriculture by making systematic investments to enhance their participation and productivity in agriculture based livelihood.
- ✍ To create sustainable agricultural livelihood opportunities for women in agriculture and in the process to ensure food and nutrition security at the household and the community level.
- ✍ Community based institutions of women in the rural area will be strengthened in order to enable them to manage their agriculture based livelihood activities. > To promote locally adopted resource conserving, farmer-led and environmental-friendly technologies

Table below shows that implementation process of MKSP by community cadre through community mobilisation :



The major activities carried out under Mahila Kisaan Shaktikaran Pariyojana can be broadly divided into three major heads-

- ✍ Institution Building and Capacity Building.
- ✍ Technological Exposure and Up-gradation.

#### **4.3.2 Sustainable Livelihoods with Adaptation to Climate Change (SLACC)**

Sustainable livelihoods and adaptation to climate change (SLACC) is a Global Environment Fund supported program, piloted in around 650 villages of Bihar (Khajauli & Rajnagar blocks of Madhubani and Gurua & Barahchatti blocks of Gaya) and Madhya Pradesh (Sheopur and Mandla districts) combined covering around 12000 rural households between 2015-19 to improve the adaptive capacity of rural poor engaged in farm-based livelihoods to cope with climate variability and change. The project is being implemented by Bihar Rural Livelihoods Promotion Society (JEEViKA) in Bihar. The geographical location for the pilot has been selected based on institutional maturity of SHG/VO/CLF to work on higher order poverty alleviation dynamics and occurrence of extreme weather events of flood and drought. The programme outlines key component in the form of community led risk assessment (Risk-response matrix), participatory climate change adaptation planning (P-CCAP), climate literacy (daily, short-term and long-term weather forecast), implementation framework development, capacity building of community, cadre and staff and building knowledge support system for climate adaptation.

##### **Project development objective**

- ✍ At least 50% of the targeted households adopt livelihoods with enhanced climate resilience
- ✍ At least 50% of the targeted households demonstrate strengthened awareness

and ownership of adaptation and climate change risk reduction processes/measures.

##### **Intermediate results indicators**

- ✍ At least 8000 farmers demonstrate climate resilient agriculture practices
- ✍ At least 30% of the community institutions access technical and/or financial support for climate adaptation plan through convergence with government programs.
- ✍ At least 6000 SHGs are trained in adaptation related technologies.
- ✍ At least 300 staff of state and district offices as well as extension and rural service providers trained on technical adaptation themes.
- ✍ Climate change adaptation guideline is developed for National Rural Livelihoods Mission (NRLM) Implementation framework and disseminated to all State Rural Livelihoods Mission (SRLMs).
- ✍ Establish Climate adaptation units within National Mission Management Unit (NMMU) and SRLMs of participating states.

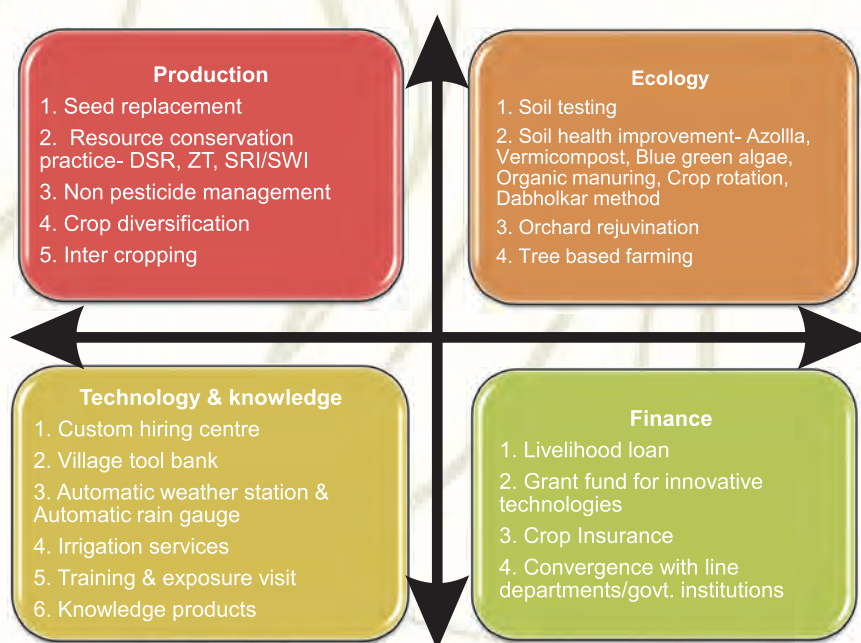
Started as a pilot in 100 villages in 2015 in Bihar, SLACC has currently scaled up to 400 villages pursuing the mandate to establish proof of concept of developing climate resilience among 6000 rural poor in Bihar. Decision (financial and non-financial) at CBO level is facilitated in regular meeting in the CBO. To assist CBOs in decision making and streamlining interventions, dedicated team of development professionals and agriculture graduates from premier institutes like IRMA, IIFM, and BHU have been placed in the project blocks. The program is supported actively by following partners:

- ✍ PRAN (Preservation and Proliferation of Rural Resource and Nature) as Lead Technical Partner
- ✍ Crop In Technology Solutions as Agro-Weather Advisory Service Provider



- ☞ Skymet Weather Services Pvt. Ltd. as Weather forecast provider
- ☞ IKSL (IFFCO Kisan Sanchar Limited) as Crop, government convergence programs, health & hygiene advisory provider
- ☞ TARU leading edge Pvt. Ltd. as Monitoring & evaluation agency

**Framework:** Framework for program implementation is spread into four major quadrants for planning, implementation, and mainstreaming community based climate change adaptation process as detailed below:-



**Service models (Entrepreneurial/ Enterprise mode)**

Custom hiring centre & Village tool bank- Farm mechanization has been stressed to improve farm productivity by timely sowing, harvesting, efficient fertilizer use, efficient weeding and resource conservation techniques. Due to change in weather parameters, risk free cultivation window are usually very short to capitalize. Farm machineries in those scenario turns useful to leverage the small window, remove

drudgery, respond to labor shortage and leverage efficiency of scale. Bigger equipments like Paddy transplanter, Zero tillage, Thresher, Reaper binder etc have been purchased and placed at cluster level. Custom hiring centres refers to services points at CLF level where farmers can lend bigger machineries which they cannot afford to purchase at individual level. Apart from bigger farm machineries, smaller equipments that are required in villages like vegetable transplanter, digital moisture meter, power weeder etc. are placed in village tool bank in each SLACC villages.

These custom hiring centres and village tool bank are run as enterprise by the CBOs. Apart from enterprise level service model, individual entrepreneurs have also evolved out the pool of SLACC cadres after understanding the gap in preparedness and response mechanism to adapt to weather vagaries. Entrepreneurs have established solar irrigation facility in convergence with BREDA and are selling water for irrigation

purpose to fellow farmers. Similarly farmers have come together to form producer group to market the mushroom that they collectively grow. These farmers are now availing training on mushroom processing to establish mushroom processing units. Following entrepreneurship route, progressive cadres have adopted mushroom, nursery and vermicompost at commercial scale to take lead as agents of change.

**4.3.3 Farmer Training and Information Centre**

Integration of information and

communication technologies (ICT) in agricultural extension has the potential to provide the needed impetus to agricultural sector and can complement the traditional extension system for “Knowledge Resource” delivery to the farmers.

(FTIC) is envisaged as one such platform which provides farmers an opportunity for training, information and learning at cluster level interactive digital platform. The center will work towards the last mile knowledge delivery and seamless integration of agricultural technologies & information sources with the needs of farmers in a particular agro climatic condition. The centre proposes to provide an ICT enabled infrastructure which aims at strengthening extension and capacity building of SHG members with locally relevant and improved information on agriculture technology and market.

#### **Basic functions and Management**

**Ensuring connectivity:** The centre will be facilitated by a full-feature integrated multi-media computer with internet connectivity, a touch screen interactive smart board, a data projector, TV tuner, audio system and DVD player in a single, easy-to-use portable product, with an ultra-large display enabling large audiences to share the projected content.

#### **K-Yan has been pooled-in to provide the necessary technology support**

✍ Relevant and localised content generation and dissemination: The content and information already available at the various portals, websites and applications will be collected, assessed and digitized in locally relevant form. Pertinent information will be delivered to members through SMS and Integrated Voice Record Systems (IVRS) on their mobile phones in local language. The

existing knowledge bank which is in the form of videos, leaflets and flip-charts for package of practices of cereals, pulses and vegetable crops can be utilised for the initial rollout. Further, the centre in coordination with a partner agency will integrate and collect information from other portals like CGIAR, ICAR, IARI, SAUs, KVKs, ATMA and other line departments.

✍ **Advisory, Training and Capacity building:** Training and capacity building of the cadres like VRP, Master VRP, SEW and PG/VO members is required in order to facilitate appropriate use of the content and information shared. A training Calendar will be developed by Livelihood Specialist (LHS) for their block for organising round the year training of PG/VO farmers and cadres in batches (preferred batch size-30 farmers). The FTIC will provide necessary technical assistance in conducting seasonal trainings planned as per the calendar and need based customized training.

✍ **Creation and storage of databases:** The centre will act as a knowledge and information repository and collect and store data pertaining to resources, yield and feedback on technologies. Further it will help in understanding the local trends and patterns which assist in better addressing the local livelihood needs of the members and innovate accordingly.

#### **The centre will be managed by CLF**

The centre will be established at cluster level and will be managed by CLF. The CLF/nodal VO will select a best performing Skilled Extension Worker (SEW) for handling day to day operations of the centre. The SEW will be provided necessary orientation and training for the same.

Resource Person will hire as per the needs. Further integration of each FTIC is envisioned to be connected to other training and knowledge centres and also to central headquarter, Patna through Edusat satellite link-up in collaboration with the Indian Space Research Organization (ISRO). The long term objective is to eventually set up information centres in each of the model producer groups and linking them to the virtual networks and need based satellite link supported by ISRO which will create a state-wide rural information and knowledge repository. Such a network will help in real time information exchange on resources and production patterns in a state like Bihar which comprises on diverse agro-climatic conditions.

**Role of Training and Learning Center (TLC) vis-à-vis FTIC**  
 Training and Learning Centers at district level have been engaged in identification and training of community members into resource persons and utilising their services for program implementation. Given the diverse and dynamic nature of livelihoods interventions at farmers' end calls for constant follow-up and updation of contextual knowledge of farmers and community professionals in the area of FTIC operation. The synergy between FTIC and TLC would ensure effective community extension system which is responsive to local needs.

#### 4.3.4 Organic Clusters

Organic clusters are to be formed in 15-20 acre of contiguous land with the participation of farming households of the concerned VOs of this patch of 15-20 acres. The objective of establishing organic cluster is to grow, promote and market organically grown produce for the community/ consumers. Organic formulation is to be formulated at

the VO level which will consist of all organic inputs (as Jivamirt, GhanJivamirt, Beejamrit, Agiastra, Dasparnikhada, Brahmastra Sanjivak, Vermicompost etc.) In the Block/cluster where organic cluster is formed, no inorganic fertilizer or pesticide will be supported/ provided/ promoted to SHG members by any cadres or suppliers in any form. It should be followed in word and spirit both.

Fund will be transferred in VO based on the fund request from VO to BPIU after recommendation from BPM by District.

Organic Clusters Expense details		
Sl.	Indicator	Budget (Rs.)
1	Grinder & Utensils	8000
2	Herbs, plants, Jaggery, Besan, etc Materials for organic Formulation	2000
3	Demonstration cost in ¼ acres of land (3 Demon in one cluster)	5000
4	Nursery preparation and plantation	3000
5	Establishment of NPM shop	5000
6	Expenses on orientation of community members in VOs)	2000
	Total	25000

#### Roll out strategy and production protocol for Organic Farming

- ✍ Selection of clusters of block, GP, and villages and patches
- ✍ Identification and grooming of cadres
- ✍ Mapping of resources (production, input, existing practices, and marketing among others)
- ✍ Documentation/ identification of all farm Indigenous Technical Knowledge
- ✍ Sensitization and awareness of community and NRLM institutions
- ✍ Drawing and extending support to other institutions

- ✍ Estimation of input demand
- Strategy for filling the gap for availability of materials
  - Planting material: Community seed fair, Seed Bank, nursery and plantation
  - Manure
  - Plant Protection
  - Storage and handling
- ✍ VOs will form the Local Group (LG) by identification of potential organic farmers
- ✍ The local group should have at least of 15 farmers having land in a contiguous patch (at least of 4-5 acre in a patch)
- ✍ Maintenance of Books of records (as per PGS guidelines)
- ✍ Training and handholding support for the LG members on roles, responsibilities, and record keeping
- ✍ Development of crop calendar / models and their PoPs
- ✍ Development of training calendar/ module/ material for LG members
- ✍ Monitoring and follow-up
- ✍ Harvest and post-harvest protocols
- ✍ Value addition and marketing

#### **4.3.5 AGRI-ENTREPRENEURS**

An AE brings together services such as credit and market linkage, access to high-quality input and crop advisory for a group of farmers.

The model in JEEViKA follows a decentralized approach in empowering local youth as “Agri-entrepreneurs” (AE) who champion agriculture development in neighbouring villages. Besides local self-employment, the model also facilitates delivery of services such as access to high-quality inputs, crop advisory, door step financial transactions and aggregation of surplus produce for distant markets. Each AE works with 200 to 300 farmers in a cluster of 3-4 villages and acts as a one-stop service provider for most agricultural needs of small and marginal farmers.

Most of the AEs have evolved from their earlier roles as Village Resource Persons under the JEEViKA project, providing limited set of extension services to a group of farmers. Their journey from VRPs to Agri-entrepreneurs took them through an extremely competitive process. Of more than 1000 youth, who registered for the program, around 200 (5:1) were selected following a multi-stage selection process, involving written tests, interview, and socio-psychometry test to gauge their aptitude for entrepreneurship. Under the program, the selected youths undergo a 45-day residential training program with National Institute of Rural Development and Panchayati Raj, which equips every AE with the requisite agricultural knowledge, entrepreneurial and soft skills required to work intensively with farmers. To facilitate experiential and on-the-job learning, field trips and apprentice programs with existing AEs are also organized during the later phase of the program. All AEs are trained on how to use digital kits to run his/her own agri business using mobile apps; capturing market signals, insights/intelligence etc. Most of these entrepreneurs are between the age group of 18-35 years and are mostly high school graduates.

These AEs are working as change agents, transforming agriculture in Bihar from the bottom up. The AEs have been provided digital tablets to maintain digital databases of their farmer clients, with tailored digital content available for different farmers.

#### **Allied features of the program**

The program has also integrated digital financial services and trained AEs to serve as Customer Service Providers (CSPs), in partnership with Spice Money, a Non-Banking Finance Company (NBFC) facilitating farmers in financial transactions at the village itself. Sangita Kumari from

village Belapemu in Purnea district is an AE cum Customer Service Provider (CSP) and has facilitated transactions amounting to INR 555,000 within the first two months of being operational. In addition to receiving digital payments for inputs supplied to farmers, the platform supports Aadhar enabled payments, direct money transfer, and mobile recharges, among others.

### Jeevika's heightened role

JEEViKA ensures that these AEs behave responsibly and do not indulge in any business mal-practices and maintain their focus towards the ultimate client i.e. farmers. Over the next few months, the AEs plan to work with input dealers, farm equipment manufacturers, product users as well as banks to provide various agricultural services required by farmers.

The Program in numbers:

Number of AEs trained	214
Number of AEs currently being trained	68
Number of active AEs	177
Number of Farmers registered	35000
Total transactions	INR 6 Crores
Average AE income (over 5 months of launch)	INR 12,500 per month
Average income (medium performance)	INR 8000 per month

## 4.4 Policies: PG, FPC, VRP, SEW

### 4.4.1 PRODUCER GROUP

#### Introduction

JEEViKA has developed a systematic scaling up strategy for agriculture based livelihoods promotion based on the cluster and sub-sectoral analysis. The project will initially focus on agriculture with productivity enhancement in any district and then move on selected commodities or sub-sectors which have potential to scale up and

impact large number of poor households. Producer groups will be mobilized around different subsectors/ activities like agriculture, dairy, poultry, nonfarm activities etc. The project will adopt a cluster approach for promoting these groups with activity focus to gain advantages of economies of scale in delivering input services, extension and information services and collective marketing efforts by developing a Producers Company or Producers Cooperative based on suitability. The model will be producer group linked with Producer Company.

The project is promoting development of economic clusters around specific commodities/activities by way of mobilizing Farmers/Producer into informal Producer Groups (PGs) at the village level. These PGs are then further federated into Farmer Producer Companies (FPCs) on needful basis.

Both PGs and FPCs are equipped to undertake business activities. Village level PGs serve as primary aggregation and quality control hubs. These PGs also serve as effective platforms for collective orientation and capacity building of producers while facilitating backward linkages through parent Producer Company. The PGs are equipped with requisite basic infrastructure and quality control tools to ensure quality procurement. Farmer Producer Companies are larger, registered business entities comprising of shareholder members ranging from few hundreds to many thousands. These FPCs undertake the responsibility of backward and forward linkages for large scale aggregation of produce and input demand for bulk purchase to deliver quality inputs at competitive prices to members.

## Objectives

The main objective of establishing Farmers Producer Organization (FPOs) is to increase the income level of the rural poor farmers by developing increased bargaining power of small and marginal producers and strengthen the agriculture value chain through livelihood diversification, productivity enhancement and improved market access.

### Specific objectives of promoting FPOs

- ✍ To provide the collective strength and bargaining power of members to demand competitive prices for agricultural inputs, better price realization of their produce and improved access to other services such as credit, processing and marketing at reasonable rates;
- ✍ To undertake remunerative agribusiness activities by targeting reduction in cost of inputs, access to new technology and collective marketing of member's produce;
- ✍ To strengthen and build capacities of producers for collective activities and achieve more benefits through application of all stages of production cycle;
- ✍ To identify and adopt new technology, selection of crops, new methods of production etc. which help to improve productivity for smallholders;
- ✍ To ensure sink/convergence with various other government programs for the benefits of member producers/farmers.

A Producer Group is a business group owned and managed by producers having common interest and engaged in common economic activities for their mutual benefits. This is formed with an objective of enhancing their access to formal markets on a sustainable basis. Under the JEEViKA context, PGs shall be formed mandatorily out of women SHG memberships from farming households based on their common interest and engagement in

similar economic activities, where they see larger economic gain in coming together.

Producer's group functions as an informal group without registration under any formal/legal provisions/act. However, the concerned BPIU of JEEViKA would maintain a producer's groups register with basic profile details of the group and its members and in due course it would be digitized and entered into computerized MIS system. Each producers group will maintain minutes register, farmer's contribution register and business related documents. The group will follow mutually agreed norms, rules and procedures to function as an informal entity though organized business group.

### Who should organize PGs?

Respective Community Coordinator, Village Resource Person and Area coordinator should play crucial role in promotion and organization of PGs in respective villages/clusters. Livelihoods Specialist will facilitate in the formation of PG with concerned CC and AC. The block team will use PG flip chart for mobilization and formation of PG. Typically, the size of a Producer Group would vary between a minimum 30 to a maximum of 60 SHG members depending on the nature of various economic activities.

### Functions of Producer Group (PG)

Farmer's PG will conduct monthly/ fortnightly meeting facilitated by VRPs. Producer group based on activity plan may offer the following services to the members;

- ✍ Input management
- ✍ Productivity enhancement
- ✍ Production planning during production cycle
- ✍ Post-harvest management
- ✍ Creating of local value addition infrastructure

- ✍ Setting up/running a custom hiring/repair center of Agri-equipment, soil testing facilities, irrigation equipments, farm machineries
- ✍ Market information & intelligence Provision of Mobile Agro Advisory
- ✍ Convergence with various government programs Facilitating for financial services

#### Financial arrangements at PG Level

- ✍ Share Capital for Formation of Farmer Producer Company (PC): Every member of PG will be the shareholder of Farmer Producer Company by depositing one-time payment of Rs.500/- for 10 shares as share capital in PC.

#### Grants/Loans

JEEViKA as the promoting agency will provide an investment support based on performance triggers and milestones achieved by producers group. The overall limit of investment is Rs. 1 lakh per PG.

#### 4.4.2 Producer Company

##### FPC Institutional Structure

##### General Body

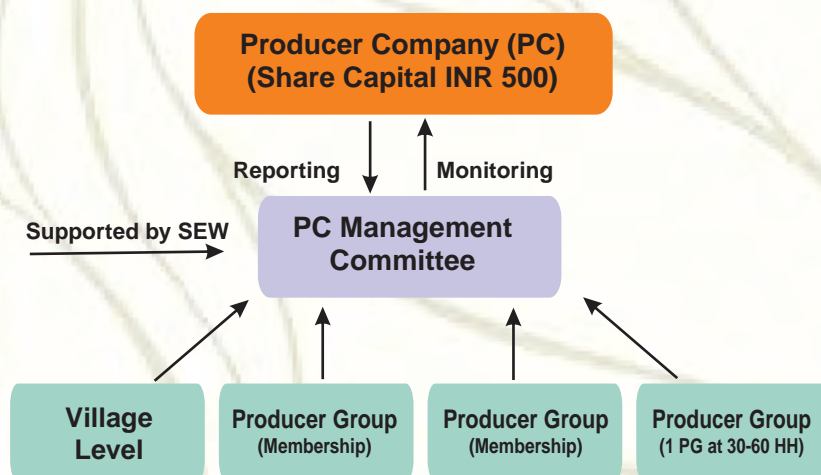
All members of the PC shall form the

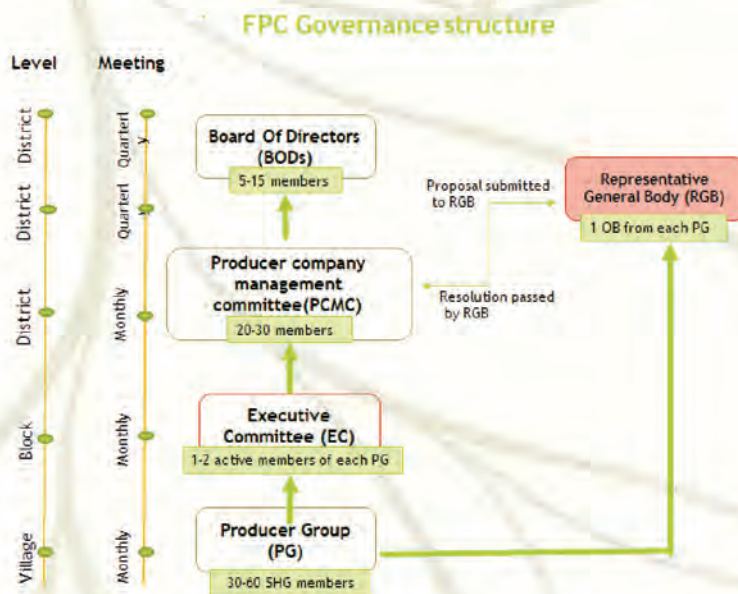
General Body to review the PC performance and make decisions on future activities of PC, action plan and policies. Chief Executive will facilitate GB meeting with the support of concerned PC members and BODs.

##### Formation of Representative General Body (RGB) or Executive Council

- ✍ Two leaders from every PG shall represent the RGB which shall act as liaisoning body between PGs and Executive Committee. Their maximum term will be two years and every year 1/4<sup>th</sup> of total members will retire and new members will be elected.
- ✍ Formation of Executive Committee (EC) / Board of Directors: One active member from every 10 – 12 PGs in a contiguous patch of one or more villages will be elected as the Director. EC discuss the managerial and financial aspects of PC. Chief Executive of PC will facilitate the EC meetings and accountable for Board of Directors. From the 2<sup>nd</sup> year onwards, the contesting member for the post of Director should contribute to about 1/10<sup>th</sup> of the business done by the respective PC.

#### Community governance of Producer Company:





processing including preserving, drying, distilling, brewing, venting, canning and packaging of produce of its members

To provide necessary productive infrastructure for the value addition of the produce of rural farmers related to production, sale or supply of machinery, equipment or consumables primarily to its members

To strengthen the collective purchase and sale mechanism for earning the better bargaining power and price realization of the production by intervening at

both end of supply chain.

### Promotion & objective of FPC

The members of producer groups may form Producers Company. The company may have operation at multi-block/district level depending upon nature of business activities.

The main objective of PC is to provide sustainable business structure to primary producer to enhance their socio-economic status through the provision of both backward and forward linkages. Some of the specific objectives of JEEVIKA promoted FPCs are:

- ✎ To aggregate rural farmer producers into business groups i.e. Producer Groups for better access to the available resources/facilities/schemes and to facilitate training of PG Members over the concept of Value Chain, Farmers producer's organizations and to establish Forward and Backward Linkages.
- ✎ To improve value for the associated farmer in the value chain of various Primary Produce and provide hand holding support to Producer Groups and Primary Producers on timely input supply and market linkages.
- ✎ To manage and facilitate marketing of Primary Produce of the members,

### Functions of FPC

- ✎ Preparation of business plans for collective procurement of major crop produce by the farmers, processing and marketing.
- ✎ Provide various services to PC members viz., trading, insurance, credit linkages, storage / ware housing, ICT-market information, price information, technology information, processing, input linkages- bio fertilizers, manure, farm implements and bio-pesticides, fund mobilization, linkages with Govt. programmes, extending short/medium/long-term credits, seed banking and processing, marketing, exporting, etc.
- ✎ Establish an office with required infrastructure and equipment at the District headquarter to cater the demand of several blocks and possibly sometime of farmers belonging to more than one District.
- ✎ Provide trainings to the PGs and EC members.
- ✎ Tie up market Linkages for Produce.
- ✎ Interface with buyers.
- ✎ Increase Producer Company's equity though matching grants from Govt. & financial institution.



- ✍ Conduct general body meetings annually.
- ✍ Maintain accounts and get internal audit done every quarter and external audits once in a year.
- ✍ Recruitment of staffs as per the requirement and management.

### Financial arrangements to PC

- ✍ Share Capital of Rs.500/- from all members of PGs will be deposited in the account of PC. PG members should provide their share capital fee after the formation /incorporation of PC.
- ✍ Bonus/Dividend of the members may be deposited in the PC.
- ✍ Grants/ Loans from BRLPS (as promoter): JEEViKA will support FPC for cost of training and Capacity Building including exposure visits to best practice sites; cost of a Chief Executive; Accountant; Marketing Expert and computer operator for maintaining MIS initially for the first five years.

Sl.	PC Funds	Triggers / Milestones	Support from JEEViKA	Item Head	Documents Required for approval
1	PC Establishment Fund	a. PG Profile entered in MIS	Grant of Rs. 25 Lakh per PC.	Establishment cost, Office Maintenance; Office Infrastructure; VRP cost; Field demonstration etc.	Request letter from PC along with registration certificate; copy of licenses; bank A/C pass book.
		b. > 60% members paid agreed share capital			
		c. Incorporation of PC completed with opening of Bank Account			
		d. Basic training on PC functioning to BOD members completed.			
2	PC Productive Infrastructure Fund	a. > 60% of establishment fund utilized; UC submitted	Maximum Rs. 25 Lakh (up to 90% of total approved business plan)	Productive Infrastructure e.g. grading, sorting, processing etc.	Request letter from PC along with copy of UC and copy of business plan
		b. At least one AGM held			
		c. Infrastructure business plan with return on investments			
3	PC Revolving Fund (working capital)	a. At least one AGM held	Maximum up to Rs. 1.0 Crore	Revolving fund to be utilized as working capital but not for lending to farmers/producers	Request letter from PC along with UC of previous fund received and Business plan
		b. Advance training on PC functioning to BOD			
		c. Deployment of Chief Executive; Accountant;			
		d. Business plan with cost and benefit analysis			
		e. Market tie up with corporate and private sector established.			

### Preparation of Business plan of PC

PC will prepare its multi-year (3 years with annual break-ups) Business plan proposals with the assistance of Chief Executive and with the facilitation support from technical support agency, Livelihoods Manager and Livelihoods specialist.

### Monitoring, evaluation and learning

FPO will adopt a proper MIS and reporting system for timely reporting to all concerned stakeholders including JEEViKA.

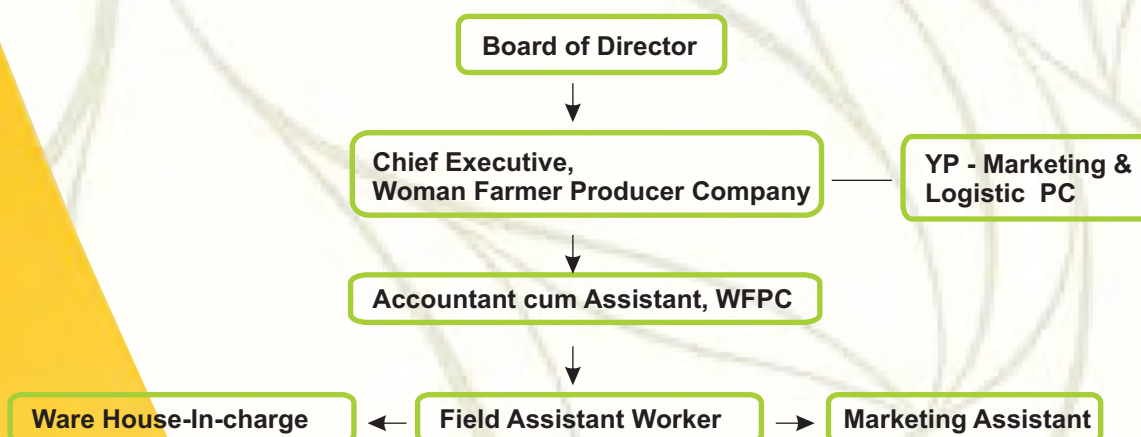
### Institutional Roles and Responsibilities related to PG & PC

Illustrative List of Activities	CBO	BPIU	DPCU	SPMU
Policy note/Operational guideline-new or amendments; training modules & formats etc.				SPMU, PM, YP
Mapping, mobilization, formation of Producer Groups	CLF/ VO	CC & AC	Manager LH	PM
Account opening of PG/PC		AC	Manager MF	PM
Basic Training	VRP	LHS/AC/ CC	Manager-LH	SPM
Technical Training to VRP		LHS	M-LH	PM
Preparing of Activity Plan	PG	LHS	M-LH	PM
Appraisal of Activity Plan	PC/CLF	BPM/LHS,	M-LH	
Fund transfer		BPM	DFM/DPM	
Operation and Management	PG office bearers	BPM	DPM	PM
Marketing	PC	LHS/YP/ CE	M-LH	SPM/PM/YP
Partnership and collaboration(Back end and forward linkage)	PC		CE/YP & DPM	SPM/PM/YP
MIS	SEW	BPM	Manager M&E	SPM-MIS
Report & UC		BPM	DPM	PM

### Producer Company Organogram & HR Systems

At field level three staffs equivalent to Semi Skilled Extension Worker (namely Warehouse In-charge, Field Assistant Worker, and Marketing Assistant) will be placed. They will be responsible for activities related to company's business development. Accountant cum Office Assistant will be placed at company headquarter to carry out financial along with official activities and may be placed at different locations within headquarter as per the need of the company with the approval of CE-WFPC.

CE-WFPC will be based at company headquarter and responsible for entire decision making related with performance of the company. YP-Marketing & logistics at WFPC will provide full support in carrying out business activity.



## Training and Capacity Building of PG & PC Members and Office Bearers

The capacity building program will be conducted on regular basis both through integrating into the general induction training program (for staffs) as well as through focused training for relevant staff and project functionaries on the Agri Value Chain concept and interventions as per their training needs.



### 4.4.3 Policy Note on Village Resource Person & Skilled Extension Worker

To make agriculture as a sustainable livelihoods option, a community managed sustainable agriculture system needs to be placed through the community based institutions viz. Producer Groups/ Village organization. Each member of Producer Group(s)/ Village Organization(s) practicing agriculture needs to be trained with best practices of today's agriculture in changing scenario. There is a need of a dedicated community cadre, Village Resource Person, who can train and handhold the SHG members in the best practices within the agricultural sector including better input selection, integrated use of technology, demonstration based extension, value addition activities and marketing of surplus produce. The PGs, VOs will be hiring the services of the Village Resource Person (VRP) to convert the challenges in agriculture into opportunities and make it a sustainable community managed intervention.

## Positioning of VRP

The VRP will be identified and selected by the Producer Groups/ Village Organizations from the same village and will provide his/her services to the SHG households. VRP will be paid for his/her services by the PG/VO.

## Eligibility Criteria

- ✍ Female candidates should be given preference for selection as a VRP. In order to become a VRP, a candidate must fulfil the following eligibility criteria:
- ✍ S/He should belong to a SHG household from the same village.
- ✍ S/He should be practicing agriculture on own farm/ leased land.
- ✍ S/He must be able to read, comprehend, write and do basic arithmetic calculations. Educational qualification up to standard 8 is desirable.
- ✍ S/He should have basic knowledge of agricultural practices and cropping systems in her/his village.
- ✍ S/He must be physically fit to carry out training, field inspections, demonstrations, and farmer field schools.
- ✍ His/her minimum age should be 18 years.

## Job Responsibilities of a VRP

A VRP would be responsible for providing necessary technical support and handholding to 40-60 SHG households. The VRP will be appointed by the PGI/VO based on the needs of the CBOs. As producer group is an economically active group focused solely on production and subsequent activities, the VRP's primary responsibility will be to provide support in enhancement of farm level productivity and quality of produce.

- ✍ Planning
- ✍ Procurement and Distribution
- ✍ Training and Capacity Building
- ✍ Monitoring and Book Keeping

### **Selection Methodology**

The Village Organization/ Producer group will discuss in the VO/PG meeting about the selection of VRP on basis of above mentioned eligibility criteria. The potential interested candidates from SHG households will submit their profiles/CVs to VO/ PG. The Executive Committee of PG/ Livelihoods Committee of YO will screen the applications with the support of concerned CCI SEW and subsequently conduct an interview on basic agriculture knowledge. Based on the performance in the test, the PG/VO will select the VRP for Agricultural intervention. The PG/VO will keep a record of all applications in its office file. The entire selection process must be recorded in the minute's books of PG/VO. The information and profile of selected VRPs will be sent to CLF after selection. CLF will maintain a database of all VRPs working in its area and would send a copy of the VRP profile to BPIU and DPCU.

### **Training and Capacity Building Program**

Before formally taking on the role of VRP in their villages, the selected VRPs will be trained by the district training cell on various aspects of Production planning, ILP, technical aspects of different crops, Inter cultural operation, Pest management, Yield estimation, VRP register, Farmer Field School, Usage of Audio- visual aids etc. The District Training Cell, District Manager livelihoods, Livelihoods Specialist and Skilled Extension Worker (SEW) will be responsible for providing training and capacity building inputs to VRP. Technical resource persons from ATMA, BAMETI, NABARD, KVK and other similar agencies working in livelihoods promotion will be hired to train the VRP on specialized technical inputs based on the needs of PGs/VOs.

### **Honorarium of VRP**

The service charge of VRP will be provided by the PG/VO/Nodal VO/CLF on the basis of farmers served (per-farmer) and number of crops. The VRP must have a bank account as all payments to VRP will be made through account payee cheque.

### **Performance Appraisal and Monitoring and Evaluation of VRP**

The performance of VRP will be regularly reviewed in the VO/PG meeting by the OB members and Livelihoods Committee at YO and Audit Committee at PG. The Livelihoods Committee will appraise the performance of VRP based on sample field visits and share its findings in the VO/PG meeting. The details of field visit done by Livelihoods committee will be documented in the minute's book of YO. At cluster/block level, the VRPs will be reviewed by SEW/LS in the weekly meeting. The VRPs will furnish requisite reports as required by SEW/LS.

### **Termination of VRP**

In case the VRP does not perform as per the task assigned by VO/PG in implementing agriculture interventions, the VO/PG has right to stop giving service charge to VRP and terminate him/her and hire new VRP following selection process. The reason for termination must be duly recorded in the minutes book of VO/PG and based on appraisal criteria mentioned in annexure 5.

### **VRP/SEW as a resource person**

The VRP/SEW can also be used as a resource person/Trainer of trainers (ToT) for adoption/dissemination of practices or interventions other than his/her area of operation.

## Chapter 5

# Livestock Based Livelihoods Promotion- An Overview

### 5.1 Livestock and JEEVIKA

The main objective of Jeevika is to improve the livelihood sources of poor. In context of Bihar there are 4-5 major areas of livelihood which can be developed as sustainable sources of livelihood by associating with community members. Agriculture, Livestock and dairy are few sectors in Bihar where livelihood activities are carried out within the project.

#### 5.1.1 Dairy (Milk Production)

Milk production and operating milk based livelihood activities is the main objective of cattle rearing and husbandry of milch animals. Various activities relating to dairy and milk production within project is as under:

##### Formation of DCS

DCS or Dairy cooperative societies are societies formed on small scale which carries out activities relating to milk production, distribution and marketing of milk products so that appropriate price is fetched for milk and related products. SHGs and Village Organizations are encouraged for formation of Dairy Cooperative Societies by the project. These societies are associated with Bihar State Cooperative Milk Federation (COMFED). In total 291 DCS are being run by Jeevika. For increasing milk production and animal

protection following activities are being done by Jeevika

**Vaccination of Animals** – (HS,BQ), Foot and Mouth disease (FMD) - animals are vaccinated technically twice in a year by administration of antibiotics.

**Learning and Training** – Approximately seventy five percent cost of production of milk depends on the cost of feeding the animals. Hence, food i,e; fodder of milch animals, its availability, price and quality is most important concern related to milk business. Training regarding improved and better fodder, importance of green fodder, improving the palatability and nutritional value of dry and straw fodder through use of technology is imparted by Jeevika through training programs.

##### Infrastructure Development Programme

Automated milk collection centres are installed under this activity so that better milk procurement process, less fat testing time and facilities like spot payment can be provided to milk producers. In total 250 AMCU are being run by Jeevika.

##### Convergence with different programmes

Under dairy intervention in jeevika model there is provision for convergence with centrally and state owned schemes like establishment of Mini Dairy, Cattle Breeding Units, Dairy Cooperative Societies, Green

Fodder, Adarsh Dairy Gram, Artificial insemination (AI) centres, Electronic Milk Tester so that milk production and related activities can be enhanced.

### **5.1.2 Goatery**

Goatery is an intervention which operates easily in approximately all kinds of environment with low input, normal shelter, general care -rearing and husbandry. Market is available in all areas for its products. It is hence goatery has a special place in livestock.

Today when animal rearing has become an activity of lesser income due to growing prices of medicines, fodder and food; goatery at the same time is becoming a popular option of livelihood for agricultural peasants and poor farmers due to its quality of being operational in lower input and normal care and rearing. Not only this, the income earned from this intervention is also attracting economically capable people of the society. Goatery has become a strong option of self-employment. In Bagha-2, Rohtas, Raniganj and Rajouli block of West Champaran, Rohtas, Araria and Nawada Goatery intervention has been started by Jeevika. In total 12 producer groups have been formed and cadre have been imparted training.

### **5.1.3 Poultry**

Jeevika is a livelihood promotion society therefore, activities related to income and livelihood is given equal and substantial importance in it. Backyard Poultry farming has been conceptualized on the same objective in the project. The main objective of the intervention is to eradicate malnutrition from SHG households along with associating them with alternate sources of livelihood. Within the program providing additional means of livelihood at door steps of rural women, establishing

sustained livelihood options for members of SHG, controlling migration, improving the state of nutrition are its main goal and objective.

In light of official circular of Dept. of animal husbandry and fishery integrated poultry development program is being run by the project. Under this program certain provisions have proposed which is aimed towards successful implementation of the intervention. First - Rearing of chicks on two stages; First at level of mother unit for 28 days and the other at level of beneficiary where the chicks are distributed. Beneficiary in six cycle are given 150 chicks along with one cage. In first 28 days at the level of mother unit chicks are vaccinated and cared technically. At the level of rearer facility of PRP (Poultry Resource Person) is provided which is another important provision. In total 421 mother units have been established through which 126786 households have been benefitted.

### **5.1.4 Animal awareness camps**

In Jeevika two types of camps are being organised for health and development of animals.

#### **Animal Health and awareness camps**

Under this, health check-up and distribution of medicines is done through camps for big ruminant animals. Information regarding food and husbandry of animals is also disseminated. In total 142 camps have been organised.

#### **Health and vaccination camps for small ruminant animals**

Under this sheep and goats are vaccinated to prevent them from fatal diseases like PPR. Information regarding husbandry, food and health check up is also disseminated. In total 75 camps have been organised.

## **5.2 Projects - IGSDP, IPDS, MESHA, Pashu Sakhi Model, Full Cost Poultry Model, Insurance policy**

### **5.2.1 Poultry Full Cost Model Guidelines**

Backyard poultry occupies a unique position in the livestock economy with its dual benefits of contributing income as well as improving nutritional security among the poorest of the poor. JEEViKA has adopted a strategy to promote backyard poultry through a model of mother unit which function as a hub for the backward and forward linkages serving individual household level units and trained them in poultry economics and management. Beneficiary households have increased their consumption of poultry meat and eggs, with positive returns in terms of household nutrition, health and income as well. The return on poultry investment varies significantly to mortality rate and egg laying capacity of female chicks. The performance of which depends on the management of backyard poultry system.

BRLPS had undertaken convergence with the Department of Animal and Fish Resource. GoB under the integrated poultry development scheme with the objective of leveraging benefits pertaining to initial subsidized investments made by the participating households. The program has had a positive impact in improving and sustaining poor farmer's nutritional security. However, it has been observed that majority of participating members have been prone to setting both male and female birds prematurely. Similarly, the consumption at the household level also happens despite birds being of weight or in egg laying stage. This has hampered the potential economic returns that can be realized from the activity. To ensure long term sustainability of backyard poultry as a viable economic activity. It is important to ensure sale of birds

at right age and right average weight to maximize the profit realization to rearers. This will create balance between livelihoods and nutritional security to farmer while also contributing to development of village level entrepreneur in form of mother unit operators.

### **Objectives**

The prime objective is to promote sustainable livelihoods option for SHG members through generation of income from backyard poultry farming:

- ✍ To provide backward and forward linkages essential for long term profitability.
- ✍ To generate gainful employment for women at their door step.

### **Strategy**

This business model will comprise one mother unit (MU) providing chicks to 2-3 producer groups. One PG will have 50-60 poultry rearers and maximum upto 60 poultry rearers. One entrepreneur will be selected to run the MU and the entrepreneur (s/he) will get Rs. 5/- per chicks for rearing chick upto 28<sup>th</sup> day. The individual entrepreneur will earn profit by supplying vaccines; balanced feed to the poultry members. Only members of JEEViKA SHG will be eligible to become member of the producer group. One member cannot be a part of more than one poultry producer group.

### **Institutional structure**

Each PG will have around 60 members. Among them three will be elected office bearers as President, Secretary and Treasurer and three different committees will be formed with having three members in each committee. The committees are viz. Procurement Committee, Health and Management Committee and Marketing Committee.

### **Milestone**

- ✍ Formation of Producer group, election of office bearers and committee members, selection PRPs
- ✍ Account opening of PG
- ✍ Proposal submission and fund transfer
- ✍ Selection of mother unit
- ✍ Training to PG members
- ✍ Demand generation of chicks and collection
- ✍ Rearing of DOC till 28 days
- ✍ Distribution of chicks
- ✍ Updating of BOR
- ✍ Rearing of Birds at households
- ✍ Selling of Male birds after 2-3 months
- ✍ Retention of female birds for egg laying
- ✍ Marketing of eggs and birds

### **Activities at Mother Unit**

- ✍ Receiving of health DOC at morning (weight not less than 35 grams)
- ✍ Vaccination as per schedule
- ✍ Feeding 770 gram per chicks till 28 days (As per backyard poultry farming Policy-BRLPS/Proj/231/11/3432 dated 21.09.2013)
- ✍ Mortality not more than 2%
- ✍ Maintaining hygiene (changing bedding material, fumigation and whitewashing after distribution of each lot)

### **Marketing**

- ✍ Poultry Resource Person (PRP) will be promoted for aggregation of eggs/chicken/birds to ensure marketing on time.
- ✍ Aggregation of eggs will be done at Mother Unit Level.
- ✍ She/he will either sell in retails or through organized/institutional buyers/sellers.
- ✍ JEEViKA will support the PG for market linkages with organized players.

### **Roles and Responsibilities of Mother Unit Entrepreneurs**

1. Ensure availability of clean water, electricity, maintenance of MU.
2. Ensure feeding and scheduled vaccination from day 1 to day 28 while rearing of chicks.
3. Ensure maintenance of MU prior to each lot.
4. MU owner will get Rs. 5/- as a payment for each live birds after 28 days of rearing.
5. MU owner will also bear the loss due to mortality, theft, predator attack and or any other reason

### **Members Contribution**

The membership fees of PG members to join PF is Rs. 50/-. Each member will deposit Rs. 50/- in PG while joining. After which the PG members will deposit Rs. 20/- per month for 6 months for availing services on para-veterinary support i.e, de-worming, vaccination, etc. and ensure timely record keeping from Producers' Group through Poultry Resource Person (PRP). The PG members have to pay Rs. 40/- per month from 7<sup>th</sup> month onwards. All beneficiaries need to deposit the contribution amount at PG.



### **Roles, Responsibilities and Accountabilities of PRP**

1. Responsible for looking after the individual households engaged in Backyard Poultry Intervention.
2. Responsible for de-worming and vaccination, collection and marketing of eggs and birds (with organized or local markets).
3. Maintain poultry information register with detailed information of households.
4. Ensure door to door para vet services (De-worming, vaccination, de-beaking of birds, etc.) to each household.
5. Visit BPIU and DPCU as and when required for poultry related work.
6. Receive all the training on Backyard poultry designed for this intervention. Trainings on importance of business model of Backyard Poultry. Services on vaccination, health, good management practices & marketing of egg, birds.
7. Ensure Data entry with MIS mobile application as provided by Jeevika.
8. Other responsibilities as and when decided by Jeevika from time to time.

#### **Fixed Honorarium**

PRP will receive honorarium of Rs. 1750 per month as fixed, Rs. 200 per month as fixed TA and Rs. 50 per month as mobile charge which will be productivity based. The internship period will be of three months and continuation will be subject to satisfactory performance.

#### **5.2.2 Pashu Sakhi**

##### **Policy Note on Pashu Sakhi**

A major constraint facing the goat rearing sector in Bihar is the high mortality and morbidity of goat flocks, primarily on account of disease spread. With the objective of enabling last mile delivery of

preventive health services, a cadre of community-based women animal health workers - Pashu Sakhis - are to be promoted as village level entrepreneurs, providing a range of preventive health services (e.g. vaccination, de-worming) and extension support to goat rearers to improve goat management and rearing practices. Hence, there is a need of Pashu Sakhi, a village based trained women who can support the Goat rearing SHG members to enhance best practices/knowledge through regular training & monitoring and also provide first aid services to Goats

# Pashu Sakhi

## 1. Selection of Pashu Sakhi

The Pashu Sakhi will be identified and selected by the Nodal VO/Nodal PG. She will provide her services to 100-120 SHG households covering 300-500 Goats.

## 2. Eligibility Criteria

Only a female is eligible to become a pashu sakhi apart from the below mentioned criteria

- She should have strong willingness to serve the goat rearers and to work in consultation and supervision of a qualified Veterinary Doctor.
- She should have good communication skill: good listener and vocal speaker and willing to go for training and provide required support to goat rearers.
- She should be at least 18 years old and belong to a SHG household from the same or adjacent village. Preference can be given to Single woman, vulnerable woman or to those with grown up child.
- She must be able to read, comprehend, write and do basic arithmetic calculations. (Educational qualification should be at least standard 8th Pass.)
- She must be physically fit to handle goats, field work, carry out trainings and demonstrations.
- She should be aware of the local goat rearing practices and its challenges.
- She should be either familiar or able to learn about green fodder for Goats, different Goat breed, Goat disease symptoms and local preventive measures, Goat Housing and Goat Marketing.

## 3. Job Responsibilities of a Pashu Sakhi

Pashu Sakhis will provide preventive goat health care support to goat rearers to improve productivity of goats She will also be responsible for provide handhold, Support to the goat rearer of Goat producer group regarding goat health, management practices and women's empowerment. The Pashu Sakhi will be identified and selected by the Nodal VO/Nodal PG. She will provide her services to 100-120 SHG households covering 300-500 Goats.

Key Responsibilities:

- Handhold support in production and procurement planning.
- Training and Demonstration support.
- First aid and Preventive Measure support.
- Input Supply Support.
- Marketing Support.
- Book-Keeping and Monitoring of production support.

## 4. Training and Capacity Building of Pashu Sakhis

Before formally taking on the role of Pashu Sakhi in the villages, the selected Pashu Sakhi will be trained in 3 phases of total 15 Days residential training (5 days in each phase) on Goat Breed and its specification, Goat Body and its behavior, Feed Management, Health Management, House Management, Diseases Prevention Measure, Castration, Marketing, etc. Technical support from M/S AKF, M/S the Goat Trust, and other similar agencies working in small ruminant based livelihood promotion will be hired to train the Pashu Sakhis on specialized technical inputs based on the needs of the PGs/VOs.

## 5. Honorarium of Pashu Sakhis

The service charge of Pashu Sakhi will be provided by the Nodal PG/ Nodal VO based on the monthly performance report of Pashu Sakhi duly signed by the Office Bearer of Nodal. PG/ Nodal VO. The Pashu Sakhi must have a bank account as all payments to Pashu Sakhi will be transferred in her bank account only.

Fixed Honorarium:

\* 1<sup>st</sup> Year: Rs. 1000

\* 2<sup>nd</sup> Year: Rs. 750

\* 3<sup>rd</sup> Year: Rs. 500

\* 4<sup>th</sup> Year: Nil

Track based incentive will be based on activities performed at field level.

## 6. Performance Appraisal and Grading of Pashu Sakhis

The performance of Pashu Sakhi will be reviewed on monthly basis by OB members in VO/PG meeting. VO/PG will appraise the performance of Pashu Sakhis based on the activities undertaken and output achieved. A sample field visit should also be done by the OB members to validate the work of Pashu Sakhi. Grading of Pashu Sakhi will be done on quarter basis at Nodal VO/Nodal PG level.

## 7. Pashu Sakhi as a resource person

The selected (best performing) Pashu Sakhis can also be used as a resource person/Trainer of trainers (ToT) for adoption/dissemination of practices or interventions other than defined area of operation. The Pashu Sakhi would be eligible for honorarium in addition to her payment.

### 5.3 Policies- PG Policy

#### 5.3.1 Producer Group Policy brief off farm

The Producer Group (PG) is a group of identified eligible household of SHG members mobilized together for a livelihood activity. This is a non-formal group of people who come together with a motive to commercialize their production and take a step towards engaging in a business activity jointly along with enhancing production and productivity. Then group formed is functional at the Village organization (VO) level and has Office Bearers for the management of the PG.

The Objectives with which a PG is formed are as following:

- ✍ To improve nutritional availability of rural household
- ✍ To improve income of shg members through productivity enhancement
- ✍ To provide essential backward and forward linkage support
- ✍ To encourage goat rearing farmers to go in for business oriented model through mobilizing them into producer group.

#### Process followed for the formation and functioning of PG

Concept dissemination on policy of any intervention to the DPCU and BPIU staffs including different stages of intervention and implementation. Further, the immediate step involves discussion of the intervention at the VO meeting by LHS/AC/CC and this includes the following:

- ✍ Discussion on the existing practices of any livelihood activity
- ✍ Discussion on the proposed intervention by Jeevika
- ✍ Creation of a broad vision and a participatory identification of Household
- ✍ Prioritizing on the needy and the

marginalized section

- ✍ Ending up by finalizing the date of GB meeting

Henceforth, the concept dissemination in the SHG meetings takes place and mapping of members interested is recorded. After this a Micro plan is prepared and the identified members attend the meeting and plan of implementation is shared in this meeting:

- ✍ Orientation on the concept and need of PG
- ✍ Concept dissemination on new model of intervention
- ✍ Selection of Office bearers and preparation of By-Laws
- ✍ Deciding on the name of the PG, meeting date and passing the resolution for opening of the Bank account by the OB members.
- ✍ Discussion on selection of cadre for supporting the PG

#### 1<sup>st</sup> Meeting of the PG

The activities and agenda of first meeting are as follows:

- ✍ Orientation on roles and responsibilities of OB and Cadres
- ✍ Follow up on account opening
- ✍ Again a detailed discussion on PG and Implementation process
  - List of activities to be taken up by the PG
  - Cost-benefit analysis
  - List of activities to be done by Household
- ✍ Finalization of tentative date for PG training
- ✍ Preparation of proposal with budget and submission of the same to BPIU along with finalizing the 2<sup>nd</sup> meeting date and ensuring the beneficiary contribution.
- ✍ In the period between the first and second meeting identification and training of Cadre and PG members is to be done before the 2<sup>nd</sup> meeting.

## 2<sup>nd</sup> Meeting of the PG

- ✍ De briefing of the training done
- ✍ Formation of procurement committee consisting of 3-4 members.
- ✍ Implementation planning
- ✍ Follow up for the fund to be received at PG against the proposal sent
- ✍ Collection of beneficiary amount
- ✍ Submission of undertaking by the beneficiaries that the Goats and bucks provided by the PG would not be sold before three years.

## 5.4 List of Training

- ✍ Goat Health & management to Pashu Sakhis
- ✍ Goat Health & management to Jeevika Project Staff
- ✍ Women Empowerment for Pashu Sakhi
- ✍ Training on Goat Intervention (holistic Approach) to Project Staff

## 5.5 Reporting Formats

1. Fix Assets Details and Cost Incurred				
SI.	Particulars	Unit Cost	No. of Unit Procured	Total cost Incurred
1	Feeder			
2	Drinker			
3	Weighing Machine			
4	Injection Gun			
5	Chicks Guard			
6	Books of Record			
7	Mobile Phone			
8	Brooding Material			
9	Thermometer			
10	Others			
			Total :-	
2. Daily usage Materials and Cost Incurred				
SI.	Particulars	Unit Cost	No. of Unit Procured	Total cost Incurred
1	DOC			
2	Feed			
3	Bedding Materials			
4	Medicines and Vaccin			
5	Caramel (Jaggery)			
6	KMNO4			
7	Others			
			Total:-	

3. Daily Reporting Format			
Sl.	Particulars	In Numbers	Remarks
1	Total No. of Live birds available on the date of Distribution		
2	Total No. HH among Birds are Distributed		
3	Total No. of Mortality		
4	Cummulative Mortality till Date		
5	Diseases Occurred		
6	Medicine usage for treatment		
7	Type of feed given to Birds		
8	Quantity of feed given per Birds at HH Level		
9	No. HH having Nigh shelter for Birds		
10	No. HH using open space for the Birds instead of Cage		

#### 5.2.4 IGSDS Report for the month of .....

District :		Phase:		
Sl.	Indicators	Last Month	Current Month	Cumulative
1	Targeted HH			
2	No. of Goats to be Distributed			
3	No. of HH benefited			
4	No. of Goats distributed			
5	No. of HH got subsidy amount			
6	No. of HH in App			

## 5. Goat Intervention Progress Report

Progress Report of Patna District on Goat Intervention						
Sl.	Indicators	Achievement Phase 1		Achievement Phase 2		Achievement Phase (1+2)
		last month	current month	last month	current month	Cumulative
1	No. of PG formed					
2	No. of HH in PG					
3	No. of Pashu Sakhi working					
4	No. of HH getting services from Pashu Sakhi					
5	No. of Pashu Sakhi received Technical Training	Phase I				
		Phase II				
		Phase III				
6	No. of Goats distributed					
7	No. of Goats died	Distributed				
		Existing				
8	No. of Bucks inducted					
9	No. of Bucks inducted died					
10	No. of PGs received Insurance Policy					
11	No. of Goats Insured					
12	No. of claim made to Insurance Company					
13	No. of Claim Settled					
14	No. of Goats Re-Purchased from the settled Claims					
15	No. of Deworming doses used					
16	No. of vaccine doses used (PPR)					
17	No. of vaccine doses used (ET)					
18	No. of vaccine doses used (Goat Pox)					
19	No. of Insemination done by Inducted Buck					
20	No. of Goat Pregnant					
21	No. of Kids born					
22	No. of Kids died					
23	No. of PG were Azolla farming demonstrated					
24	No. of HHs developed Azolla Pit					
25	No. of Feeder/Drinker Developed					
26	No. of Goat Machan/Shed Prepared					
27	No. of Chara stand made					
28	No. of Castration done					
29	Quantity of Dana Mishran prepared (In Kg.)					
30	Quantity of Pashu Chat prepared (In Pcs)					
31	Quantity of Pashu Aahar prepared (in Qty)					
32	No. of Pashu Sakhi earning income from Pashu Sakhi kit (Herbal treatments, Catrator, Deworming, Vaccination, etc.					

## Chapter 6

# Non-Farm Based Livelihoods Promotion- An Overview

### 6.1 Art and Crafts: A Traditional way of Business

#### 6.1.1 Non-Farm Initiative of JEEVIKA- An Overview

In the field of Art and Craft, Bihar has a rich historical past. Always Bihar was the centre of attention due to these rich historical backgrounds. Introduction of modern technology, modern concept and incorporation of contemporary thoughts, effects slightly and introduce several diversified art and craft products, but the root become same as it was in past.

Under its nonfarm and micro enterprise thematic area, BRLPS (JEEVIKA) has identified women artisans who are already in its SHG fold and involved in art and craft production or willing to adopt art and craft for their livelihood to form a Producer Group of art and craft. After formation of art and craft PG JEEVIKA provide them training on PG operations, exposure visit, design development, enhancing product quality, product range development according to market demand to successful Producer Group of similar activity. Further JEEVIKA assist PG group in business plan development and funding of PG as per its PG policy. JEEVIKA also sponsor PG in different fair and exhibition so that they can showcase their products and an opportunity to get order from market. JEEVIKA provide hand holding support to PG group so that they can become a self sustainable group over a period of time.

#### Institutional framework

Activity mapping & mobilization of SHG members to form a Producer Group

Business plan development & Financial support

Training on production techniques & value addition

Bulk procurement, production & sells. Payment made to producers group

### 6.1.2 Non Farm Interventions in Bihar by JEEViKA

JEEViKA, under the non-farm theme is involved in promoting various rural non-farm activities that include incense stick, jute, bee keeping for honey, Jute rope, Madhubani Painting, Sikki craft, Applique Art, Sujani, Blankets, Carpet, Bangles, etc.

#### A brief story of JEEViKA Product

##### Madhubani-Paintings

Madhubani painting, originally known as Mithila or Maithili painting, is traditionally a form of *bhitti-chitra* or wall art. Mithila painting is a tradition of the ancient Mithila region. JEEViKA started working with the artisan of Madhubani and formed a PG name Shilp Sangh at Rajnagar Block of Madhubani District. With the group formed merely with 8 members, now it has grown to involve artisans to a total of 40 members.

##### Sikki

Sikki art is made from grasses namely sikki, munj and khar. Sikki Jeevika Gram Sangathan, a Producer group located in a remote village called Raiyam in Madhubani district of North Bihar, is a group comprising of skilled women artisans involved in traditional Sikki art. Initially starting with merely 15 selected artisans the project grew within a span of two years increasing the number of skilled artisans to 30, thus helping in the formation of Producer Group.

##### Sujni

Sujni Kanthas craft patches of different coloured cloth used are sewn together and then covered in designs to make a small

quilt for newly-born babies. Rural women in Muzaffarpur produce furnishings such as bedspreads, wall hangings, and cushion and bolster covers, as well as clothing items like saris, dupattas. Most of the furnishing items are produced on cream markeen fabric using a combination of a fine running chain stitch with thread of different colours.

##### Honey

Bee keeping is a seasonal activity which could be easily taken up by interested households as a source of generating additional income. This activity is being successfully being carried out in Muzaffarpur and Khagaria through communities involved in producer group.

##### Jute

Purnea being a hub of jute cultivation was identified to initiate jute intervention under non-farm theme of JEEViKA. Members interested in jute rope making activity were brought into producer group fold to receive additional livelihood income.

## 6.2 Projects- AGEY, SVEP

### 6.2.1 AGEY

#### INTRODUCTION

The Government of India has introduced a new sub-scheme under *Deendaya/ Antyodaya Yojana*-National Rural Livelihoods Mission (DAY-NRLM) entitled "*Aajeevika Grameen Express Yojana*" (AGEY) from the financial year 2017-18 with objectives of providing an alternative source of livelihoods to members of SHGs under DAY-NRLM by facilitating them to operate public transport services in backward rural areas and to provide safe,



affordable and community monitored rural transport services to connect remote villages with key services and amenities (including access to markets, education and health) for the overall economic development of the area by making use of the supports available within the framework of DAY-NRLM.

### SALIENT FEATURES

Under this scheme identified CLF/Nodal VO shall provide loan at an interest rate of 6% p.a. to the SHG member selected by the CLF/Nodal VO for the purchase and maintenance of vehicle. The loan provided by the CLF//Nodal VO shall be repaid within six years by the beneficiary, from the date of disbursement, in a maximum of 72 monthly installments. Under this scheme, the beneficiary can purchase passenger vehicle only. Other features of this sub-scheme are as follows:

- ✍ The entire cost of running the vehicle shall be borne by the selected beneficiary.
- ✍ The responsibility of upkeep of all the statutory/regulatory requirement of running a commercial vehicle.
- ✍ While being operational under the selected beneficiary, if the vehicle is seized by the administration with the allegations of being an instrument in a criminal offence; the entire responsibility for this shall be borne by the beneficiary.
- ✍ The beneficiary shall run the vehicle within the defined route and time, as mentioned in the agreement.
- ✍ Under no circumstances purchase of second hand (old) vehicle shall be allowed.
- ✍ The loan will be transferred in the beneficiary's account only after submission of beneficiary's business plan applicant grading sheet of the

selected applicant and loan requisition by the respective SHGs to the CLF/Nodal VO.

- ✍ In case of conflict the decision taken by the respective CLF/Nodal VO shall be deemed final.

### FINANCIAL ARRANGEMENT

Under this sub-scheme a maximum of Rs.8.00 lakh can be given as loan to each selected beneficiary, which includes a maximum of Rs.6.50 lakh for the purchase of vehicle and maximum of Rs.1.50 lakh for the maintenance of the same. However, the provision of loan for the maintenance of the vehicle is optional and the loan shall only be given if requisition for the same is submitted by the beneficiary. The limit of loan for the maintenance of the vehicle shall depend on the cost of the vehicle; limit of loan for maintenance of the vehicle can be referred as under -

Sl.	Cost of Vehicle	Limit of Loan for Maintenance of Vehicle
1	5.5 Lakh - 6.5 Lakh	Rs. 1,50,000/-
2	3.5 Lakh - 5.49 Lakh	Rs. 1,00,000/-
3	1 Lakh - 3.49 Lakh	Rs. 50,000/-

The entire amount of loan under AGEY must be repaid within 6 years from the date of disbursement (if the loan is availed in multiple tranches, i.e. if the loan for maintenance of vehicle is also taken, then the calculation of 6 years shall be valid from the date of disbursement of the first tranche). The repayment schedule would consist of a maximum of 72 monthly installments. If the loan is also taken for maintenance of the vehicle then the

repayment schedule will get revised, as this sum would get added in the remaining principal of the first tranche (which would be the loan for purchase of vehicle).

As per the approved AAP of AGEY for the financial year 17-18 maximum of 6 vehicles can be purchased in each of the selected blocks. Under no circumstances can the number of vehicles exceed the limit mentioned above.

## **COMPONENTS OF IMPLEMENTATION**

### **Selection of routes based on transport network study**

The selection of most suitable routes which will be serviced by the vehicle purchased under AGEY shall be done based on a transport network study of the block.

### **Selection of beneficiary by the VO**

On the basis of transport network study, the nearest CLFs/VOs of the identified 6 routes shall be selected by the BPIU who will be entrusted with the responsibility of selection of beneficiary.

### **The process of loan transfer and loan repayment**

The loan and its repayment shall be routed through proper channels of the CBOs. After the selection of beneficiary from all interested applicants, the selected beneficiary would submit a business plan to its SHG and the quotation of vehicle which the applicant finds most suitable to run on the selected route.

## **6.2.2 SVEP**

### **Vision and Scope**

The vision of SVEP is "To help the rural poor come out of poverty by helping them set up enterprises and provide support till the enterprises stabilize." To provide them with business skills, exposure, loans for starting and business support during the first critical

six months of the enterprises by using the NRLM SHGs and their federations. These skills shall be imparted by local youth who shall be trained in business management, monitoring and support using ICT and audio-visual aids. These local CRP-EPs shall also provide support to the enterprises.

In its first phase, SVEP is expected to support creation and strengthening of about 14400 village enterprises in 6 Blocks in Bihar in the targeted four years i.e. 2015-19. This is expected to create employment for about 29910 persons.

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

### **Objectives of SVEP**

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

➤ To enable rural poor to set up their

enterprises, in its proof of concept phase, by developing a sustainable model for Village Entrepreneurship promotion through integrated ICT techniques and tools for training and capacity building, enterprise advisory services and to provide loans from banks/SHG & federations.

- ✍ Develop local resources by training a pool of village level community cadre namely Community Resource Person-Enterprise Promotion (CRP EP) and build the capacity of the NRLM and SHG federations to monitor and direct the work of the CRP Eps.
- ✍ Help the rural entrepreneurs to access finance for starting their enterprises from the NRLM SHG and federations, the banking systems including the proposed MUDRA bank.

#### **Key Features of a BRC in SVEP**

- ✍ The Nodal CLF will be registered through appropriate legal arrangements such as cooperative society/any other body.
- ✍ The next rung of CBO leaders must form the general body and nominated/elected nodal CLF leaders to the livelihoods subcommittee to the Nodal CLF, will form the executive body of the BRC along with BRLPS's designated office bearer(s).
- ✍ Must be the livelihood subcommittee of the nodal CLF (representatives of all the CBO's in the block.)
- ✍ Nodal CLF should have separate account for SVEP's CEF and should maintain separate ledger in the accounts to incur its expenses - pay its service providers (CRP-EPs), reimburse travel costs/ sitting fees to its office bearers.
- ✍ BRC must have its own infrastructure and a separate office room to function efficiently
- ✍ BRC shall function as a service centre for entrepreneurs and enterprises in the block
- ✍ It shall be a tracking and Monitoring centre for SVEP implementation in the

block

- ✍ It shall help SVEP entrepreneurs in making a sound Business Plan and in managing the business efficiently and profitably using the services of the CRP-EPs.

The ultimate responsibility for promoting self-employment among SHG members rests with the community institutions. However, given the present context, it is difficult for the community network to support the first-generation entrepreneurs based on their limited technical business logic and knowledge. To cover for this gap, the community network, through their CLF, shall engage with the BRLPS empaneled CRP-EPs, individually or as a group to provide technical support to the BRC. The CRP-EPs, individually or as a group are an independent entity responsible for their own revenue and profits. The CLF shall enter into a contract with the CRP-EPs, individually or as a group to provide enterprise-related support to the SHG women or their family members in exchange for a fee. The contract shall clearly list the terms of payment and roles and responsibilities of each stakeholder. The template for the contract shall be finalized by Kudumbashree- NRO, in consultation with BRLPS.

#### **Relationship of BRC with Different Stakeholders**

##### **Relationship with BRLPS**

**Link to CBO-** BRLPS through BPM-SVEP and kudumbashree- NRO will facilitate the following activities to ensure proper linkage between the CRP-EPs, individually or as a group and the CBO.

- Orienting CRP-EPs on necessary aspects related to functioning of Nodal CBO
- Introducing CRP-EPs to their

community cadres and CLF

- Finalising the contract between the CRP-EPs, individually or as a group and Nodal CBO

### **Link with Other Agencies/**

#### **Organizations-**

The BRLPS will support the BRC by introducing them to other agencies, departments and schemes in the area of SVEP. The BRLPS will also support the CRP-EPs, individually or as a group to negotiate terms and conditions with other agencies for providing services. The CRP-EPs, individually or as a group will have full autonomy in deciding terms and conditions of offering services to agencies/ organizations other than BRLPS. However, the support to other organisations should be done the CRP-EPs only after completing the tasks assigned to them for SVEP. In case the number of CRP-EPs in the block is such that they do not have free time / slack time after completing the SVEP activities, then such arrangements should be done after the 2<sup>nd</sup> year of the SVEP project, when SVEP related project tasks shall be on the wane.

**Other Assistance-** The BRLPS will provide necessary and need-based assistance to the CRP-EPs, individually or as a group to ensure quality and profitable operations. This will include capacity building of CRP-EPs, providing necessary infrastructure, getting legal sanctions, other support for CRP-EP activities like market development etc. Such assistance will be provided on a case-to-case basis and considering the merits of the situation. However, the CRP-EPs on their part should get certified and should perform the tasks assigned to them under SVEP in the defined time lines and with the defined quality. Failure to do so repeatedly may lead to the termination of the contract / MOU by the BRC.

**Audit of Accounts-** The CRP-EP Group, where formed, will maintain its books of accounts in the manner prescribed for the legal entity that it is registered as. The SRLM shall have the right to call the books of accounts of the CRP-EP Group for examination, in the event of any dispute or complaints.

#### **Functioning of BRC**

Following set of activities will be the responsibility of the BRC.

Mobilization and Training of CBOs and Potential Entrepreneurs

- ✍ Mobilisation and Identification of New Entrepreneurs
- ✍ Training of New Entrepreneurs
- ✍ Business Plan Preparation
- ✍ Business Plan and Credit Approval

#### **Source of funds for the payments**

The payment to the CRP-EPs shall be made by the project funds provided under SVEP and by utilising part of the interest income earned on the CEF loans to entrepreneurs, in a manner similar to the bank paying commission to business correspondents for disbursement of loans and for their recovery.

#### **Introduction to the CRP-EP**

Under Start-up Village Entrepreneurship Programme (SVEP), an enterprise ecosystem is to be developed. This will provide support for entrepreneurial activities of rural poor through entrepreneurial capacity building, need based finance, facilitation for bank linkage, and continuous nurturing support for setting up and running viable village enterprises, using the institutional framework of SHGs and their federations.

The responsibility for promoting self-employment among Self-Help Group households under Bihar Rural Livelihood

Promotion Society rests with our community institutions. However, at present it is difficult for the community network to support the first-generation entrepreneurs given their limited understanding of business management. To cover this gap, the SHG federation will engage with the Community Resource Person either as individuals or a Group of Individual to provide technical support to the Block Resource Centre for Enterprise Promotion being set up under SVEP.

#### **viii) CRP EP development Strategy**

In the blocks adopted under SVEP, BRLPS and BRCs will select a pool of local resources from the block. Understanding of the principle of self-help groups/community organisations and mutual co-operation will be required for appointing CRP-EPs. Post selection would require several stages such as residential/non-residential trainings, exposure visits, certification, monitoring and evaluation. These trainings will be provided through Kudumbashree- NRO as a PIA in the block.

In the blocks where MEC project was running previously, refresher training will be conducted frequently and as required. In case of drop-out, new CRP-EP/MEC will be selected and provided 7-days basic orientation training on business management, business plan, financial statement etc. and can be deployed in CRP-EP group to work on enterprise development.

Learning from previous similar experiences of MEC Project, it has been observed that over a period of the project CRP-EPs tend to work efficiently as a group. Therefore, the CRP-EPs should be encouraged to form a group and operate as a single entity after the first few months of operation. This is beneficial to both the entrepreneurs and the

CRP-EPs as they can take the benefit of different CRP-EPs having differing skill sets and expertise areas in offering hand-holding support to the entrepreneurs.

#### **ix) Operational Area**

The geographical operation area of CRP EP/CRP-EP group will be defined by the Block Resource Centre in consultation with the block project implementation unit. Ideally should be within a geographical spread of approx. 5-8 km from the CRP-EPs place of residence to facilitate easy travel and support to the enterprises and also to benefit from the knowledge of the local geography, consumption patterns etc of the CRP-EP.

#### **Guidelines for Community Enterprise Fund (CEF) under Start-up Village Entrepreneurship Programme (SVEP) Community Enterprise Fund (CEF) under SVEP**

Community Enterprise Fund is a dedicated fund given as grant on the lines of Community Investment Fund (CIF) provided under NRLM, for the pilot blocks under SVEP to give loans to the entrepreneurs selected as per the guidelines and norms of SVEP. It will help to enhance credit worthiness of the village entrepreneurs and also showcase the ability of the community institution led enterprise capital provisions to demonstrate disciplined credit behaviour. This will also enhance bank's confidence in the unorganized sector. It is a dedicated fund which cannot be diverted to other uses.

The sole purpose of the CEF is to purchase capital goods, inputs, working capital etc. to start new enterprise or diversify/expand the existing business as per the business need

of individual business enterprise, as appraised by the Block Resource centre (BRC) set up under SVEP. CEF will be given as a loan amount only to promote non-farm based and off farm sustainable enterprises in the block at a rate of interest of 12% pa.

Initially CEF amount shall be transferred to from SPMU/DPCU to nodal CLF/VO's/BLF's account. The nodal CLF/VO/BLF should have a separate bank account operated exclusively for SVEP which should have auto FD facility (wherever the bank has a product like this). In case the bank does not have a product of this kind, then the funds which are not expected to be utilised in the next 30 days should be kept in a fixed deposit in the bank. The intention is to maximize the yield on the CEF, either from the bank or from the rotation to the SVEP entrepreneurs. Minimal amount should be kept idle in a savings bank account.

The fund will be transferred by nodal CLF/VO to respective CLFs/ VOs (In case CLF is not present), based on appraisal of the all the applications received. The CLF will transfer the loan amount to the SHG member applicant's bank account through SHGs while giving paper notifications to the VO/SHG for booking the loan in their books of accounts.

Communication related to disbursement of loan to the borrower shall be communicated to all related community institutions by the BRC. The applicant also needs to be intimated formally about the sanctioning the loan.

SHG member applicant should be given the loan amount through cheque/online transferring only; cash disbursement of loan is not permitted. The Acknowledgment of loan from the entrepreneur and the entire constituent CBO's should reach the BRC

and should be filed and maintained in the BRC.

In case, the entrepreneur is not the SHG member but her family member such as Husband, (unmarried Son/ Daughter/ brother/Sister), Parent then the loan amount should be transferred to the bank account of the SHG member and the repayments would also be routed through the same SHG member. The entrepreneur should be the resident of the same block. Thus the SHG member, even if not actively or solely managing the enterprise would have an ownership stake in the enterprise leading to her empowerment.

#### **Activities under CEF**

The purpose of CEF is to purchase capital goods, inputs, trading inventory etc. to start a new enterprise, upscale or diversify the existing business. For many businesses, the loan will be required mainly for working capital. Before approval of the business plan, it shall be discussed that how the loan money would be invested (whether fixed assets or in working capital). CEF will be given as a loan only to promote non-farm/off farm based enterprises in the block. It shall neither be given for agriculture nor for animal rearing nor for the collection of NTFP.

Following are few activities which can be taken up with CEF:

- ✍ Any business which is non-hazardous and legal as per govt. regulations.
- ✍ Any Trading related business
- ✍ Business to provide Services
- ✍ Manufacturing and Production of goods

#### **Repayment**

The repayment schedule will be prepared by the SHG member in consultation with

CRP-EP based on the nature of the business and its ability to generate adequate profits and cash flows to repay the loan instalments, the schedule should be proposed in the business plan itself and should be given along with the loan application. The BRC and the project appraisal committee can review the proposed schedule and suggest modifications.

The borrower has to repay the amount in the time frame of up to 24 months in case of individual loans, and up to 36 months in case of group loans. Moratorium of 3 - 6 months may be considered, where the business so demands.

Moratorium and Repayment schedule would be proposed to the Nodal CBO for approval by BRC, based on the nature of business. The loan repayment schedule has to be mentioned in the loan appraisal form. Prepayment of loan to the SVEP CEF is allowed without penalty.

The beneficiary will pay the monthly instalment to the SHG which in turn will forward the complete monthly instalment to VO and subsequently the VO will forward the same to the CLF and CLF will forward the same to nodal CLF/VO without any deduction.

In each quarter the interest collected on the loan from the CEF fund will be distributed to the SHG, VO, CLF and nodal CLF in the ratio of 20:20:20:40. From the 40% interest collected by the nodal CLF, the expenses of the CLF in running the BRC would be deducted and of the surplus, the surplus will be kept by the Nodal CLF. The expenses of BRC would be met by the interest earned by CEF fund and interest collected from Fixed Deposit. In case of interest earnings from bank fixed deposit of the CEF, at least 70%

of the interest so earned shall be added back to the corpus of the CEF.

This provision has been made to increase the corpus of the SVEP CEF.

#### Monitoring and management of CEF Fund

- ✍ The responsibility of the repayment from the entrepreneur will be of the concerned SHG and VO.
- ✍ The social audit of the enterprise will be done quarterly by the monitoring sub-committee of the VO and CLF with the help of the CRP-EP.
- ✍ The social audit report has to be sent to the BRC within 10 days of the completion of the audit by the CRP-EP.
- ✍ An annual Chartered Accountant (CA) audit has to be conducted of the SVEP account of Nodal CLF/VO by a chosen CA firm from the district
- ✍ The SVEP account should be flexible and have the provision of Sweep in/auto Fixed Deposit Facility for optimum use of available fund. Where this facility is not provided by the bank, the idle funds should be kept as a FD in the bank to maximize interest income.
- ✍ Nodal CLF/VO may negotiate bigger loans at competitive interest rate from banks and financial institutions. The interest rate for on lending from such borrowed funds may be charged at slightly higher interest rate being paid to the lending institution but the spread should not be more than 3% per annum.
- ✍ Submission of UC to nodal CLF/VO - Submission of the UC is to be done through SHG, VO and CLF along with supporting documents viz, receipts/bills, enterprise related photographs, etc. As per the UC format.
- ✍ The Kudumbashree -NRO should help the BRC in preparing and submitting CEF loan portfolio statement that will give details of the loans sanctioned, disbursed, collected, interest earned, outstanding amounts, delayed loans and amounts, defaulted loans and amounts and NPA to BPIU and DPCU.

Such statement should be submitted on a monthly basis.

## 6.4 Policies- PG, PC, RRS

### 6.4.1 PG POLICY

#### Introduction

On the basis of categories and their needs of Enterprises of Bihar, a Producer/Business Group should be formed by a group of producers of same product or product line. A group of 15 to 50 producers can be clubbed under an umbrella of a Producer/Business Group which will deal with group business activities related to the primary produce/product (either of the activities or in combination of these activities e.g. Manufacturing, Processing, Packaging, Marketing, Service providing etc). Producers will be the stakeholders of their designated Producer/Business Group and that designated Producer/Business Group will work for the benefit of the member producers. Portion of profit will be shared amongst producers / stakeholders and the balance will go to the share capital or reserves.

Bihar Rural Livelihood Promotion Society will facilitate to these Producer/Business Groups on following Intervention points:-

- ? **Institution building:-** Mobilization of such households who are involved in certain nonfarm activities or who are demanding for making a business model in two or more SHGs/ VOs; Institutional arrangements for operation & management of a specific Producer/Business Group by monitoring works of different sub-committees; Licensing for a legal status of the Institution wherever required.
- ? **Capacity Building:-** Role of every designated members of Producer/Business Group Management Committee (i.e; Office bearers,

EC/BOD members, sub-committee members); Producers on Industry specific Standard operating Procedure, Business plan development, Technological Extension services, Financial management of a firm, Supply Chain management in a Production cycle, Packaging practices and Quality assurance.

- ? **Financial Intervention:-** Direct lending to a Producer/Business Group for Establishment and Working capital needs. It will be need-based or based on business plan of a particular group. For making a sustainable business unit at grass root level, provisions of bridge financing will also be available (based on their repayment history) from BRLPS or different Financial Institutions.
- ? **Market Linkage:-** Support for setting up marketing infrastructure facilities for sale of produce for a formal & sustainable market availability.

#### Objectives

A Producer/Business Group is visualized as a platform for earning supplementary income in a household and to mark their presence in the State GDP by their manufacturing/production activities.

#### The objectives are:-

- ✍ To aggregate rural produce under a Brand Name of 'JEEViKA' for competing in the open market
- ✍ To ensure need-based production/manufacturing/ trading in a particular group
- ✍ To support producers in strengthening their Supply chain for optimizing production cost & stabilizing selling prices
- ✍ Productivity enhancement (through technology extension and information)
- ✍ Post production activities (through local value addition and processing)
- ✍ Quality management
- ✍ To ensure Industry specific Standard operating Procedure in every Producer/Business Groups for their



sustained market linkage

- ☞ To strengthen risk mitigation approaches of rural Producer/Business Groups

### **Institution Structure of a Producer/Business Group**

Members for a Producer/Business Group can be mobilized by a cluster of some villages/SHGs/VOs provided distance between two villages/SHGs/VOs is within 2 Kms.. The size of the Producer/Business Group will vary from 15 to 50 depending upon the requirement for any nonfarm activities or the availability of interested members in a particular area. All identified beneficiaries will form a formal institution in name of “(NAME) JEEViKA (PRODUCT NAME) Nirman/ Utpadan/ Vyapar / Samooh/ikai” and form their Executive Committee/Board of Directors and elect their Office bearers. EC /BOD or Office Bearers will chose a Resource person for further facilitation of any operational activities. After opening their separate Bank A/C in any adjacent bank, a Producer/Business Group will make a Business plan in consultation with the Cadre/Resource person and that to be recommended by concerned CLF/BPIU. This Fund requisition application will go concerned BPIU for further approval from DPCU (Steps for this is annexed). Fund will be disbursed to the concerned Producer/Business Group after getting approval from competent authority.

#### **Panchsutra for Producer/Business Groups**

- ☞ Regular Meeting
- ☞ Regular Demand Vs Supply
- ☞ Regular BOR update
- ☞ Regular payment to Cadre/Resource person
- ☞ Regular Quality check of Input / Output

### **Capacity building**

Capacity building of Producers, Office bearers of a Producer/ Business Group and concerned cadres/resource persons will be done in two phases – Training and Exposure. Producers and concerned cadres/resource persons will be oriented on Producer/Business Group concept and business process. Another orientation to Producers, concerned cadres/resource persons and CLF OBs will be about Business plan. A two day residential training will be done for Producer/Business Group OB members and concerned cadres/resource persons about Administration, Financial Management & Statutory requirements. An orientation will be done to Sub-committee members and a Technical training to be done for concerned cadre/resource persons. A specific training has to be arranged for Producers on product development. As per need, within District/Inter District/Outside State Exposure visit of PG members/ Cadres/ concerned Project staff will be arranged.

### **Funding arrangements for a Producer/Business Group**

The following activities or items of expenditure will be facilitated to a Producer/Business Group:-

- ☞ Start-up costs including (group formation costs, Basic training, capacity building, and exposure visits)
- ☞ Cost for Technology enhancement
- ☞ Establishment cost (Procurement of Equipment/Utensils/Machineries, Office set up, Administrative expenses etc.)
- ☞ Working Capital requirements (for any production activities)
- ☞ Cost for Cadres/ Resource Person/s
- ☞ Any Other special assistance on case to case basis

There will be two part of financial assistance – Establishment Cost (CID) and Working Capital (CIF). Establishment Cost (CID), which is a Grant, will be given on demand basis which will range from Rs.10, 000/- to Rs.150, 000/- and Working Capital (CIF) will be a Loan to a Producer/Business Group. Disbursement under CIF head will vary from Rs.25, 000/- to Rs.500, 000/- and will be given as per specific business plan of the group. CID is for establishment of the Institution while CIF will be repaid to concerned CLF/Nodal VO at an Interest Rate of 6% per annum. Repayment schedule will be given to every Producer/Business Group and concerned CLF/Nodal VO along with the Disbursement advice. Repayment will be initiated after a moratorium of 6 months. Repayment will be done in 36 EMIs. If any Producer/Business group will pay 50% of the loan, it will be eligible for application for second trench of loan.

### **Proposal Appraisal process**

The proposal from the Producer/Business group along with the detailed activity plan will be submitted as per the format. The actual amount for funding will be determined based on the annual plan of activity proposed, nature of activity, funding gaps, etc. The Producer/Business group will undertake to raise operational and maintenance costs for the village level infrastructure and incremental working capital requirements from own or other sources. The Producer/Business group will be accountable for managing the fund and its investments and would need to report to the nodal VO / CLF / BPIU/DPCU as per agreed terms.

Business plan of every Producer/Business Group should be vetted and appraised by respective CLF/Nodal VO and BPIU before

submitting it to DPCU. Finance Department of DPCU will check the proposal on following triggers:-

- ✍ PG has adopted the key rules
- ✍ Formation of EC/BOD
- ✍ Selection of Office Bearers
- ✍ Opening of Bank A/C
- ✍ Basic Training of members
- ✍ Business Plan of Producer/Business Group
- ✍ Recommendations by concerned CLF/ Nodal VO, concerned cadre/resource person and BPIU
- ✍ MOU copy between CLF & PG and CLF & BPIU

Key Rules, Compliance & Monitoring of Producer/Business Groups

Key Rules:

To be eligible for funding, Producer/Business Groups need to comply with the following key rules:

- ✍ **Inclusion** - All the members would from the SHG households. Poorest of poor and destitute members of project area should get first priority of any Producer/Business Group.
- ✍ **Transparency** – All decisions should be taken in a transparent manner and all information and benefits are transparently disseminated among all.
- ✍ **Accountability** – The Producer/ Business group is accountable to their stakeholders and producer members. All Office bearers are accountable for all decisions made in the particular group.
- ✍ **Participation** - All members should participate in meetings of Producer/Business Group and should be a part of decentralized decision making.
- ✍ **Profit orientation** - The Producer/ Business Group will have 'for profit'

business orientation. They shall be able to recover all costs of operations and make a small surplus for sustaining and expanding the activities of their group.

Apart from above mentioned Key rules, a Producer/Business Group should comply with the following rules:-

- ✍ **Benefit large numbers** – Producer/Business Group can be initiated with minimum number of producers i.e, Fifteen (15) and further it can be expanded up to their maximum number i.e, Fifty (50).
- ✍ **Local value addition** - Producer/Business Group should build on local resources, skills and capacities and local value addition in terms of quality improvement (designing, grading and sorting), processing, packaging, branding etc. of products. Groups will be encouraged to ensure profit maximization for every producer of the Group.
- ✍ **Techno-economic feasibility** - Each Producer/Business Group should develop a plan covering complete production cycle for at least one year. The support to Producer Groups will be based on their plans that are found to be technically feasible and financially viable on the basis of appraisal by project.
- ✍ **Gap funding** - Producer/Business Groups are expected to be self-sustaining with an ability to meet all their operational expenditures in long term. The plans of the Producer Groups shall develop a clear resource mobilization plan indicating the sources of funds including member contributions and the commitments received. The support from the project will be limited to the viability gap in their given business plans.
- ✍ **Partnerships** - The project will encourage Producer/ Business Groups to develop business linkages with Government organizations / Cooperatives / Private Firms for skilling/

training their members, technology transfer, quality management, input delivery, design development, value addition, packaging practices, market linkage and required licensing.

- ✍ **Environmental impact** - The activities of a Producer/Business Group should not have any negative environmental impacts and in case of minor effects, adequate mitigation measures should be built-in as per the environmental guidelines in the activity/business plans.

### **Monitoring and Reporting**

The CLF/BPIU will play a key role in formation and capacity building of a Producer/Business Group. Monitoring of production cycle, qualitative production, regular selling of products, update of Book of Records and regular payments to cadre/resource person & producer members should be on top priorities of a Producer/Business Group.

First level monitoring will be done by respective CLF or BPIU at appropriate level (village, cluster and block) depending upon the geographic coverage of the Producer/Business Group. Producer/Business Group will share the information on funding and profits with their members in their monthly meetings. Group should submit a Monthly progress report (MPPR), Work done report (WDR) of cadre/resource person, Receipt & Payment Register on monthly basis and Profit & Loss A/C on Half Yearly basis against their approved annual action plan. DPCU/ SPMU can review the performance of a Producer/Business Group from the above mentioned monthly/half yearly reports. Project will also help in required technical training to cadres/resource persons for making the above mentioned reports.

## 6.5 Operational guideline for Rural Retail Shop

### Introduction

Rural Retail Shop (RRS) is the place where retailer will purchase products from a Nodal store. A nodal store termed as Rural Retail Shop (RRS) will act as wholesale store. All retailer will join together to form association called Rural Retail Association. RRS will directly link with companies/distributer for the purchase of kirana items. RRS will purchase, store and then sell kirana items to the retail shop.

### Roles and Responsibility of shop association and shop staff

The shop keeper will be member of the association. Shop association will meet once in a month to discuss operation and issues related to the shop.

### CRP for Rural Retail Shop

The team will be responsible for the community mobilization, creating awareness, member addition in Rural Retail Shop.

### Monitoring & Reporting

The CLF/BPIU will play a key role in formation and capacity building of a RRS association. Monitoring of sales, stocks, regular selling of products, update of Book of Records and regular payments to cadre/resource person & staff should be on top priorities of RRS. First level monitoring will be done by respective CLF or BPIU. RRS will share the information on funding and profits with their members in their monthly meetings. Group should submit a Monthly progress report (MPPR), Work

done report (WDR), Receipt & Payment Register on monthly basis and Profit & Loss Alc on Half Yearly basis against their approved annual action plan. CLF can review the performance of a RRS from the above mentioned monthly/half yearly reports. Project will also help in required technical training to cadres/resource persons for making the above mentioned reports.

#### Panchsutra for Association

- Regular monthly meeting
- Timely supply of material
- Regular update of books of records
- Quality check of input and output
- Timely payment (Supplier, staff)

#### Store Keeper

- Timely opening and closing of shop.
- Ensure kirana items/products are kept in proper place.
- Ensure cleanliness of the shop.
- Delivery of kirana shop items to the kirana owner

#### Roles and responsibilities of store Manager

- Managing day to day operations in the RRS
- Receiving orders, maintaining stock records
- Maintenance of all required books of records at the RRS
- Ensuring daily maintenance and store layout of the RRS
- Communication about any offer, discount, new products etc. to the kirana store
- Collection of cash/cheque from the kirana shop and depositing it to the bank
- Timely payment of shop rent, electricity bill etc.
- Any other tasks assign for the necessary running of the RRS

Apart from this reports will be generated from E PoS.

### Funding Envelop and Fund Flow

The funding envelop for Rural Retail Shop is as below -

The following activities or items of expenditure will be facilitated to a Rural Retail Shop:

- ✍ Start-up costs including (association formation costs, Basic training, capacity building, and exposure visits)
- ✍ Establishment cost (Procurement of Equipment/Machineries, Office set up, Administrative expenses etc.)
- ✍ Working Capital requirements
- ✍ Cost for Cadres/Resource Personals
- ✍ Any Other special assistance on case to case basis

There will be two part of financial assistance

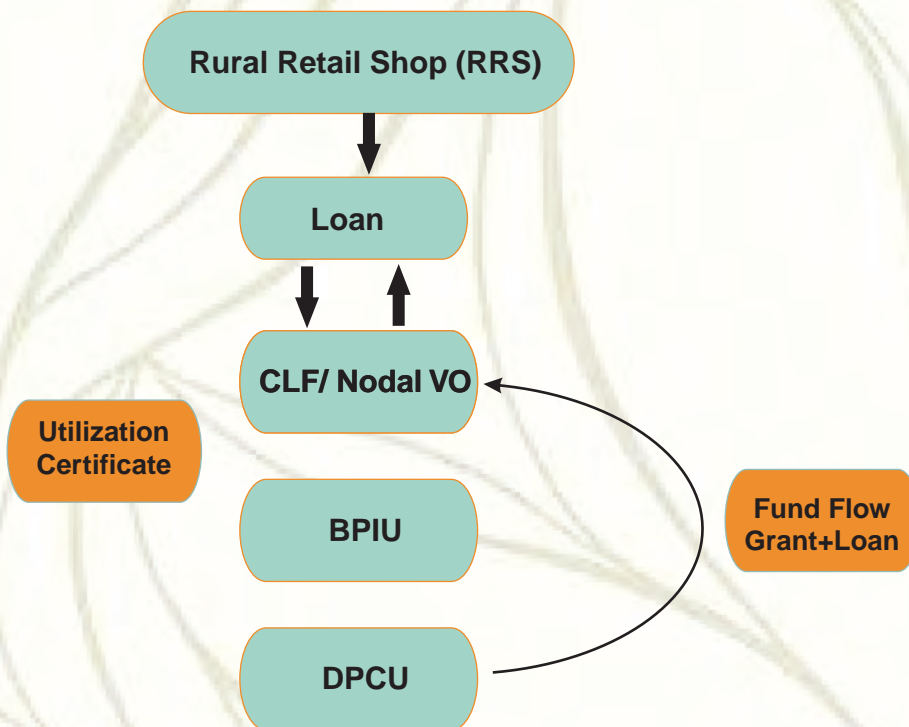
Establishment Cost (CID) and Working Capital (CIF).

Establishment Cost (CID), which is a Grant, will be given on demand basis which will be maximum of amount 10,00,000 and Working Capital (CIF) will be a Loan to a Rural Retail Shop.

Disbursement under CIF head will maximum of 9,78,000 and will be given as per specific business plan of the RRS total

of Rs 19,78,000 (nineteen lakh seventy-eight thousand only). CID is for establishment of the Institution while CIF will be repaid to concerned CLF/Nodal VO at an Interest Rate of 6% per annum. Repayment schedule will be given to every RRS and concerned CLF/Nodal VO along with the Disbursement advice. Repayment will be initiated after a moratorium period of 06 months.

#### Fund Disbursement process



## 6.6 List of trainings

Trainings in Non Farm+ Start up Village Entrepreneurship Program & Saras Mela						
Sl.	Target Group (SHG/VO/CLF/ Resource Person)	Sub Target Group	Name of Training Module	Nature of Training Module (General or specific in light of Target Group)	Assessment is being done (If Yes Then Name of Institution)	Name of Certification Institution (if presently being done)
1	VO	PG	Beekeeping	Complete package and practice of bee keeping intervention	DABUR	KVIC,KVK RSETI
	VO	PG	Art & Craft	Design Development	Consultant ART & CRAFT	TO be hired Agency or Consultant -HANDLOOM & Handicraft ,RSETI, KVIC ,KVK
				Basic training	AHF	
				Advance skill Training		
2	VO	PG	Rugs	Design Development	Jaipur rugs	Handicraft
3	VO	NA	Canteen	Servicing & Catering	Kudumbashree-NRO/IHM	IHM
				Cooking		
				Leadership		
				Business orientation		
4	VO	PG	RRS	Business model capacity building	project staff	
5	VO	PG	Agarbatti	Rolling	RSETI, KVIC	RSETI,KVIC
				Grading		
				Screening		
6	CLF	BRC	SVEP	GOT	Kudumbashree-Nro	
				TED		
				TEAM		
				EDP		

## 6.7 Reporting formats

ग्रामीण बाजार .....			
सामान खरीद मांगपत्र .....			दिनांक .....
दीदी का नाम :			
आईडी नम्बर :			
पता एवं मोबाइल नम्बर :			
समूह का नाम :			
ग्राम संगठन का नाम :			
क्र.	वस्तु का नाम	कंपनी / ब्रांड	मात्रा
			दीदी का हस्ताक्षर



**JEEViKA**

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