National Academy of RUDSETI

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Bengaluru

Community Resource Person

- Enterprise Promotion (CRP-EP)

Trainer Hand Book

Training Sponsored by

MINISTRY OF RURAL DEVELOPMENT

Government of India

Community Resource Person
- Enterprise Promotion (CRP-EP)

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2022

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Government of India

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Message

Deendayal Antyodaya Yojana-National Rural Livelihoods Mission (DAY-NRLM) implemented by the Ministry of Rural Development is a poverty alleviation project. Start-up Village Entrepreneurship Programme (SVEP), the sub-scheme under DAY-NRLM has the objective of helping SHG and their family members to set-up small enterprises in the non-farm sector. SVEP aims to support rural entrepreneurs by developing an eco-system for supporting small business in rural areas.

The eco-system also comprises of a cadre of Community Resource Persons-Enterprise Promotion (CRP-EP) who are providing business support services to entrepreneurs. This support consists of identifying business ideas, preparation of business plans, accessing loans, marketing of products and services, maintaining accounts and inputs for taking business decisions.

Currently, more than 1 lakh enterprises are in operation and over 2,000 trained CRP-EPs are providing varied services to these enterprises. Another 20,000 such CRP EPs are envisaged to be trained and engaged under different components of the program by the FY 2023-24.

Rural Self Employment Training Institutes (RSETIs) working at district level across the country also have similar objective of training and supporting rural poor youth establishing their self employment entrepreneurial ventures. Keeping in view the vast geographical reach and compatibility of the RSETIs with the SVEP, it has been decided to get the aforesaid CRPs – EP trained and certified at the RSETIs.

To implement the above decision, a new training course for the CRP EP has been designed and aligned with the NSQF. The course has been approved by the National Skill Qualification Committee (NSQC) of the NCVET and the programs have to be conducted at selected RSETIs of identified SVEP blocks.

To successfully implement the program, involving all the SVEP stakeholders i.e. the SRLMs, NROs/PIAs and the Communities, the Assessment and Certification team of NAR has developed a trainer handbook. As the quality of CRP EPs to be trained is of utmost importance, it is necessary that the trainers have the clarity on the qualification to be delivered. This handbook will help in focused coverage of approved syllabus thereby ensuring maximum number of trained candidates coming out successful in the Assessment and getting mandatory certification.

I wish all the trainers to take keen interest in following this handbook and maintain it as reference for imparting training to the CRPs EP so that we have an army of well qualified professionals guiding budding entrepreneurs in rural areas.

Yours Sincerely

Charanjit Singh

Preface

During over a decade of its eventful journey, RSETIs have touched many milestones. A remarkable one is adding Assessment and Certification to its programs. Be it the trainers or the trainees, everyone has to undergo a process of assessment and getting certified before they are accepted in the program. This has brought objectivity and credibility to the RSETIs functionality.

Recognising the quality of training outcome and the importance of certification, Ministry of Rural Development, the anchor Ministry of RSETIs has decided to get the Community Resource Persons – Enterprise Promotion (CRP-EPs) working in its reputed and well running scheme called SVEP getting trained and assessed at RSETIs. A separate qualification on the CRP – EP training has been made and has been approved by the NSQC of NCVET.

As per the approved syllabus and session plan, the CRP-EP qualification is to be jointly delivered by the RSETIs and the NROs/PIAs working in the SVEP. As the qualification is to be delivered jointly, it becomes necessary to have clarity among the trainers and the roles and responsibilities of all the training partners are well demarcated.

It is also necessary that the candidates are well trained on the defined Performance Criteria (PC) of the qualification and then only they will be able to clear the assessment.

To help the training partners achieve the above objective, this trainer handbook has been made by the Assessment and Certification team of the NAR. The handbook consists of the materials on topics to be delivered. The trainers are suggested to refer the related chapters before taking their assigned classes. They may suitably edit the contents as per the situations at their level and deliver the same to the trainees in respective regional language.

As the trainers also have to undergo a certification process, they may study this handbook so as to make themselves thorough with the contents of the CRP–EP qualification.

Though the qualification will be delivered by different training partners across the country, desired outcome is benchmarked to the approved PCs. This handbook is to help bring-in uniformity and standard of training across the geographies. The handbook will also be very helpful to those trainers whose trainees will come for certification under Recognition of Prior Learning (RPL).

The handbook is solely for training reference, limited to internal circulation only. Materials referred in the handbook are acknowledged to its sources with thanks. I thank my colleague Ms Saritha R for making great efforts in compiling this handbook and welcome suggestions/feedback from the readers.

With Regards

R R Singh
Controller, Assessment & Certification
National Academy of RUDSETI

TRAINING OUTLINE

Duration of Training:
32 days/250 hrs of which, 17 days in the RSETIs campus and balance 15 days in the field by respective NROs/PIAs.

Mode of Training:
Instructor led Theoretical sessions, Practical sessions & Field Visits

Batch Size:
- 35 person

Eligibility for undertaking training:
- Minimum -- 18 years of age
- Minimum – Class 10 Pass
- Should have been selected through a preliminary screening process by the concerned SRLM

Training:
- NSQC approved syllabus and course curriculum for course code NARQ50003 is to be followed.

Trainers:
- RSETIs/NRO trainers certified by the NAR

Training Timing at RSETI
- 9.30 am to 6.00 pm
- 4 Sessions

Objective of the Course
In order to help the rural poor set up small enterprises in the villages, Ministry of Rural Development, Govt. of India (MoRD), is running a program called Start-Up Village Entrepreneurship Programme (SVEP). The programme is implemented by providing training and credit support to the rural poor thereby reducing poverty, creating employment and stimulating economic growth in the villages. To support the rural poor to start and manage their respective enterprises, the SVEP engages local resources called Community Resource Person – Enterprise Promotion (CRP – EP). CRPs-EP are the individuals engaged to support the rural poor right from starting an enterprise to its management and its profitable running. As the RSETIs also have similar objective of training and supporting rural poor youth establishing their self-employment entrepreneurial ventures, it is envisaged to get the aforesaid CRPs – EP trained and certified at the RSETIs.

SESSION PLAN

CRP-EP, Course Code - NARQ50003

DAY	Session	Topics (Theory at RSETIs – 17 days)	Pg.
1	I	Registration & Inauguration / About the Institute, rules & regulations of training / institute	04
	II	Rapport building and unfreezing – Ice breaking exercise	08
	III	Achievement Motivation - Confidence building	11
	IV	Need for self employment, Entrepreneurship Development (What, why & how?)	13
2	I	Introduction to NRLM ecosystem	17
	II	Introduction to Start Up Village Entrepreneurship Program (SVEP)	19
	III	Roles and Responsibilities of CRP _ EP and BRC	22
	IV	Income Generating opportunities in enterprise through BRC Services	25
3	I	Social norms and customs affecting entrepreneurial activities	27
	II	SRLM structure	28
	III	Community Based Organisations (CBOs) - structure and functions	29
	IV	Enterprise Business partners - Banks, implementing agencies, procurements, etc.	30
4	I	Basic Mathematical operations - Addition, Substraction	31
	II	Basic Mathematical operations - Multiplication	32
	III	Basic Mathematical operations - Division	33
	IV	Basic Mathematical operations - Practice sessions	34
5	I	Understand and solve percentage based mathematical questions	35
	II	Understand and solve Fractions based mathematical questions	37
	III	Understand and solve simple equations based mathematical questions	40
	IV	Understand and solve averages based mathematical questions	41
6	I	Entrepreneurial Competencies - David Mcclelland model	42
	II	Measuring entrepreneurial competencies - AMT workbook exercise	46
	III	Introduction to enterprise and its types	46
	IV	Business - types, process and business cycle	53
7	I	Business Risks and mitigation strategies	55
	II	Business Opportunity Identification Guidance (BOIG)	57
	III	Sources of Data & Key Informants	59
	IV	Theoretical Process of BOIG	60

SESSION PLAN

DAY	Session	Topics (Theory at RSETIs – 17 days)	Pg.
CRP-EP, Course Code - NARQ50003			
8	I & II	Markets - types, segmentation, forward and backward linkages	61
	III	Preparations of questionnaire for Market survey	64
	IV	Customers - customer needs and business capabilities	66
GO TO FIELD FOR PRACTICALS FROM DAY 9 TO 13			
14	I-II	Basic financial terms (cost, price, profit, profitability, etc.) and their application	70
	III	Sources of capital	73
	IV	Different Types of Financial Statements	74
15	I	Institutions providing credit	76
	II	Credit Products and its features	78
	III & IV	Central and State Govt. schemes supporting entrepreneurships	79
16	I -III	Different types of licensing, registrations and certifications required for various types of enterprises	81
	IV	e-Aadhar, DIC registrations, etc.	87
17	I & II	Book keeping for small businesses	92
	III & IV	Comparison of financial statements across time and basic business diagnostic techniques	95
18	I	Introduction to the basics of a Smartphone	100
	II	Concept of search engine and app stores	102
	III & IV	SVEP software	105
19	I	Processes of data uploading, downloading and generating reports in SVEP software	107
	II	Effective communication skills	107
	III	Networking and Liasoning skills	110
	IV	Working of team and groups	112
20	I	Training Need Assessment	114
	II	Structuring training modules as per Training Needs of the target group	118
	III	Different training aids	121
	IV	Behavioural games of Ring Toss	126

SESSION PLAN				
CRP-EP, Course Code - NARQ50003				
21	I	Behavioural games of Boat Building	126
	II	Methods of creating awareness among the community	127
	III	Process of maintaining documents, files and indexing	130
	IV	SVEP administrative procedures	137
22	Go to field for practical from day 22 to 31		
32	I & II	Assessment	141
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Registration & Inauguration / About the Institute, rules & regulations of training /institute

I. Objective:
- To orient the participants about unique features of Rural Self Employment Training Institutes (RSETIs)
- To make all the trainees fully aware of the rules and regulations of the RSETIs

II. RUDSETI Model of training

With the objective of mitigating the un-employment problem among the youth of the country, a novel initiative was launched in the year 1982 under the visionary leadership of Dr. D Veerendra Heggade by Sri Dharmasthala Manjunatheshwara Educational Trust (SDME Trust), along with Syndicate Bank and Canara Bank as sponsoring organizations. These three organizations joined hands to set up a unique Institute for Training rural youth for Self Employment called 'Rural Development and Self Employment Training Institute' (RUDSETI). The first RUDSETI was set up in the village Ujire near Dharmasthala in Dakshina Kannada district of Karnataka State.

RUDSET Institute started mobilizing the unemployed youth and motivating them to take up self-employment or start micro / small enterprises. The Institute focused on developing the skills and motivation through short duration residential training programmes. The experiment has proved successful in building the confidence of rural unemployed youth to take up self-employment in/ near their place.

Over a period of time, out of experience, RUDSETI developed a unique model for training and enabling the unemployed youth to establish Micro Enterprises and thereby providing employment to many others, besides gaining a good image and identity for themselves in the community.

The RUDSETI model of Training and facilitating the trained candidates for successfully taking up Self Employment is based on the following beliefs:
1. Every human being has some potential and latent talent and it is possible to kindle the latent talent through effective interactions. Hence, everybody could be made as useful assets.
2. Entrepreneurs are not born, but can be nurtured by training, motivation and practice.
3. It is possible to develop skills through short duration training intervention in a conducive environment.

4. Shaping the mindset of the training participant is crucial for motivation and confidence building.
5. Through proper training and motivation confidence can be developed.

The core objective of RUDSET Institute is "to identify, orient, train, motivate and facilitate unemployed youth to take up Self Employment."

The contributing factors for the success of RUDSETI model of Training are:
1. Short duration intensive training.
2. Low cost / Free Residential Training in a conducive & disciplined environment.
3. Moulding the mindset of the training participants.
4. Post Training follow up / hand holding.

III. Emergence of Rural Self Employment Training Institutes (RSETIs)

Based on the success of the RUDSETI model, other Government and Private Banks started establishing similar Institutions. On 7th January 2009, the Ministry of Rural Development (MoRD), Government of India has launched an initiative to scale up the RUDSETI model to all parts of the country. The Ministry issued guidelines to all the Banks to set up one Rural Self Employment Training Institute (RSETI) in each district of the country, and this Institute will be owned and managed by the Lead Bank operating in the respective district. Hence, the RSETIs will be Bank owned and managed Institutions supported by MoRD, other Ministries and agencies of the Central and State Government. These institutes are established on the same lines as that of RUDSETI, and share the same philosophy, objectives and approach to developing Entrepreneurship.

IV. Objectives, Role and Functions of RSETIs

The RSETI model is based on the RUDSETI model of Training and organization structure. The core offering of this model is 'Free and Intensive Short Term Residential' Training programmes provided to rural youth. Another important aspect of this model is its focus on 'Settlement of Trained Candidates' by helping them to set up their own enterprises through continuous post Training follow up and hand holding for a period two years after the training.

Hence, the core objective of the RSET Institutes is to provide training for skill development and motivation to rural youth, and providing post training escort and hand holding services to ensure establishment of the Micro Enterprises by the trained youth and their sustainability.

The following are the Objectives of the RSETIs:
1. To identify, orient, motivate, train and assist young people to take up self-employment through promotion of Micro, Small and Medium Enterprises.
2. To promote Rural Entrepreneurship by providing intensive short-term residential training programmes with free food and accommodation to rural youth for taking up self-employment and skill up-gradation for running their micro-enterprises successfully.

3. To enhance the effectiveness of poverty alleviation and Self Employment schemes of the Government and the Bank.
4. To facilitate credit linkage with Banks and for ensuring sustainability of Micro Enterprises set up (undertaken) by the rural youth.
5. To provide counseling and project consultancy services to trained youth.
6. To train village level workers in Rural Development.
7. To take up research and development in Rural Entrepreneurship and Rural Development.

V. Rules and Regulations of RSETI training:

The basic philosophy underlying the approach to Training in RSETI is that motivation and skill development can take place through short duration interventions. Conducting residential Training is the standard practice of RSETI. The Training is effective if it is residential. Residing on a campus provides quality learning time and environment to the participants to re-shape their attitude and it also provides opportunities for interaction with peer group and faculty. The duration of the learning in this approach, goes beyond the stipulated hours without force or coercion. RSETIs are supposed to consciously follow this approach and also innovate to bring about improvements wherever possible. The most important factor contributing to the success of the RSETI Training programmes is maintaining high standards of discipline (both in the classroom and outside).

A typical day in an RSETI starts from early in the morning and extends late evening where trainees keep practicing in the labs thereby utilising extended hours of learnings.

A typical day in RSETI looks like this:

06.00 a.m. to 06.30 a.m.	06.30 a.m. to 07.15 a.m.	07.15 a.m. to 08.00 a.m.
Getting Ready	**Yoga/Meditation**	**Shramadaan**

A typical day in RSETI looks like this:

04

08.00 a.m. to 08.45 a.m.
Getting ready for Breakfast

05

08.45 a.m. to 09.25 a.m.
Breakfast

06

09.30 a.m. to 09.45 a.m.
Prayer & MILLY

07

09.45 a.m. to 11.30 a.m.
First session

08

11.30 a.m. to 11.45 a.m.
Tea break

09

11.45 a.m. to 01.30 p.m.
Second session

10

01.30 p.m. to 02.15 p.m.
Lunch break

11

02.15 p.m. to 04.00 p.m.
Third session

12

04.00 p.m. to 04.15 p.m.
Tea break

13

04.15 p.m. to 06.00 p.m.
Fourth session

14

06.00 p.m. to 07.00 p.m.
Rest & Recreation

15

07.00 p.m. to 08.15 p.m.
**Post evening sessions
(OPTIONAL)**

16

08.15 p.m. to 09.15 p.m.
Dinner

17

09.15 P.M. ONWARDS
**Practical training / homework
(Optional extended
hours of learning)**

Rapport building and unfreezing – Ice breaking exercise

I. Objective:
- To help participants open up themselves through interactions
- To create a conducive environment for participative learning throughout the programme

II. Activity outside class-room:

The purpose of this session is to enable the participants know each other and learn more about their colleagues. Learning through fun at the initial stage of the programme will help in breaking the ice better than a formal introduction session.

The participants should be taken to an open space near the class room. If it is not possible, rearrange the class room to provide enough space for the participants to move around. Participants should not be told in advance about the purpose of this exercise before it is over.

III. Session Guide:

Outside Classroom
1. Ask the participants to form a circle maintaining equal distance among themselves
2. They may be asked to move in circle

3. Stop moving and introduce to the group
4. Make pairs and tell your partners two things you like most and two things you dislike
5. Move around
6. Form triads (3-member groups with new members) and share your hobbies among you
7. Join the circle, move around as fast as you can
8. Break the circle walk fast and wish others using non-verbal gestures

Tips to Trainers

- The purpose of Micro lab should not be explained to the participants in the beginning. A little anxiety or suspicions about the purpose or the Micro Lab plays a positive role in its effectiveness.
- Experiences of Micro Lab should be linked to the main program while analyzing the program. For example the trainer can recall some responses from the participants and relate this in connection with a particular theme in the program.
- It is useful if all the trainers take part in the Micro Lab as it helps building rapport between trainers and participants. One of the purposes of the Micro Lab is also to introduce the trainers.
- Avoid stereo type patterns
- Use variety of activities
- Adopt varied media of communication (verbal, non-verbal, drawing, paintings, etc.)
- Use different sizes of groups.
- Help mixing heterogeneous members in the group
- Do not discuss during the process, only listen
- Do not allow discussions which may drift away them from the topic
- Move from less threatening to more sensitive issues
- When choosing your icebreaker, be conscious of your group dynamic. It is important that your activity should not make anyone feel uncomfortable. No one should be forced to reveal extremely personal information or participate in a stressful environment. And of course, what's personal to some may not be personal to others.
- In addition to encouraging interaction, you should try to tie your icebreaker into the topic to be discussed. Are there any points of your presentations illustrated by the Activity? If so, bring them out. If not, you may want to consider choosing a different icebreaker. At the very least, "pre-call" any unrelated icebreaker by stating that their sole purpose is to introduce participants to each other and get the session moving along.

IV. Back to class-room:

On completion of this exercise, everyone in the group will feel acquainted with each other and the common feeling of discomfort in the nrew environment will be eliminated. Participants, however, must be curious to know about the exercise we they were involve in, its purpose and relevance. Tell them what we tried to achieve through this exercise:

1. Unfreezing the participants, reducing inhibition and increasing participation: We cannot derive maximum benefit from the programme unless we are psychologically prepared. To learn certain things we should unlearn many things which may otherwise hinder our learning process. Through quick activities, this exercise reduces our inhibition and encourages participative orientation.

2. Maximising interaction: Effective learnings can be derived from a training programme if the participants form a group and facilitate shared learning process. Thorough the defreezing exercise the participants come closer, interact and exchange ideas, feelings and experiences and finally emerge as a group much earlier than in a normal course of action.

3. Encouraging participants to discover themselves through their own experiences: Through interactions, the participants learn about each other and come across their own strengths and weaknesses, their abilities to extract information and present it in a desired manner in a given time. All this encourages the participants to get more and more involved in the process and derive maximum learning.

4. Stimulate thinking: The interesting activities and exercise arouse considerable enthusiasm and curiosity on the part of the participants. This feeling continues throughout the course and encourages them to be more participative.

Achievement Motivation - Confidence building

I. Objective:
- To help participants understand the importance of achievement motivation
- To encourage participants build the confidence among themselves

II. Session Guide:

All the RSETI programs aim at encouraging achievement motivation. It is one of the important competency based model of entrepreneurship development followed in RSETIs.

Achievement motivation is a social psychology term that describes when individuals are driven, inspired or stimulated by successes or accomplishments.

The concept of "Entrepreneurial Motivation Training (EMT)" now rechristened as "Entrepreneurship Development Programmes (EDPs)" is based on this belief that achievement motivation can be developed by imparting required training and education to the prospective entrepreneurs.

"Entrepreneurial Motivation Training (EMT)"

The modus operandi of developing achievement motivation involves a process having the following three major stages:

1. Know yourself stage.
2. Knowing the destination stage.
3. Empowering stage.

1. Know yourself Stage:

In this stage, the trainer presents and describes the ideal attributes or qualities of a person with achievement motivation. These are exemplified by suitable examples. Then, trainees are asked to probe into their personality to identify the attributes they possess. Self-assessment is supplemented by comments and observation by other trainees.

Thus, the trainee comes to know the real self. A comparison of ideal with real self creates discrepancy or disequilibrium. Such knowledge of discrepancy induces trainee to reduce or eliminate the same for its better self. Thus, the process of change motivation sets in.

2. **Knowing the Destination Stage:**

In this stage, the facilitator helps the trainee initiate actions to fill in the gap and removing the discrepancy between the ideal and the actual personality traits. Various measures like change in attitudes and beliefs and undertaking some experiential exercises can be initiated to close the gap between the ideal and the present personality traits. Efforts are made to practice the changed attitude and modification in behaviour in real life situations. The feedback, whatsoever, is continuously gathered and religiously analyzed.

3. **Empowering Stage:**

With an objective to give confidence to the trainees, they are, in this stage, left on their own to think and practice the ways and means to experiment the new qualities and traits they have so far acquired.

Let us illustrate achievement motivation with an anecdote. This anecdote is about an entrepreneurship development programme especially on 'achievement motivation.' The trainer started his session with an exercise, wherein each participant was given a set of 10 plastic rings, which he was asked to throw around a stationary pole placed at one end of the hall. The objective for each participant was to maximize the number of rings he could throw on to the pole, and the condition was that he could choose his distance from the pole.

The theory says that an entrepreneurial person who is characterized by high levels of achievement motivation would choose a moderate distance from the pole, because going too far would make the task unattainable, and going too near 'would deprive the person of the sense of accomplishing a challenging task.

All the trainees, except one, threw the rings from 'appropriate' distances, and collected their scores, some high and some low. The one exception was a person who went near the pole, and placed all the 10 rings around the pole. Naturally, he was judged to be low on the achievement motive.

Though his behaviour was rather unusual, his explanation seemed to be quite logical. If the objective was to maximize the number of rings around the pole, and there was no external constraint on the choice of the distance, why should he take unnecessary risk by moving away from the pole? The subsequent activities and achievements of the trainees confirmed that this person was probably more entrepreneurial than the rest.

Of the 17 trainees (16 who were assessed to be high on achievement motivation and one who was low), only three have started their own ventures in later years, and only one survived and that was the man who was judged to have been low on achievement motivation! As in the training session, so in life too, he chose to be an odd man out!

Need for self-employment, Entrepreneurship Development (What, why & how?)

I. Objective:
- To help participants understand what is self-employment
- Difference between self-employment & wage employment
- What is Entrepreneurship?

II. Self-Employment:

Self-employment is the state of being-self employed-earning one's main income by getting paid directly for one's work, such as by owning one's own business, as opposed to being an employee and getting paid by an employer.

Self-employment is typically used in a way that refers to a person's primary, full-time way of earning income-as opposed to working as an employee and doing freelance work on the side, for example.

The term self-employed is often used by and applied to people who consider themselves business owners, freelancers and entrepreneurs.

Self-employment is becoming more and more common nowadays since there's a whole movement towards entrepreneurship. The definition of self-employed covers an ample range of activities but overall, for a person to be considered self-employed it should meet these two characteristics: number one, that his primary income is earned from self-made activities and number two, that he conducts himself independently, this means, he makes his own choices about where and when to work.

III. Need for Self Employment:

There is a huge demand for employment. But people do not find jobs as there are not enough productive livelihood sources. But people need employment for survival. This is where self-employment comes into play.

IV. Difference between self-employment and salaried employment

	Self-employment	Salaried employment
Working hours	Can be varied	Fixed
Income guarantee	Guaranteed	Not guaranteed
Motivation	Gain financial independence	Cover expenses and get promoted
Taxes	Pay their own taxes	Paid by the employer
Health insurance	Pay their own and for their family	Paid by the employer
Employment benefits	None	Several
Specialization	None	Focused on a given set of skills
Risk	Take big risks	Insignificant or no risks are taken

V. Entrepreneurship:

An entrepreneur is an individual who creates a new business, bearing most of the risks and enjoying most of the rewards. The process of setting up a business is known as entrepreneurship. The entrepreneur is commonly seen as an innovator, a source of new ideas, goods, services, and business/or procedures.

Entrepreneurs play a key role in any economy, using the skills and initiative necessary to anticipate needs and bringing good new ideas to market. Entrepreneurship that proves to be successful in taking on the risks of creating a startup is rewarded with profits, fame, and continued growth opportunities. Entrepreneurship that fails results in losses and less prevalence in the markets for those involved.

Entrepreneurship is the process of starting a business or an organization for profit or for social needs.

An entrepreneur is someone who develops a business model, acquires the necessary physical and human capital to start a new venture, and operationalizes it and is responsible for its success or failure. Note the emphasis of the phrase responsible for success or failure as the entrepreneur is distinct from the professional manager in the sense that the former either invests his or her own resources or raises capital from external sources and thus takes the blame for the failure as well as reaps the rewards in case of success whereas the latter or the professional manager does the job and the work assigned to him or her for a monetary consideration. In other words, the entrepreneur is the risk taker and an innovator in addition to being a creator of new enterprises whereas the professional manager is simply the executor.

Attributes of Entrepreneurs

Moving to the skills and capabilities that an entrepreneur needs to have, first and foremost, he or she has to be an innovator who has a game changing idea or a potentially new concept that can succeed in the crowded marketplace. Note that investors usually tend to invest in ideas and concepts which they feel would generate adequate returns for their capital and investments and hence, the entrepreneur needs to have a truly innovative idea for a new venture.

Leadership Qualities

Apart from this, the entrepreneur needs to have excellent organizational and people management skills as he or she has to build the organization or the venture from scratch and has to bond with his or her employees as well as vibe well with the other stakeholders to ensure success of the venture.

Further, the entrepreneur needs to be a leader who can inspire his or her employees as well as be a visionary and a person with a sense of mission as it is important that the entrepreneur motivates

An Entrepreneur is a Risk Taker

We have discussed what entrepreneurship is and the skills and attributes needed by entrepreneurs along with how they engage and indulge in creative destruction. This does not mean that all entrepreneurs are successful as the fact that they can become victims of creative destruction as well as due to lack of the other traits means that a majority of new ventures do not survive past the one year mark of their existence. Now, when ventures fail, the obvious question is who takes the blame for the failure and whose money is being lost. The answer is that the entrepreneur puts his or her own money or raises capital from angel investors and venture capitalists which means in case the venture goes belly up, the entrepreneur and the investors lose money. Note that as mentioned earlier, the employees and the professional managers lose their jobs and unless they are partners in the venture, their money is not at stake. Therefore, this means that the entrepreneur is the risk taker in the venture which means that the success or failure of the firm reflects on the entrepreneur

Case Study

Anita, Monika and Shilpa were childhood friends born and brought up in a small town. Anita's father was a farmer, Monika's father a school teacher and Shilpa's father was an accountant in a private firm. Anita got married to a person working in a private firm and Monika married a medical representative and left the town. After 6 years they met in a function in the town and after recalling their childhood days, they shared their life experiences.

Anita gave birth to two kids in succession. The salary of her husband was found inadequate to meet the growing expense of the family. Anita thought of supplementing the income of the family by taking up a job. With just Matriculation, she was not confident of getting a job. Anita enquired with local shops for a part time job which she can do after attending to her household chores and looking after children. One garment shop doing good business in the area enquired whether she can stitch baby frocks, which she knew. They gave her a sewing machine and they were giving raw-materials like cloth, thread, etc. She used to collect these items from the shop, stitch the frocks and baby suit at home and deliver to the shop. She was getting Rs 100 per piece of frock and Rs 100 per pair of baby suit, She was getting orders during the festival; season and during the last week of the month about 10 days. She was able to stitch 2 to 3 pieces per day and earn Rs 3000 to Rs 3500 per month. Sometimes during festival season, she was getting fewer orders. She was satisfied that she could supplement her husband's income to manage the family. She continued like this without any further plans.

Monika's story was tragic as her husband died in an accident leaving behind one child aged 2 years and a small house. She had the responsibility of bring up the child and educate him. With her education being XII standard complete, she was not able to get a job easily. Further, she was not in a position to go for a long distance for working on account of her responsibility to take care of the child. Hence she had to take up some occupation nearby her house to earn for livelihood. She had nobody else to support her. She knew little bit of stitching of clothes, as she had studied in a vocational course after the matriculation. She thought that by learning little more in that line and investing some amount, she can pursue tailoring activity. She joined tailoring classes for 3 months. Afterward, she purchased a sewing machine by investing a modest amount of Rs 8000 and started tailoring work from her house.

Due to her tailoring skills, she became a popular ladies tailor. She started getting good orders for stitching blouse, chuddidar, etc. During festival time she had to work day and night to finish the job. In the process, she was able to earn Rs 6000 to Rs 8000 a month. She was able to manage the family with this income and brings up and educates her child. She was satisfied with her income and continued pursuing tailoring activity from home.

Shilpa's story was different. She fell in love with a neighbouring boy while studying in diploma in painting. The boy ditched her and married a rich girl. Disappointed and dejected by the events, Shilpa was depressed for some time. But soon, she recovered and determined to face the challenges of life. She completed her diploma and thought of taking up some job. However, she could not secure a job in the organised sector. As she was good in painting, she enquired with a local shop and started doing hand painting on sarees, hand kerchiefs and dresses. After some time, she observed that there was good demand for embroidery work in the shop and wanted to learn and execute more order. With the amount she received as remuneration, she purchased an embroidery machine investing Rs 15000. She joined a part time embroidery work and her promptness in executing the orders in time. As a result her orders increased. Slowly her business grew and on an average, she was able to earn up to Rs 12000 per month. One day, she came across a newspaper advertisement about an exhibition and sale of produces of women entrepreneurs. She decided to take part in the exhibition. She borrowed Rs 50000 from the bank, invested in clothes and prepared designer chudidars and frocks. She exhibited her products in the trade fare and sold all the items making a profit of Rs 12000 for a work for 15 days. Also, she got trade contact from designer and boutique shops of nearby city. Soon she employed two girls, trained them in embroidery and fabric painting and started looking for new contacts. She got a loan of Rs 500000 under PMRY, hired a separate shop, installed more machines and expanded the work. After undergoing EDP training for availing the loan, she started collecting information about the export market and found that there was a good demand for furnishing items made of silk fabric. She started purchasing such items from the nearby city and exporting under the brand name "Shilpa". At present, she is running an Enterprise producing machine made and handmade designer dresses, silk and embroidered cushion covers and exporting to USA and European countries. She has employed 16 technical and 4 office staff and installed high capacity machineries. She has already purchased a car for her use. Her annual turnover had crossed Rs 150 lakh with 20% gross profit and 10% net profit. Recently, she has won "Best Woman Entrepreneur" award. She has plans to set up an export oriented unit in the town.

Assignment:

What are the distinguishing features of the occupations pursued by Anita, Monika and Shilpa in terms of following aspects?
- Part time/seasonal or full time engagement in the activity
- Level of income earned
- Employment to oneself and employment to others
- Growth in business
- Expansion and diversification

Introduction to NRLM ecosystem

I. Objective:
- To help participants understand what is NRLM
- To know broad layout of the Mission, its objectives, etc.

II. National Rural Livelihood Mission (NRLM):
The National Rural Livelihood Mission (NRLM) aims to build efficient and effective institutional platforms for the rural poor, allowing them to raise household income through sustainable livelihood enhancements and enhanced financial services. It was introduced by the Ministry of Rural Development (MoRD) of the Government of India in June 2011. It is a restructured form of Swarna Jayanti Gram Swarozgar Yojna, (SGSY). It was renamed as Deendayal Antyodaya Yojana - (DAY-NRLM) in 2015. The NRLM strives to alleviate rural poverty by providing productive self-employment and skilled wage jobs. By 2024-25, the Mission hopes to mobilize 10-12 crore rural households into self-help organizations in a time-bound manner. The Mission was created with the goal of improving the poor's livelihoods over time through establishing strong community institutions.

National Rural Livelihood Mission (NRLM)

NRLM implementation is in a Mission Mode. This enables
(a) Shift from the present allocation based strategy to a demand driven strategy enabling the states to formulate their own livelihoods-based poverty reduction action plans,
(b) Focus on targets, outcomes and time bound delivery,
(c) Continuous capacity building, imparting requisite skills and creating linkages with livelihoods opportunities for the poor, including those emerging in the organized sector, and
(d) Monitoring against targets of poverty outcomes.

III. NRLM Mission
"To reduce poverty by enabling the poor households to access gainful self-employment and skilled wage employment opportunities, resulting in appreciable improvement in their livelihoods on a sustainable basis, through building strong grassroots institutions of the poor."
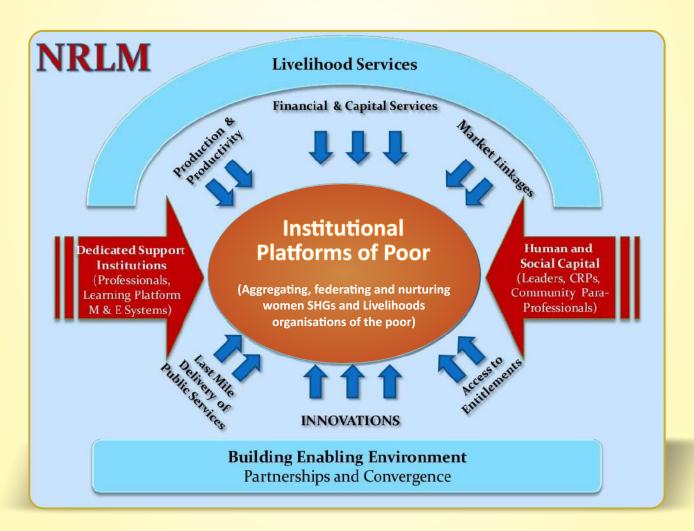
IV. NRLM Guiding Principles

Poor have a strong desire to come out of poverty, and they have innate capabilities Social mobilization and building strong institutions of the poor is critical for unleashing the innate capabilities of the poor. An external dedicated and sensitive support structure is required to induce the social mobilization, institution building and empowerment process. Facilitating knowledge dissemination, skill building, access to credit, access to marketing, and access to other livelihoods services underpins this upward mobility.

IV. NRLM Values

The core values which guide all the activities under NRLM are as follows:

- Inclusion of the poorest, and meaningful role to the poorest in all the processes
- Transparency and accountability of all processes and institutions
- Ownership and key role of the poor and their institutions in all stages – planning, implementation and monitoring
- Community self-reliance and self-dependence

Introduction to Start Up Village Entrepreneurship Program (SVEP)

I. Objective:
- To help participants understand what is SVEP
- To know broad layout of the Mission, its objectives, etc.

II. Start Up Village Entrepreneurship Program (SVEP):
The Startup Village Entrepreneurship Program is a sub component of the Ministry of Rural Development's Deendayal Antyodaya Yojna – National Rural Livelihoods Mission (DAY-NRLM). The Programme was announced by the Hon'ble Finance Minister in the budget speech of 2015.EDII has launched the Start-up Village Entrepreneurship Programme (SVEP) in 11 states viz., Chhattisgarh, Gujarat, Haryana, J&K, Jharkhand, Madhya Pradesh, Odisha, Telangana, Uttar Pradesh and West Bengal and Punjab covering 24 blocks spread across these states.

III. Vision and Scope
The SVEP's vision is "To help the rural poor come out of poverty by helping them set up enterprises and provide support till the enterprises stabilize." Using the NRLM SHGs and their federations, offer them with business skills, exposure, startup funding, and business support during the vital first six months of their businesses. Local youth will teach these skills, which will include company administration, monitoring, and support using ICT and audio-visual tools. These local CRP-EPs/MECs will also offer assistance to the businesses.

It will assist rural people, particularly marginalized groups, women, and SC and ST communities, in gaining a feeling of dignity and self-sufficiency, resulting in significant social transformations. Similarly, wealth generated in the local economy will have a multiplier effect, resulting in the local economy being strengthened and distress migration being reduced. People who work in a variety of businesses will increase employment and strengthen the market. It will also encourage new age ICT/infotainment businesses. It will support businesses in the areas of sanitation, drinking water, renewable energy, and so on. This will provide additional economic options in rural areas, allowing individuals to escape poverty.

SVEP supports the rural start-up entrepreneurs by training them to choose the right enterprise to start and run, making available loans through SHGs for starting the enterprise and subsequently linking them to banks for additional funds for expansion and supporting them for the initial six months of its business to ensure sustainability of the enterprise. SVEP aims to support 1.82 lakh entrepreneurs in 125 Blocks in 29 States over 4 years at an estimated cost of Rs. 484 crore.

Under SVEP, a pool of block level community cadre – Community Resource Person for Enterprise Promotion (CRP-EP) - will be trained in business management to support the rural poor to set up their enterprises and handhold them in the initial six months of start-up. SVEP entails building the capacity of NRLM and SHG federations to monitor the work of CRP-EPs. It also has provisions for the use of integrated ICT techniques and tools for training and capacity building, enterprise advisory services and to provide loans to rural entrepreneurs from the NRLM SHGs and federations and the banking system including the MUDRA bank.

SVEP intends to fill in the gaps of a missing knowledge ecosystem (exposure to new ideas, soft skills for triggering, lack of domain skills, etc.), a missing incubation system (personalized advisory, feasibility intelligence, common startup pitfalls, etc.) and a missing finance eco-system (customized need based finance, financial linkage, on-going handholding), to address the obstacles faced by first generation entrepreneurs.

NRLM Resource / Intensive Block will be the unit of implementation for SVEP. Under SVEP a Block Resource Centre for Entrepreneurship Promotion (BRC-EP) will be setup to occupy the trained CRP-EP. There is a provision for Community Enterprise Fund (CEF) for supporting enterprises.

IV. Objectives of SVEP

SVEP addresses three major pillars of rural start-ups namely –finances, incubation and skill ecosystems.
- SVEP intends to help rural youths in developing self-employment prospects in chosen villages.
- The aim is also to encourage networking of banks and financial institutions to collaborate with rural entrepreneurs. SHGs supported by the NRLM, as well as banking systems including the proposed MUDRA bank, would be accessible for financial assistance.

Thus as a result the initiative would be leading to,
- Entrepreneurship Ecosystem
- Reduced poverty
- Economic growth
- Reduced unemployment

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. These enterprises may be individual or group enterprises and should cover manufacturing, services and trading. These enterprises should cover traditional skills as well as new skills. They should also cover existing consumption and production of rural areas and should also cover new consumption and production of the rural areas, including the new consumption driven by government's priorities like RURBAN mission, Swachh Bharat Abhiyan, etc.
- Develop local resources by training a pool of village level community cadre (CRP EP) and build the capacity of the NRLM and SHG federations to monitor and direct the work of the 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.
- Handhold the rural entrepreneurs/ enterprises in the initial six months of start-up, with visits from the CRP-EP's supported by guidance from an advisory panel of experts for the relevant enterprise.

The SVEP would also work with the input and output supply chains for farm produce, artisanal products and other goods & services to help increase rural incomes.

V. Beneficiaries of SVEP

Any Rural poor who is willing to be entrepreneurial and self reliant is eligible to be part of this programme. Highly vulnerable beneficiaries under MGNREGA, marginalized sections, women, SC and ST communities and rural artisans will be given specific preference in selection, as part of this programme

VI. Key Elements of the Programme

- Create a Block Resource Centre - Enterprise Promotion (BRC-EP); The BRC should act as a nodal centre to implement SVEP. Block Level Federation (BLF) to come up under NRLM could be one of institutional platforms for BRC.
- Cluster Level Federation (CLF) /VOs shall hold the entity till BLF comes into existence. BRC should follow a self-sustaining revenue model.
- BRC to be assisted by CRP-EP and the Bank Coordination System (Bank Mitra). BRC to provide resource and reference material including videos, manuals etc.
- Help enterprises get bank finance using tablet based software for making the business feasibility plan, doing credit appraisal and tracking business performance.
- Use the Community Investment Fund (CIF) to provide seed capital for starting the business till it reaches a size where bank finance is needed.

- SVEP implementation at the block level to consist of the following sets of processes:
  - New Enterprise Development
  - Support for existing enterprises
  - Block level activities
  - Other project activities

Roles and Responsibilities of CRP-EP and BRC

I. Objective:
- To help participants understand what is CRP - EP and BRC

II. CRP-EP and BRC

SVEP promotes individual and group enterprises, set-up and promote enterprises majorly on manufacturing, trading and service sectors. Implementation of SVEP shall be managed by NRLM through the State Rural Livelihood Missions.

One of the main goals of SVEP is to create a pool of local Community Resource Persons-Enterprise Promotion (CRP-EP) who will assist entrepreneurs in starting rural businesses and to promote the Block Resource Center (BRC) in SVEP blocks.

III. BRC

BRCs are responsible to
- Act as a nodal centre to implement SVEP.
- Monitor and manage community resource persons.
- Evaluating SVEP loan applications.
- Serve as a repository for enterprise-related information in the block
- Assist in the development of a long-term revenue model that allows businesses to operate effectively and independently.

Block Resource Centre (BRC) would be a single point solution for entrepreneurship promotion and to address the needs and grievances from community through information availability, counselling, applications processing and documentation support. BRC should develop itself as a place of interaction between the CRP-EPs, Bank Mitras (Banking Correspondent-BC from the community), SHG/CBO leaders and members, for other nodal institution facilitating the implementation of various government schemes, and entrepreneurs at large.

BRC shall be the livelihoods subcommittee of the Block Level Federation (BLF). BRC will play the key role in the implementation of the SVEP, by acting as the technical and financial service centre to the BLF for livelihoods promotion under SVEP. It shall also evolve to work as a convergence provider mechanism. BRC being a nodal block level centre would capture information of ongoing schemes in the block and also assess the funding gaps which could bridge through the available schemes in the block.

CRP-EPs, Mentors and block coordinators along with CLF/BLF (where CLF and BLF are absent, a designated nodal VO shall create the BRC and the BRC will solely perform the activities of BLF to support and promote entrepreneurship as per SVEP guidelines) would take initiatives to liaison with various govt. departments or implementing units in the block.

Block where communities majorly belongs to ST and SC communities PIA staff with the support from CLF/BLF will liaison with all state and national level scheme specifically designed to support backward and vulnerable community. Block coordinators and mentors will work closely with designated Project Officer of the block to utilize and get benefits of ST and SC sub plan.

In long run BRC must become sustainable with a revenue model in place.

- BRC is the livelihood subcommittee, and it outsources its technical role by taking services of CRP – EPs facilitated by Project Implementation Agency (PIA) & SRLM
- BRC will have an office space, with electricity and broadband facility, at a location centrally accessible from all parts of the block. BPM (SRLM) should facilitate the nodal CLF and/or PIA to obtain suitable office space. Ideally it should be in the nodal CLF office itself.
- Managed by a livelihoods committee for SVEP having representatives from all the CLFs or VOs of that block;
- BRC Committee: CLF representatives, operationally supported by relevant community cadre;
- Representation: nominated members from CLFs – 2 from each CLFs; SVEP committee will convene and do periodic project appraisal of CEF applications from potential entrepreneurs under SVEP where BPM (SVEP), PIA representative, BPM (SRLM), DPM (as required) and CRPEP shall be invited members.
- BRC will approve the CEF applications and recommend to the nodal CLF for disbursement of the loan.
- Senior most nodal CLF representative would be the chairperson of the BRC

Key Features of a BRC in SVEP
- SRLM should try to get the Nodal CLF registered Through appropriate legal arrangements such as cooperative society/any other body as decided by SRLM
- Must be promoted by/be the livelihood subcommittee of a community institution (preferably the BLF or in its absence any representative CBO which as perform the role of the BLF, till such time the BLF comes up, in the block.
- The next rung of CBO leaders must form the general body and nominated/elected BLF leaders to the livelihoods subcommittee to the BLF, will form the executive body of the BRC along with SRLM's designated office bearer(s).
- 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), its office bearers (as decided by the BLF).
- 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.

IV. CRP - EPs
SVEP develops an eco-system for enterprise development in rural areas consisting of Community Enterprise Fund (CEF) for enterprise funding, Cadre of Community Resource Persons-Enterprise Promotion (CRP-EP) for providing Business Support Services which includes preparation of business plans, trainings, accessing loans from Banks etc. and dedicated centre at block level for providing information to entrepreneurs.

In the blocks adopted under SVEP, SRLM and BRCs will select a pool of local resources from the block. CRP-EPs are selected from the community where the programme is being implemented as they understand the local context and their familiarity with the NRLM eco-system. CRP-EPs along with the Block Programme Manager (BPM) and the Mentor are the key human resources at the block level for implementing the programme. They play an important role for Orientation of CBOs on Enterprise development, business plan preparation, market linkages and handholding support to entrepreneurs.

Understanding of the principle of self-help groups/community organizations and mutual co-operation will be required for appointing CRP EPs. Post selection would require several stages such as certification, residential/non-residential trainings, exposure visits and monitoring and evaluation. The CRP-EPs will be encouraged to form a group and operate as a single entity.

V. Role of CRP EP

All the CRP EP/CRP-EP group shall enter into an MoU with the BRC. They will work for mutually decided definite period (not more than the SVEP project tenure) with the BRC.

An indicative list of activities performed by CRP EP/CRP-EP group is as follows -

- **CBO training**
  - SHG's / VO's orientation
  - VO's subcommittee training on SVEP
  - CLF training on SVEP
  - BRC subcommittee training on SVEP
- **Entrepreneur training and support**
  - Entrepreneur triggering meeting
  - General orientation training for entrepreneurs -idea generation
  - Soft skills training for entrepreneurs
  - Idea validation plan field activity by entrepreneurs
  - Business plan preparation
  - Business management training to entrepreneurs
  - Need based performance improvement plan (max 3 days)
  - Loan follow up support
  - Handholding support & PTS for 6 months @ 1 day pm
  - Enterprise start up support
  - Handholding support & PTS for 2nd 6 months @ 0.5 day pm
  - Market linkages
- **CEF utilization update to nodal CLF, VO and SHGs**
  - VO/BRC briefing per month
- **Periodic BRC briefing**
- **Entering prescribed reports on the VE IT platform**
- **Participate in the meetings/training/exposure organised by BRC/SRLM/PIA**
  - Bank Linkage and co-ordination with banks
  - Success rate of adopted enterprises in any financial year to be more than 80%
  - To complete the task assigned by the BRC
  - To work in the assigned geographical area

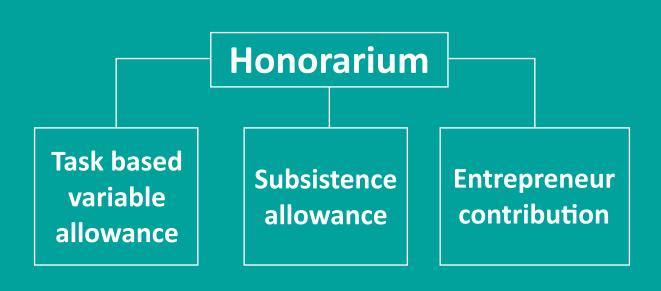### Income generating opportunities in enterprise through BRC Services

I. Objective:
- To help participants understand what is BRC Services and its Income generating opportunities

II. Honorarium for Community Resource Person Enterprise Promotion

Enterprise promotion strategy involves training and support through CRP-EP, these CRPs will be provided task based honorarium from SVEP project funds (four years) through BRC.

CRP EP honorarium may include following components

1. **Task based variable allowance -** BRC will appraise the work done by CRP EP on monthly basis, accordingly monthly honorarium payment to the CRP EP will be made.
2. **Subsistence allowance -** the task based activities will gradually peak based on the learning of the individual CRP-EPs, therefore it is important that the CRP-EPs receive minimum sum as honorarium for this period. It is expected that task based variable allowance will increase with time, therefore the subsistence allowance may follow a decreasing trend over the period of program.
3. **Entrepreneur contribution -** It is expected that support provided by CRP-EP will be perceived of critical utility for the enterprise, therefore some fees should be charged from enterprises for services provided by CRP-EP.

The incentive structure of the CRP-EP should be designed considering the following factors.
i. Time invested by CRP-EP – Table illustrating the activities performed by the CRP EP and total time used.
ii. Aspiration of CRP-EP–The local economic environment affects the aspirational income, therefore the per diem of CRP EP can be decided based on the local context.

iii. Honorarium of other similar community cadres, if based on opportunity cost of time in the block.

iv. The total cost of CRP EP honorarium should not exceed the budgeted limit, however the budget heads apart from CEF are fungible.

v. Sustainability will be based on the enterprises willingness and affordability to pay for the services of CR - EPs

All payments by BRC to the CRP EP/CRP-EP group will be made to their bank account.

Social Norms and Customs affecting Entrepreneurial Activities

I. Objective:

▪ To make the participants aware about the social norms and customs affecting entrepreneurial activities

Entrepreneurial activities includes the planning, implementing and decision making activities associated with an establishment. Social norms, customs, tradition, level of education, personal behavior, family and socio-cultural factors affect entrepreneurial activities.

In modern business scenario, high quality of life, feelings of respect for people, urge for knowledge and education, growth and development, market competencies have a great influence in entrepreneurial activities.

II. Factors affecting Entrepreneurship

Entrepreneurship is essential for the development of any economy. Countries which have flourished attribute their rise to the growth of entrepreneurship. Therefore, governments and people all over the world want to encourage this concept.

Entrepreneurship involves a complex of economic and social behaviour. To be successful, an entrepreneur has to remain dynamic and responsible to the whole environment. Entrepreneurship can flourish only under right environment.

The social factors, culture, government policies, political system, technology, economic conditions, laws are the main agents which influence the growth of entrepreneurship. In fact, the entrepreneurship cannot be kept aloof from the changing social values, ideologies, new emerging aspirations, environmental pressures, religious beliefs, consumer requirements and society needs. Business is a system made up of certain environmental factors which require the entrepreneurs to adopt a dynamic attitude and a new strategy of their own.

1. **Systems and Traditions**
   This includes the social systems, traditions, customs, social recognition, religious aspects, festivals, functions, moral values and ethics.
2. **Traditional Vs Scientific thinking**
   Entrepreneurs having scientific aptitude and rational thinking would have a considerable growth in establishment development. People who are highly traditional may not have a conducive business environment.
3. **Materialism**
   The change in outlook of people in terms of comforts and facilities and aspiration for high standard of living motivates the businessmen to introduce changes for business development, higher production and diversification.
4. **Social values**
   People with good social values like devotion towards family, love for art, devotion towards work, love for knowledge, friendship, power authority, respect, reputation and love for mankind helps create a good business development environment.

5. Changes and risk

The perception of people towards accepting changes and risk affects business environment.

6. Changes in consumer preferences

Understanding the latest trends, styles and other behavioral characteristics of consumers helps the entrepreneurs develop their products and services accordingly further resulting to business development.

7. Gender and racial attitudes

Changing gender roles and increasing emphasis on family life, attitudes towards racial discrimination and sexual harassment at work place have a considerable affect on business growth.

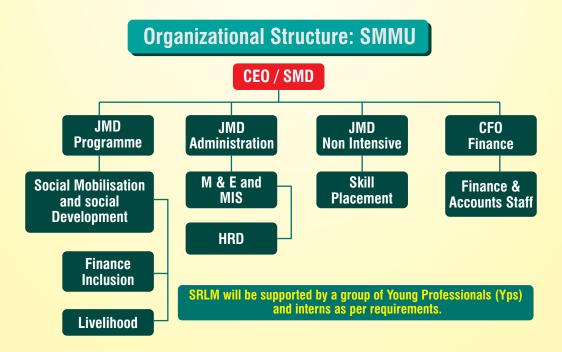## Session 3.2

SRLM Structure

I. Objective:

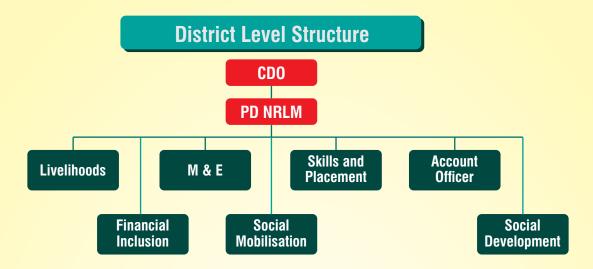- To make the trainees understand the SRLM structure.

State Rural Livelihood Mission (SRLM) is a State level functional organization, an autonomous body under the rural development department of the State and should be incorporated as a Society. The mission overseas the implementation and other related activities at the state level and constitutes a State Mission Management Unit (SMMU) headed by Chief Executive Officer (CEO). The SMMU consists of experts from various areas like social mobilization, capacity building, bank linkages etc are responsible for:

1. Designing policies and implementation guidelines at the state and district levels.
2. Monitoring the progress and providing implementation supports.
3. Ensuring quality implementation.
4. Managing partnerships.

The SRLM has Governing body and Executive Committee to provide guidance and supports in all aspects of planning and implementation of the Mission.

Organizational Structure: SMMU

CEO / SMD

JMD Programme	JMD Administration	JMD Non Intensive	CFO Finance
Social Mobilisation and social Development	M & E and MIS	Skill Placement	Finance & Accounts Staff
Finance Inclusion	HRD		
Livelihood			

SRLM will be supported by a group of Young Professionals (Yps) and interns as per requirements.

District Level Structure

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                    CDO
                     │
                 PD NRLM
                     │
   ┌──────────┬──────────┬──────────┬──────────┐
Livelihoods   M & E   Skills and   Account
                      Placement    Officer
     │          │                      │
  Financial   Social                Social
  Inclusion   Mobilisation          Development
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Community Based Organization (CBOs) - Structure and Functions

I. Objective:

▪ To make the trainees understand the structure and functions of CBOs.

A Community Based Organization is an organization that provides social services at the local level. It is a service oriented, non- profit organization whose activities are based on volunteer efforts, contributions for labour, material and financial support.

Structure of CBOS

1. Self Help Groups (SHGs)- Informal groups with maximum of 20 members with bank savings account and graded themselves to receive Revolving fund (RF) and Community investment fund (CIF) followed by preparation of Microcredit Plan (MCP) for receiving bank loan.
2. Village Organizations (VOs) - It focuses on areas like bank linkages and recovery management.
3. Cluster Level Federations (CLFs) - Formed for cluster of villages by integrating all Vos.

Functions of CBOs

1. Plan, implement and monitor social and economic development programs at local level.
2. Provide technical and financial assistance to the communities.
3. Assisting in making available of micro finance for micro enterprises.
4. Ensuring health, education, sustainable agriculture, animal husbandry, safe water and sanitation etc.
5. Empower weaker and disadvantages segments of population.
6. Road construction and development.

Enterprise Business Partners

I. Objective:
- To help the trainees understand the roles of banks, implementing agencies, suppliers etc. in an enterprise.

II. Banks
Banks provides financial and advisory services to small, medium and large business enterprises. The bank services include:

1. Deposit accounts and non- interest bearing products.
2. Credit card services.
3. Capital for business expansion, purchases, acquisitions and for meeting operating expenses.
4. Providing short and long term loans.
5. Help business enterprises manage their receivables, payables, cash on hand and liquidity.
6. Providing electronic payment processing systems to accelerate money transfers.
7. Services for payroll management.
8. Providing services for fraud protection or problems in making transactions.

III. Implementing agencies
There are agencies that act as a link between different cluster stakeholders to address their economic and non-economic issues.
Roles of implementing agencies:

1. Selection of clusters.
2. Preparing and allocating human resources for supporting development process.
3. Diagnostic study
4. Action plan formulation
5. Implementation of development initiatives
6. Monitoring and evaluation

IV. Procurement
Procurement refers to the activities involved in obtaining goods or services. It is an important business function which results in improving business profitability.
Types of procurement

1. Direct procurement- It includes the raw materials and components involved in a manufacturing company.
2. Indirect procurement- It includes the purchase of items which are required for day to day business operations but are not directly involved in production process.
3. Goods procurement- It involves the purchase of physical items and software subscriptions. It includes both direct and indirect procurement.
4. Services procurement- It basically focuses on people based services like hiring contractors, labour etc.

Basic Mathematical Operations- Additions, Subtraction

I. Objective:
- To encourage the Trainees to complete the mathematical tasks in additions and subtractions
- The trainees are to be acquainted with basic skills in addition and subtraction such as
  - Addition Strategies
  - Subtraction Strategies
  - Mathematical comparisons

II. Session Guide

Mathematics is the science of numbers, their operations and study of shapes and patterns. In general we can say that Mathematics helps to solve the problem situation in everyday life. Understanding mathematics is helpful to analyze the present condition and to evolve a solution for that.

III. Ask the trainees to solve the following problems in additions and subtractions.

i) Solve
1. Add 1 with the smallest five digit number.
2. Subtract 1 from the largest 6 digit number.
3. Make the largest number using the digits 3, 0, 8, 1
4. Find the sum of the smallest 4 digit number with largest 4 digit number.
5. Which one is greater; 9989 or 9899?

ii) Solve the word problems
1. In order to set up a tea stall Lolita spends Rs.5840 for the furniture, Rs. 6318 for the utensils and tea maker, Rs. 3898 for initial purchase of raw materials. What is the initial total expense that she made for staring that enterprise?
2. Lolita earned Rs. 19,586/- in the first month of her business. She deposits an amount of Rs.5000 in her saving account for future plans and requirements. How much is left with her after this savings?

Trainers may give some mouse practice exercises

Session 4.2

Basic Mathematical Operations - Multiplications

I. Objective:
- To encourage the Trainees to complete the mathematical tasks in multiplications.
- The trainees are to be acquainted with basic skills in Multiplication such as
  - Multiplication Facts
  - Properties of Multiplication
  - Estimate Product

II. Session Guide

Multiplication is repeated addition. It is done easily with the multiplication facts. It is a mathematical operation that provides you the 'product' of two or more numbers.

III. Ask the trainees to solve the following problems in multiplication.

I) Solve

1. 3825x1=_____

2. 9999x0=_____

3. 12x8=_____

4. 80000x24=_____

5. 5921x_____=3825x5921

ii) Solve the word problem
1. Lolita earns an average of 25,500/- every month. Calculate her earning in a year.
2. Lolita wishes to buy more furniture for her tea stall. She requires 4 chairs that cost Rs.980, 1 table that costs 2432. How much she has to spend for this?

Basic Mathematical Operations - Divisions

I. Objective:
- To encourage the Trainees to complete the mathematical tasks in division.
- The trainees are to be acquainted with basic skills in Multiplication such as
  - Division Facts
  - Properties of Division
  - Divisibility rules

II. Session Guide
Division is repeated subtraction. It is an operation in which a number is divided or separated into parts or groups.

III. Ask the trainees to solve the following problems in division.

I) Solve

1. 41172÷1=_____

2. 41172÷0=_____

3. 41172÷6=_____

4. 80000÷10=_____

5. 66÷11=_____

ii) Solve the word problem
1. Lolita sells aloo samosa along with tea for Rs.18000 in the month of April with an average of 50 samosas per day. What is the cost for a samosa?

Basic Mathematical Operations-Practice sessions

I. Objective:

- To make more practice on mathematical operations such as addition, subtraction, multiplication and division

II. Session Guide

Trainees are advised to do more problems related to the basic mathematical operations.

III. Solve

1) 9899+9999

2) The sum of two numbers is 146 and their difference is 2. Find the numbers.

3) The quotient of two number is 4 and their product is 4, find the numbers.

4) Mentally do 90000 +2000

5) Choose two numbers from the below table to complete the sentence followed
   2882   2282   2822 2228

   _____ and _____ have a difference of 54

6) Lolita bought 11 bags of potatoes and 9 bags of onions. Each bag of potatoes & onion weighed 4 kilograms. How many kilograms of potatoes & onions did Lolita buy in all.

7) Lolita sold 6 more samosa than baji. She sold 36samosa &baji in all. How many bajisdid the she sell?

Understand and solve percentage based mathematical questions

I. Objective:
- To help the trainees to understand and solve percentage based mathematical questions.

II. Session Guide
First explain the concept of percentage to the trainees and then ask them to practice some of the mathematical problems based on the concept.

III. What is percentage?
In mathematics, a percentage is a number or ratio that can be expressed as a fraction of 100. Per stands for "out of," while cent is for "hundred." As a result, percent denotes the quantity out of one hundredth. If we have to calculate percent of a number, divide the number by whole and multiply by 100. Hence, the percentage means, a part per hundred. The word per cent means per 100. It represented by the symbol "%".

Percentage, a relative value indicating hundredth parts of any quantity. One percent (symbolized 1%) is a hundredth part; thus, 100 percent represents the entirety and 200 percent specifies twice the given quantity.

Usage of percentage:
The most basic application of percentages is to compare one quantity against another, with the second quantity rebased to 100. ... Following the previous example, if the fraction is 1/2 , then the percentage of employed females out of all employed is 50%. In general, percentages can be used in two major ways.

The percentage is used to determine "how much" or "how many." A percentage number aids in calculating the exact amount or figure that is being discussed. Fractions are compared. Identifying a percentage increase or decrease. Helps in finding profit and loss percentages.
1. The most fundamental use of percentages is to compare two quantities.
2. When reviewing or comparing results and progress, percentages are helpful.
3. In our daily lives, percentages play a critical role. A percentage is a helpful tool for comparing and contrasting different topics. The issue could be related to health, geography, or something else entirely.
4. Extensive data can be evaluated in less time and with more accuracy using percentages.
5. When it comes to elections, percentages are used to express votes cast for different candidates.
6. The most common application of
7. is in the business world. An example might be a profit or loss.
8. The percentage is highly beneficial to the government in making reservations and various initiatives for many individuals.
9. The percentage is a very effective medium for representing numerical data in the simplest way possible.
10. Percentage provides information about the increase of civilization, urbanization, and production in any business.

IV. The Formula of Percentage Calculation

Let's look at how to use the formula to calculate or determine the percentage.

To find the percent of a number, divide the part of the value or the actual value by the total value or the whole and then multiply by 100.

Percentage=actual value total value×100%

P=MN×100%

where,

P→ Percentage

M→ Actual value

N→ Total Value

Example: Calculate the percentage marks secured by Shivu in a board exam, where Shivu has secured 870 marks out of 1000 marks.

The percentage secured by Shivu can be calculated as,

870/1000×100%=87%

Different Parts in Percentage Formula

Before we calculate the percentage, we must first understand the components of the percentage. Every percentage problem has three sections or variables, which makes it easier to solve. They are as follows:

1. Percentage
2. Part
3. Whole

Example: 15%
 of 200 is 30.

⟹15% of 200=30

⟹15%×200=30

⟹15100×200=30

In the above example,

Percentage →15%

Part →30

Whole →200

V. The trainees are to be advised to do the solutions based on percentage calculations:

1) 20% 100

2) 50% 2000

3) 25% 10000

4) 100% 5000

5) Lolita borrowed 50000 from a bank for starting their enterprise. Find the amount of interest to be paid on each month if the interest rate is 4%.

6) 40 % of 280 =?

7) Whose 35% is 280?

8) 45 *? = 35% of 900

9) If 40% of an amount is 250, what will be 60% of that amount?

10) If 30 % of 1520 + 40 % of 800 = x % of 5000, find the value of x.

Understand and solve fractions based mathematical questions

I. Objective:
- To help the trainees to understand and solve fractions based mathematical questions.

II. Session Guide
First explain the concept of fractions to the trainees and then ask them to practice some of the mathematical problems based on the concept.

III. What is Fraction:
In arithmetic, **a number expressed as a quotient, in which a numerator is divided by a denominator**. In a simple fraction, both are integers. A complex fraction has a fraction in the numerator or denominator. In a proper fraction, the numerator is less than the denominator. Fractions represent equal parts of a whole or a collection.
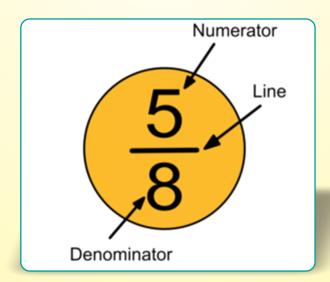
Fraction of a whole: When we divide a whole into equal parts, each part is a fraction of the whole.

A fraction simply **tells us how many parts of a whole we have.** You can recognize a fraction by the slash that is written between the two numbers. We have a top number, the numerator, and a bottom number, the denominator. For example, 1/2 is a fraction. ... So 1/2 of a pie is half a pie

Parts of a Fraction
All fractions consist of a numerator and a denominator and they are separated by a horizontal bar known as the fractional bar.
- The denominator indicates the number of parts in which the whole has been divided into. It is placed in the lower part of the fraction below the fractional bar.
- The numerator indicates how many sections of the fraction are represented or selected. It is placed in the upper part of the fraction above the fractional bar.
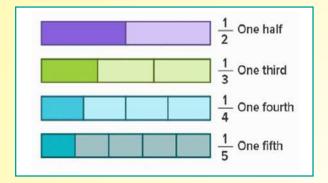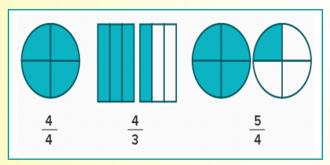
Types of fractions

Unit fractions
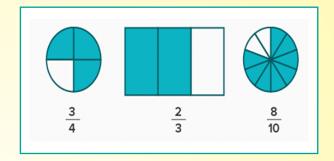Fractions with numerator 1 are called unit fractions.

$\frac{1}{2}$ One half

$\frac{1}{3}$ One third

$\frac{1}{4}$ One fourth

$\frac{1}{5}$ One fifth

Proper fractions
Fractions in which the numerator is less than the denominator are called proper fractions.

$\frac{3}{4}$ $\frac{2}{3}$ $\frac{8}{10}$

Improper fractions
Fractions in which the numerator is more than or equal to the denominator are called improper fractions.

$\frac{4}{4}$ $\frac{4}{3}$ $\frac{5}{4}$
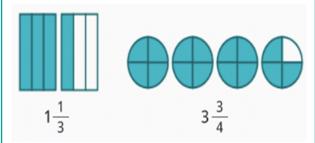
Mixed fractions
Fractions in which the numerator is less than the denominator are called proper fractions.

$1\frac{1}{3}$ $3\frac{3}{4}$

Fun Facts
- The word 'fraction' has been derived from the Latin 'fractus' which means "broken".
- Fraction has been into existence from the Egyptian era which is known to be one of the oldest civilizations in the world. However, fractions were not regarded as numbers, in fact, they were used to compare the whole numbers with one another.

Examples on Fractions

1. Example 1: Write two equivalent fractions for 5/15

Solution:
Let us write the equivalent fractions for 5/15 using multiplication and division.
a.) Let us multiply the numerator and the denominator with the same number 2. This means, (5 × 2)/(15 × 2) = 10/30
b.) Let us divide the numerator and the denominator with the same number 5. This means, (5 ÷ 5)/(15 ÷ 5) = 1/3
   Therefore, 10/30 and 1/3 are equivalent to 5/15. In other words, 10/30, 1/3, and 5/15 are equivalent fractions.

2. Example 2: In a class of 48 students, 1/4th of them watch cartoons. How many students do not watch cartoons?

Solution:
Total number of students = 48, the fraction of students who watch cartoons = 1/4
Number of students who watch cartoons = 1/4 × 48 = 12
Thus, the number of students who do not watch cartoons = 48 - 12 = 36
Therefore, the number of students who do not watch cartoons is 36.

3. Example 3: State true or false.
   a.) Proper fractions are the fractions in which the numerator is less than its denominator.
   b.) 9/2 is a proper fraction.
   c.) 3/4 and 2/4 are like fractions.

Solution:
   a.) True, proper fractions are the fractions in which the numerator is less than its denominator.
   b.) False, 9/2 is an improper fraction because the numerator is larger than the denominator.
   c.) True, 3/4 and 2/4 are like fractions because their denominators are the same.

IV. The trainees are to be advised to do the solutions based on fraction calculations:

The trainees are to be advised to do the solutions based on fractions
   1) ½ of 20
   2) 1/5 of 1000
   3) 1/10 of 10000
   4) ¼ of 4444
   5) Lolita ½ of the borrowed amount of Rs. 50000 for initial setting up of the tea stall structure and 1/4th of the amount for purchasing materials for the tea stall. Find out the amount spent for Stall Structure and Purchase of Material.

Understand and solve simple equations based mathematical questions

I. Objective:
- To help the trainees to understand simple equations based mathematical questions
- Make them understand the difference between variables and constants in a simple equation.
- To help the trainees acquainted with the different methods of solving an equation: the trial & error method, the systematic method and the transposition method

II. Session Guide
First explain the concept of fractions to the trainees and then ask them to practice some of the mathematical problems based on the concept.

III. What is simple equation ?
A simple equation is a mathematical equation which expresses the relation between two expressions on both sides of an equal sign.

Variable
It is the unknown factor in a simple equation usually referred as x or y.

Solving a simple equation
Solving a simple equation is done by rearranging the variable in one side of the equation.

e.g: $3x+2 =17$

Here the variable is x. For solving the equation we have to 'isolate' x in one side of the equation as shown below:

$3x=17-2$

$3x =15;$ $X=15\div3$

$X=5$

The trainees are to be advised to practice problems based on simple equations.

Solve the following questions
1) Write the following statements in simple equation
   a) Half of a number and 6 is 9
   b) The sum of two consecutive numbers 51.
2) Solve x if $2x+20 =40$
3) Solve x if $4x=1000$

Understand and solve average based mathematical questions

I. Objective:
- To help the trainees to understand average based mathematical questions

II. Session Guide
Explain the concept of average to the trainees and ask them to practice sums based on the concept

III. What is Average ?
In ordinary language, an average is a single number taken as representative of a list of numbers, usually the sum of the numbers divided by how many numbers are in the list (the arithmetic mean). For example, the average of the numbers 2, 3, 4, 7, and 9 (summing to 25) is 5.

The average is also known as the arithmetic mean. It is the ratio of the sum of all given observations to the total number of observations.

Using the average formula, the arithmetic mean for any sample of data can be calculated.

Average Formula

Average = (Sum of Observations) ÷ (Total Numbers of Observations)

Steps for finding Average

For finding average, add all the values and divide the outcome by the number of given values.

Average can be calculated using three simple steps. They are:

Step 1: Sum of Numbers; find the sum of all the given numbers.

Step 2: Number of Observations:; count how many numbers are in the given set.

Step3: Average Calculation: Calculating the average by dividing the sum by the number of observations.

e.g: Find the average of 20, 21, 25, 25, 21, 20

Average = (Sum of Observations) ÷ (Total Numbers of Observations)

= (20+21+25+25+21+20)/6

= 132/6= 22

The trainees are to be advised to practice problems based on average.

Solve
1) Lolita earns daily income as 1100, 1255, 1300, 980, 1620. Find the average income per day.

Entrepreneurial Competencies - David Mcclelland model

I. Objective:
- To help participants understand what is the McClelland theory of entrepreneurship

II. Entrepreneurship

The business operation is viewed as incredibly difficult in a competitive business climate that is always changing due to rapid technology improvements. A high level of expertise in numerous areas such as intellectual, attitudinal, behavioural, technological, and managerial attributes is required from an entrepreneur. Thus, a person's underlying traits that lead to the establishment of new companies are classified as entrepreneurial skills. These traits include generic and specific information, goals, features, self-images, social positions, and talents that the person may or may not be aware of. A person may or may not possess these abilities. Skills that are lacking can be acquired through education, training, and development.

Various factors influence the growth of entrepreneurship. For this goal, various hypotheses or models have been developed. Various thinkers have proposed various theories in this regard.

III Entrepreneurial motivation

When a person has a want, tension builds in his mind until the need is satisfied. Because of the tension, he forced to act. Similarly, until the need is met, the individual shifts actions also. Thus the human behaviour is goal directed or directed towards satisfaction of needs. Motivation has a significant role in entrepreneurship. The inner force that ignites and sustains behavior to meet needs is referred to as motivation.

IV Motivational concept

The word "motivation" comes from the Latin word "movere," which literally means "to move." As a result, motivation denotes movement. Motivation can be defined as ""the managerial function of ascertaining the motives of subordinates and helping them to realise those motives."

V Motivation theories

The number of theories proposed to explain human behaviour can be used to gauge the importance of motivation in human life and work. They use human wants and nature to understand human motivation. The number of theories proposed to explain human behaviour that iself describe the importance of motivation in human life and work. They use human wants and nature to understand human motivation.

Theory of Need of Achievement

According to McClelland, think of new and better ways to do things and make decisions when faced of uncertainty. Entrepreneurs are defined by a drive to improve, advance, and grow, which is known as an accomplishment orientation. He was able to counter the then-prevailing great man idea of business as well as religious conceptions of entrepreneurship by focusing on a specific need. He felt that entrepreneurship can be learned and that it can be supported in a productive way.

Each individual tends to develop particular motivational impulses. David McClelland proposed a motivational model based on three different types of needs: success, power, and affiliation. Following are the details:

(i) Need for success: a desire to succeed, advance, and grow;
(ii) Need for power: a desire to exert influence over others and situations;
(iii) Need for affiliation: a need to form friendly and close interpersonal ties.

These three requirements, may be acting on a person at the same time.

The people with high need for achievement are characterised by the following
(I) They make goals for them that are moderate, practical, and attainable.
(ii) Prefer to be in settings where they can solve personal responsibility problems.
(iii) They require concrete feedback on their performance.
(iv) They have a need for achievement in order to achieve personal success.
(v) They seek out difficult assignments.

Apart from these, entrepreneurs have other behavioural characteristics such as tolerance, problem solving, inventiveness, and so on.

Based on the above assumptions David Mcclelland identified following Personal Entrepreneurial Competencies (PEC)
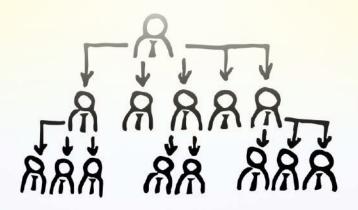
Sl. No.	PEC		Exhibited attributes
1.	Initiative		▪ Does things before asked or forced to by events ▪ Acts to extend the business into new areas, products or services
2.	Sees and Acts on opportunities		▪ Seizes unusual opportunities to start a new business, obtain financing, equipment, land work space or assistance
3.	Persistence		▪ Takes action in the face of a significant obstacle ▪ Takes repeated actions or switches to an alternative strategy to meet a challenge or overcome an obstacle ▪ Takes personal responsibility for the performance necessary to achieve goals and objectives
4.	Information Seeking		Personally seeks information from clients, suppliers or competitors ▪ Does personal research on how to provide a product or service ▪ Consults experts for business or technical advice

Sl. No.	PEC		Exhibited attributes
5.	Concern for High Quality of work		▪ Acts to do things that meet or beat existing standards of excellence. Have a desire to produce work of high standard
6.	Commitment to the Work Contract		Makes a personal sacrifice or expends extraordinary effort to complete a job ▪ Pitches in with workers or in their place to get a job done ▪ Strives to keep customers satisfied and places long term good will over short term gain
7.	Efficiency Orientation		▪ Finds ways to do things better, faster, or cheaper ▪ Looks for ways to reduce cost and time ▪ Usage informations on business tools to improve effiecincy
8.	Systematic Planning		▪ Plans by breaking large tasks down into time-constrained sub-tasks ▪ Develop and use logical step by step plans
9.	Problem Solving		▪ Identify new and potentially unique ideas to readh goals ▪ Switch to an alternative strategy to reach a goal if encountering a problem
10.	self-confidence		Have a strong belief in self and own abilities Seeks autonomy from the rules or control of others ▪ Sticks with own judgement in the face of opposition or early lack of success ▪ Expresses confidence in own ability to complete a difficult task or meet a challenge
11.	Assertiveness		▪ Confront problems with other directly ▪ Tell others what they have to do and discipline those failing to perform as expected ▪ Ability to say when required

Sl. No.	PEC		Exhibited attributes
12.	Persuasion		▪ Uses deliberate strategies to influence or persuade others ▪ Asserts his own and his company competence and qualities ▪ Convince others to get work done
13.	Use of influence strategies		▪ Use a variety of strategies to influence others ▪ Acts to develop business contacts ▪ Uses key people as agents to accomplish own objectives
14.	Monitoring		Revises plans in light of feedback on performance or changing circumstances ▪ Keeps financial records and uses them to make business decisions
15.	Concern for Employee Welfare		▪ Takes action to improve the welfare of employees, customers and persons concerned to the enterprise ▪ Express concern towards others

Session 6.2

Measuring entrepreneurial competencies - AMT workbook exercise

I. Objective:
- To help participants understand Measuring entrepreneurial competencies - AMT workbook exercise

   ---Trainers to use 70 number questionnaire given in the AMT manual for measuring entrepreneurial competencies of trainees----
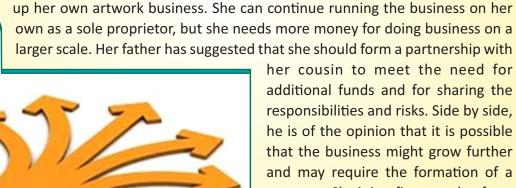
Session 6.3

Introduction to enterprise and its types

I. Objective:
- To help participants understand what exactly is an enterprise, and what makes it different from other such terms.
- To help participants understand the enterprise types.

   Neha, a bright final year student was waiting for her results to be declared. While at home she decided to put her free time to use. Having an aptitude for painting, she tried her hand at decorating clay pots and bowls with designs. She was excited at the praise showered on her by her friends and acquaintances on her work. She even managed to sell a few pieces of unique hand pottery from her home to people living in and around her colony. Operating from home, she was able to save on rental payments. She gained a lot of popularity by word of mouth publicity as a sole proprietor. She further perfected her skills of painting pottery and created new motifs and designs. All this generated great interest among her customers and provided a boost to the demand for her products. By the end of summer, she found that she had been able to make a profit of Rs. 2500 from her paltry investment in colours, pottery and drawing sheets. She felt motivated to take up this work as a career. She has, therefore, decided to set up her own artwork business. She can continue running the business on her own as a sole proprietor, but she needs more money for doing business on a larger scale. Her father has suggested that she should form a partnership with her cousin to meet the need for additional funds and for sharing the responsibilities and risks. Side by side, he is of the opinion that it is possible that the business might grow further and may require the formation of a company. She is in a fix as to what form of business organisation she should go in for?

II. What is an Enterprise?

The word derived from a French word entreprendre (from prendre), meaning 'to undertake', which in turn comes from the Latin "inter prehendere" (seize with the hand). Enterprise ventures are for-profit business which started and run by an entrepreneur. The term mostly associated with entrepreneurial ventures.

Entrepreneurs aspire for a variety of benefits in addition to profit like,

- **Problem-solving:** They see a particular issue that they feel they can solve.
- **Exploit ideas:** They have a new idea or product they believe will be successful.
- **Filling a gap:** They see a gap in the market they believe they can fill.
- **Competitive pricing:** They believe they can produce something on the market cheaper and offer it at a lower price.
- **Knowledge-based:** Where they believe they can supply specialist knowledge that customers will pay for.

III Types of Enterprise

1. Sole Proprietorship

A sole proprietorship otherwise known as individual entrepreneurship, single trader, or simply proprietorship, is a type of self-contained entity controlled solely by one person. It is the most basic legal structure of a company.

2. Partnership

Individuals or partners own and administer partnerships, and decision-making is decentralised (as well as profits). Decisions will be made collaboratively, and earnings will be shared among the partners. There may be a form of hierarchy with senior and junior partners in some circumstances. Professional and financial services firms, for example, frequently form partnerships.

A Refreshing Start: Coca Cola Owes its Origin to a Sole Proprietor!

The product that has given the world its best-known taste was born in Atlanta, Georgia, on May 8, 1886. Dr. John Stith Pemberton, a local pharmacist, produced the syrup for Coca-Cola®, and carried a jug of the new product down the street to Jacobs' Pharmacy, where it was sampled, pronounced "excellent" and placed on sale for five cents a glass as a soda fountain drink. Dr. Pemberton never realised the potential of the beverage he created. He gradually sold portions of his business to various partners and, just prior to his death in 1888, sold his remaining interest in Coca-Cola to Asa G. Candler. An Atlantan with great business acumen, Mr. Candler proceeded to buy additional business rights and acquire complete control.

On May 1, 1889, Asa Candler published a full-page advertisement in The Atlanta Journal, proclaiming his wholesale and retail drug business as **"sole proprietors of Coca-Cola ... Delicious.**
Refreshing. Exhilarating. Invigorating." Sole ownership, which Mr. Candler did not actually achieve until 1891, needed an investment of $ 2,300.

It was only in 1892 that Mr. Candler formed a company called The Coca-ColaCorporation.
Source: Website of Coca Cola company.

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3. Private Limited Companies (Ltd.)

This type of entrepreneurial venture has been formally incorporated and will have its own legal identity. It will have a group of shareholders who will be responsible for a portion of any debts or rewards the company incurs. The shareholders will elect directors to oversee the company's overall operations and decisions, with the relevant managers in charge of day-to-day operations.

4. Public Limited Companies (PLC)

PLCs are distinguished by the fact that it can be offered to the general public. To do so, they must meet certain regulatory and legal requirements relating to the company's financial health, account transparency, trading history, and other factors. The ability to sell public shares can be beneficial for raising capital for expansion.

5. Limited Liability Partnership:

The concept was developed in response to the J.J. Irani Committee's recommendations. The LLP provides the benefits of limited liability while allowing members to form their business as they would in a typical partnership.

In an LLP, the liability of individual partners is limited, but the LLP as a whole is liable for the entire amount of its assets. So, now personal assets of partners are protected from liability arising from wrong decisions of other partners or employees not under their direct supervision.

Price Waterhouse Coopers was a Partnership Firm earlier

Price Waterhouse Coopers, one of the world's top accountancy firms has been created in 1998 by the merger of two companies, Price Waterhouse and Coopers and Lybrand - each with historical roots going back some 150 years to the 19th century Great Britain. In 1850, Samuel Lowell Price set up his accounting business in London. In 1865, he was joined in partnership by William H. Holyland and Edwin Waterhouse. As the firm grew, qualified members of its professional staff were admitted to the partnership. By the late 1800s, Price Waterhouse had gained significant recognition as an accounting firm.

Source: Price Waterhouse Coopers archives in Columbia University.

Comparative analysis of different types of enterprises

Sl. No.	Basis of comparison	Sole proprietorship	Partnership	Company
1.	Formation	Minimal legal formalities, easiest formation	Registration is optional, easy formation	Registration compulsory, lengthy and expensive formation process
2.	Members	Only owner	Minimum-2 Maximum: 50	Minimum Private-2 Public Company-7 Maximum Private Company-200 Public Company-unlimited
3.	Capital contribution	Limited finance	Limited but more than that can be raised in case of sole proprietorship	Large financial resources
4.	Liability	Unlimited	Unlimited and joint	Limited
5.	Control and management	Owner takes all decisions, quick decision making	Partners take decisions, consent of all partners is needed	Separation between ownership and management
6.	Continuity	Unstable, business and owner regarded as one	More stable but affected by status of partners	Stable because of separate legal status

IV. Start up India

A start up is a venture that is initiated by its founders around an idea or a problem with a potential for significant business opportunity and impact. Often the actual development starts even before that with a search of an idea or a meaningful problem worth solving and building a committed founding team aligned with shared vision to make that vision into reality

As per the notification dated February 17, 2016, Ministry of Commerce and Industry has described an entity as a startup if:

a) Its age is less than 5 years from the date of registration/incorporation
b) Turnover for any year is less than Rs 5 crore
c) Its working towards "innovation, development, deployment or commercialization of new products, processes or services driven by technology or intellectual property"

These are the three major pillars which shall define any startup in India; and as per these definitions, neither Flipkart nor Paytm is a startup anymore!

Point to be noted here: Any business/corporation which is created by spliting from an existent business shall not be termed as a startup.

Ola, Flipkart, Paytm, Zomato, MakeMyTrip, need no introduction today. These are only a few big names of the Indian Start up Ecosystem. However, they started small too. Flipkart, for instance, was started by IIT Delhi alumni and ex-Amazon employees. What started as an online book retail store, is now India's biggest online retail platform. With unlimited innovations, fresh approach towards the market and increased investors, the Indian market is blooming at this hour. Success stories like Flipkart inspire new entrepreneurs to enter into the Start up world and prove their mettle, every day. Nasscom has reported as many as 1000 new additions to Indian Start up ecosystem in 2017.

However, not all that shines is gold. According to a study done by IBM Institute for Value (IBV) along with Oxford Economics, 90% of Indian start ups are bound to fail in the next five years. With new players coming up every day, availability of a plethora of products, increased focus on funding and stringent regulations, to start a business can take a sharp turn from being a dream into a nightmare. However, CB Insights, a New York-based technology research company reveals that 29% startups in India which fail because they run out of cash, while 18% startups fail because of cost issues and another 8% are not able to attract the interests of the investors. The same study by IBV reveals that 65% of the venture capitalists revealed that funding is a major roadblock for a startup.

V. Unicorn

What is a Unicorn?
In the venture capital industry, the term unicorn refers to any startup that reaches the valuation of $1 billion.

The term was first coined by Aileen Lee, founder of Cowboy ventures when she referred to the 39 startups that had a valuation of over $1 billion as unicorns. The term initially was used to lay emphasis on the rarity of such startups. The definition of a unicorn startup has remained unchanged since then. However, the number of unicorns have gone up.

Features of a Unicorn Startup

To be a unicorn is no cakewalk and each unicorn today has its own story with a list of features that worked in its favour. We have listed down a few pointers that are commonly seen across all the unicorns:

- **Disruptive innovation:** Mostly, all the unicorns have brought a disruption in the field they belong to. Uber, for example, changed the way people commuted. Airbnb changed the way people planned their stay while travelling and Snapchat disrupted the usage of the social media network etc.
- **The 'firsts':** It is seen that unicorns are mostly the starters in their industry. They change the way people do things and gradually create a necessity for themselves. They are also seen to keep innovation up and running to stay ahead of competitors which might later boom.
- **High on tech:** Another common trend across unicorns is that their business model runs on tech. Uber got their model accepted by crafting a friendly app. Airbnb made the world seem smaller by making the best of the world wide web.

A recent report suggests that 87% of the unicorns products are software, 7% are hardware and the rest 6% are other products & services.

Unicorn Startups in India

Flipkart: Founded in 2007 and listed under one of the largest e-commerce brands across India, Flipkart is a success story of two friends, Sachin Bansal and BinnyBansal. Amongst all the other e-commerce startups in India, Flipkart stands way ahead with the current valuation of more than $15.5 billion.

PayTM: Founded by Vijay Shekhar in 2010, PayTM is owned by One97 Communications, founded in 2010, when mobile had just entered the life of common man in India. Gradually One97 Communications moved from mobile top-up service to bus and train ticket booking, bill payment enabler to a full-fledged payment service provider for businesses and was named PayTM. With the current day valuation of around $2 billion, PayTM has certainly come a long way.

Razorpay: A Bangalore based fintechstartup, founded by HarshilMathur and Shashank Kumar. They started the company with a simple vision of helping every business accept digital payments and over the years, they have made huge strides towards making it a reality.

Meesho: Founded by Sanjeev and AatreyBarnwal in 2015, Meesho provides a reselling platform for small and medium businesses that allow them to start their online venture through social media channels like Facebook, Instagram, and WhatsApp. The Bangalore-based company has supposedly registered 100K registered suppliers to over 26K postal codes across 4000+ cities, generating over INR 500 Cr (US $68 million at current conversion rate) in income for individual entrepreneurs.

PharmEasy: PharmEasy was founded by Dhaval Shah and DharmilSheth in 2015, and it provides a whole suite of services such as sample collections for diagnostic tests, tele consultation, medicine deliveries, etc. It also provides a solution for pharmacies to use procurement combined with delivery and logistics support. So far, PharmEasy has connections with over 60K brick-and-mortar pharmacies and 4K doctors in 16K postal codes across India.

CRED: Founded by Kunal Shah in 2018, the Bangalore-based fintechstartup entered the unicorn club at a whopping valuation of $2.2 Bn. It is a platform that allows credit card users to manage multiple cards along with an analysis of their credit score as well.

Urban Company: Founded in 2014 by AbhirajBhal, Raghav Chandra, and VarunKhaitan – Urban Company is an all-in-one platform that helps users hire premium service professionals, from masseurs and beauticians to sofa cleaners, carpenters, and technicians. Urban Company has built a network of 40,000+ trained service professionals and has served over 5 million customers across major metropolitan cities around the world.

Assignment:

Kiran is a sole proprietor. Over the past decade, her business has grown from operating a neighbourhood corner shop selling accessories such as artificial jewellery, bags, hair clips and nail art to a retail chain with three branches in the city. Although she looks after the varied functions in all the branches, she is wondering whether she should form a company to better manage the business. She also has plans to open branches countrywide.
- (a) Explain two benefits of remaining a sole proprietor
- (b) Explain two benefits of converting to a joint stock company
- (c) What role will her decision to go nationwide play in her choice of form of the organisation?
- (d) What legal formalities will she have to undergo to operate business as a company?

Projects

1. Divide trainees into teams to work on the following
   - (a) To study the profiles of any five neighbourhood grocery/stationery store
   - (b) To conduct a study into the functioning of a Joint Hindu family businesses

2. Savitri Devi has decided to begin a food processing business in District Kangra of Himachal Pradesh. Help her in deciding which type of enterprise she should start with?

Notes

1. Some of the following aspects can be assigned to the students for undertaking above mentioned studies.
2. Nature of business, size of the business measured in terms of capital employed, number of persons working, or sales turnover, problems faced, Incentive, reason behind choice of a particular form, decision making pattern, willingness to expand and relevant considerations, Usefulness of a form, etc.
3. Student teams should be encouraged to submit their findings and conclusions in the form of project reports and multi-media presentations.

Business - Types, Process and Business cycle

I. Objective:
- To help participants understand what exactly is an enterprise, and what makes it different from other such terms?
- To help participants understand the enterprise types.

The business life cycle is the evolution of a company through several stages with time. It is usually classified into five stages: launch, growth, shake-out, maturity, and decline. The cycle is depicted on a graph with time on the horizontal axis and financial parameters on the vertical axis. Peak, trough, contraction, and expansion are the four distinct periods of a business cycle.

Phase 1: Launch.
Each firm introduces new products or services. Sales are low during the initial phase, but they gradually increase. They advertise their product and value propositions to their target consumer in order to market to them. Businesses are prone to losses during this introductory phase since revenue is low and initial launch costs are considerable.

Phase 2: Expansion
Companies in the growth phase see rapid sales growth. Businesses begin to realise profit as they reach the break-even threshold as sales climb significantly. However, because the profit cycle is still behind the sales cycle, profit is lower than sales. Finally, during the expansion phase, the cash flow turns positive, indicating an extra cash inflow.

Phase 3: Shake-out
Sales continue to rise throughout the shake-out period, although at a slower rate, either due to nearing market saturation or the entry of new competitors. During the shake-out phase, sales are at their highest. In shake-out phase, sales continue to rise, but profit begins to decline. This increase in costs is reflected in the increase in sales and decrease in profit. Finally, cash flow rises and reaches profit.

Phase 4: Maturity
At this stage company grows older, and sales begin to decline gradually. Profit margins are shrinking, while cash flow remains stable. As businesses mature, major capital expenditures are usually behind them, resulting in larger cash creation than profit on the income statement. It's vital to note that many organisations are reinventing themselves and investing in new technology and expanding markets during this era, extending their corporate life cycle. This allows businesses to reposition themselves in their fast-paced industry and re-energize their market growth.

Phase 5: Decline
Sales, profit, and cash flow all decrease at the end of the cycle. Companies admit their failure to extend their business life cycle by adjusting to new business environments at this phase. Companies eventually lose their competitive advantage and quit the market.
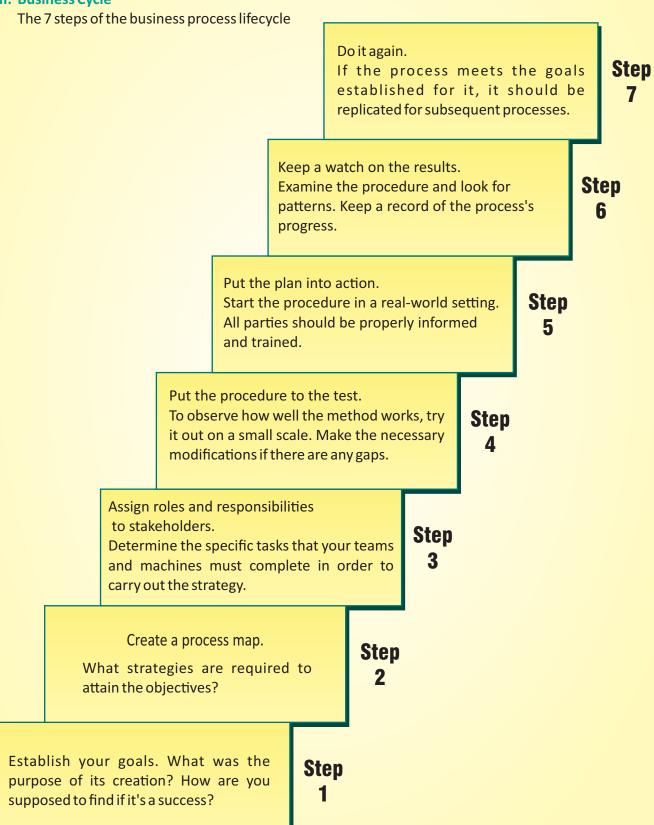
II. Business process
A business process is a set of procedures taken by a group of people to achieve its objective. A task is assigned to each participant at each step in a business process. In large businesses, the

requirement for and rewards of a business process are obvious. A process is the lifeblood of any organisation, allowing it to streamline individual activities and ensure that resources are used effectively.

III. Business Cycle

The 7 steps of the business process lifecycle

Step 7
Do it again.
If the process meets the goals established for it, it should be replicated for subsequent processes.

Step 6
Keep a watch on the results.
Examine the procedure and look for patterns. Keep a record of the process's progress.

Step 5
Put the plan into action.
Start the procedure in a real-world setting. All parties should be properly informed and trained.

Step 4
Put the procedure to the test.
To observe how well the method works, try it out on a small scale. Make the necessary modifications if there are any gaps.

Step 3
Assign roles and responsibilities to stakeholders.
Determine the specific tasks that your teams and machines must complete in order to carry out the strategy.

Step 2
Create a process map.
What strategies are required to attain the objectives?

Step 1
Establish your goals. What was the purpose of its creation? How are you supposed to find if it's a success?

Business Risks and mitigation strategies

I. Objective:

- To help participants understand what is Business Risks and mitigation strategies

II. What is Business Risk?

Business risk is a threat to a company's capacity to reach its financial objectives, and it may not turn out as intended, or it may fail to meet its target which ultimately results in lowering the profit. There are a number of things that cause business risk. Sometimes it is may be due to a firm's senior leadership or management that puts the organisation in a position where it is more vulnerable to risk.

III. Risk mitigation strategies

Risk mitigation strategies refer to the different methods of dealing with business risk.

There are five main risk reduction strategies, each of which serves a distinct purpose for various enterprises. You may effectively analyse, monitor, and manage risk by employing risk management approaches and risk assessment matrices.

The main strategies given below

1. Risk Acceptance:

It all basically comes down to "taking a chance." It's admitting that the risk exists and that there is nothing you could do to reduce it. Instead, it recognises the possibility of it occurring and accepts the potential consequences. When the risk is low or unlikely to happen, this is the best strategy. It makes sense to adopt risk when the cost of mitigating or avoiding it will be higher than merely accepting it and leaving it to chance.

2. Risk Avoidance:

If a risk associated with initiating a project, introducing a product, or relocating your firm is too great to bear, it may be preferable to avoid it. In this scenario, risk avoidance entails avoiding from engaging in the risky action. This approach to risk management is most similar to how people deal with personal risks. While some people prefer to take risks while others prefer to avoid them, everyone has a level in which something has become too dangerous to do.

3. Risk Mitigation:

Risk mitigation refers to risk control strategies and methods. You can assign resources for risk management once you've identified the risk and its likelihood.

4. Risk Reduction:

Businesses can set a risk tolerance level, which is referred to as the residual risk level. Because there is typically a way to at least lessen risk, risk minimization is the most popular strategy. It entails taking steps to mitigate the effects of the consequences. Risk factor such as transferof purchasing insurance.

5. Risk Transfer:

Risk transfer is the process of transferring a risk to a third individual or organization. Risk transfers can be outsourced, transmitted to an insurance agency, or transferred to a new business, as when leasing property. When it comes to reducing future damage, risk transfer is the greatest alternative. So, while insurance can be costly, it may be more cost-effective than risking it and being completely responsible for the consequences.

Risk Assessment

You must assess risks in order to establish the best risk reduction approach.

Business Opportunity Identification Guidance (BOIG)

I. Objective:
- To help participants understand how 'business opportunity Identification 'can be done
- How to succeed in business

II. How To succeed in business
The first step of any successful business is to find out the quality of the business opportunity you are planning to start. The following are a few quality check point that you need to follow.

First you need to research the quality of the business opportunity you want to pursue. The check points listed below.
- The company should have a sufficient number of targeted customers.
- Start a firm that is in higher demand. There is a better chance of succeeding where demand is high and supply is low.
- Start a business according to our taste and desire.
- Ensure that you get proper resources on time, like manpower, guidance, consulting, financial credit if needed, infrastructure, etc.
- Check your business has less competitiveness so that you get established easily.
- Consider all the positives and negatives regarding the business opportunity

III. Identifying a business opportunity
The company concept is more than just a list of products and services that can be developed or sold; it's a vision of how profits can be made. A viable business opportunity must exist. The concept of a business actually defines entrepreneurship.

Research into the market
Market research is an effective way to acquire and analyse the data about customers as well as potential business opportunities. Questionnaires and surveys can be used for this purpose. Through market research, we can estimate the number of potential clients, evaluate the competition, and select an appropriate individual or group of persons to sell to. Through surveys and interviews, customers' attitudes and facts are exposed. Market research helps entrepreneurs make better decisions by understanding consumer behaviour.

Location
It can make all the difference between success and failure. Location is wonderful asset that can help you increase sales and profitsespecially true for retail and service-oriented businesses. A bad site is a liability that hurts your sales. So the site must be picked with utmost care.

Demographics
Since the customer spending is influenced by demographic factors such as age, ethnicity, gender, marital status, family size, and income. Entrepreneurs must be aware of the changes in the population's demographic mix. A detailed examination of a region's demographic pattern will give additional information about a company's potential customers.

Competition

When looking for a business opportunity, the entrepreneur must first figure out which market their product or service will compete in. This requires assessing if the goods or services are intended for a big or small market. After examining and making this decision, the entrepreneur can examine the level of competition and identify the top competitors. In order to gain a larger part of the market, an entrepreneur should seek a long-term competitive advantage over his or her competitors.

Target market

Understanding of its target market plays a crucial role in business. A company's target market is the group of people to whom it wishes to sell its goods. As soon as the target market has been identified, move on to the next step.

Sources of Data & Key Informants

I. Objective:

- To help participants understand the key informants in business

  One of the most essential research approaches is the key informant strategy. The individual with whom an interview regarding a certain organisation, topic, or interest group is performed is referred to as a key informant. The key informant functions as the company's or organization's representative. Key informant interviews are conducted with a small group of experts who are most knowledgeable about the organisation or topic. In research, survey assessments, and interpretation, they're widely used. For firms looking for solutions to a problem, in-depth interviews are a smart option.

II. The technique's pros and cons

The key informant technique's main benefits are related to the high quality of data that may be gathered in a short amount of time. Key informants are frequently unrepresentative of a population. They are knowledgeable, yet their expertise may not be transferable to the actual world. When selecting key informants, market researchers must keep this in mind.

III. Interviews with key informants

Because they went straight to the source, they were obtaining truly "expert" opinions, the way data is discovered, processed, and assessed has a direct impact on the quality of the results produced. Experts are key informants. The key informant interview is a type of qualitative in-depth interview that gathers truly "expert" opinions by going right to the source. When a researcher can acquire a participant with unique expertise of a topic, they conduct key informant interviews. Interviewing key informants is frequently the initial step in determining what needs to be researched. Key-informant interviewing techniques can be taught to everyone in the community, from highly educated to near-illiterate.

Time

In most cases, key informant interviews take less time to conduct than regular in-depth interviews. This is because, in comparison to the general public, there are often fewer "experts" to interview.

IV. Main elements of key-informant interviewing

- The informants must be interviewed multiple times in order for the interviewer and key-informant to create a bond.
- The interviewer should refrain from making value judgments or expressing criticism in response to the key-informant/information.
- The interviewer must record as much information as possible from the source.
- The interview must be conducted in the informant's native language, and the interviewer to be fluent in the local language.
- The interviewer should avoid relying too much on a series of targeted questions. Instead, he or she aims to convince the informant to narrate, list and enumerate, and elaborate on various issues.
- If the interviewer has any prepared questions or topic lists, they will never be used to frame the entire session. The prepared questions are only asked once in a while, such as when the informant has finished explaining a topic.

Theoretical Process of BOIG

I. Objective:
- To help participants understand basics of BOIG

II. Basic tenants of BOIG

"There is no doubt that I should be an entrepreneur.
But what should I Do?
Which Business should I start?"

This is the biggest question faced by most of the first generation entrepreneurs. Any enterprise has to start from an idea. This basis for the business is called the Business Idea (BI). Starting an enterprise based on a business on a business idea is often an irreversible process. The entrepreneur becomes wedded to the enterprise, committing most of the resources and his quality time to the enterprise on a long term. The enterprise is the medium to achieve his entrepreneurial goals in addition to other personal goals.

The entrepreneur is at cross roads at this phase of business idea selection. Selection of business idea can make or mar the entrepreneurial career. Proper selection leads the entrepreneur to the path of success and enhances his esteem and respect in the eyes of people who more often will be watching the entrepreneur. in addition, it saves valuable money, time and effort.

Hence, any EDP trainer or entrepreneurship counsellor should understand the facilitation process of Business Opportunity Guidance. Often a question is asked whether the facilitator needs to be a source of business ideas. He need not be because it will not serve the purpose. The facilitator only triggers the process and helps the participants find the right ideas.

Business Opportunity Identification & Guidance (BOIG) involves:
1. The Business Idea | 2. Assessment and selection of business ideas |
3. Entrepreneur-Enterprise match

III. BOIG in nutshell

Sl.	Stage	Process	Outcome
1.	Generating business Ideas	• Brainstorming • Market Research • Asking family and friends	• Solving people's problems, Combining two or more functions, Improving product or services, Capitalising on local resources
2.	Analysing and assessing business opportunities	• Macro Screening • Micro Screening	• Real Demand • Return on Investment • Competition • Available resources and skills
3.	Ranking of Ideas	• Excellent • Satisfactory • Average • Unsatisfactory	• Assign the scores and rank
	Choosing the best	• Take top 2 ideas	• SWOT analysis
	Final selection	• Taking up the enterprise	

Markets - types, segmentation, forward and backward linkages

I. Objective:
- To help participants understand Market types and Segmentation?
- Explain forward and backward Linkages

II. Types of Market

It's really important to understand the different types of markets if you want to start a business. The adoption rate, market size, market hurdles, and your "time to profitability" all will be influenced by determining what type of "market" you're about to enter.

The major market-types is following

1. New Markets
2. Existing Markets
3. Clone Markets

1. New Markets

If you are introducing a new product that isn't presently in demand but that you anticipating its demand in the future as customers will be able to achieve something that was previously impossible. All the successful product or services were once new to the public.

2. Existing Markets

When you compete with a product that already has a consumer base, thus you're in an existing market.The goal is to beat your competition and share the revenue .it is possible because buyer preferences are rather "known" compared to the new market.

3. Clone Market

You enter a Clone Market when you take a successful business model in one location and "copy" it to another location. Proven business models have been cloned between the previous ones. They have obvious advantages, and tough challenges as well..In Clone Marketing, consider the factors like different culture, government regulations etc. In most cases, simply replicating a product in another market will fail.

Eg, FlipKart, an online buying portal similar to Amazon, has joined India's "Clone Market." However, they realized the fact that Indian consumers did not use credit or debit cards frequently, so they introduced a Cash On Delivery strategy. This enabled customers to purchase goods and pay for them with cash at the door.

Since market types influences the market strategy understanding your market type will save your money and time.

III. Market System

A market is a system in which two or more parties exchange products, services, and information. There will be two parties involved in a transaction two or more people to buy and sell. The buyer will be getting money for the exchanges of goods and services. In a competitive market there will be more than one buyer and seller.

1. **Monopoly -** A market condition in which there is just one vendor and many clients is known as monopoly. In this the vendor enjoys a monopoly with no competition and complete control over the commodities and services. In a monopoly market, the product or service's price is set by the seller, who can change it at any time.

2. **Monopsony -** In this case, the buyer has the upper hand over the sellers. It is a kind of market structure in which there are many vendors but just one buyer. Because there is only one buyer versus many vendors in this situation, the buyer can apply influence over the sellers.

IV. Markets based on operations

Physical Markets – In physical market where buyers may physically meet sellers and exchange money for the goods. It may include shopping malls, clothing stores, and retail stores.
Buyers acquire goods and services using the internet in non-physical markets/virtual markets. Buyers and sellers do not meet or contact physically in such a market; instead, the transaction is carried out through the internet. Rediff Shopping, eBay, and other similar sites are examples.

Auction Market - A seller sells his items to the highest bidder in an auction market.

Intermediate Goods Marketplaces - These markets sell the raw materials (goods) that are used in the ultimate manufacturing of other goods.

A black market is a place where illegal products, such as narcotics and weapons, are sold.

Knowledge Market - A knowledge market is an organisation that facilitates the exchange of information and knowledge-based goods and services.

Financial Market - A financial market is a market that deals with the exchange of liquid assets (money).

The following are the different sorts of financial markets:

Stock Market - A stock market is a type of market where sellers and purchasers trade shares.

Bond Market - A bond market is a marketplace where buyers and sellers trade financial assets, usually in the form of bonds. A bond is a contract between two parties in which one pledges to refund money with interest at predetermined intervals.

Foreign Exchange Market - In this form of market, parties engage in currency trading. A foreign exchange market (also known as a currency market) is a marketplace where one party trades one country's currency for an equal amount of another currency.

Predictive Markets - A predictive market is a setup in which goods or services are exchanged for the future. When the market rises, the buyer benefits; when the market falls, the buyer loses.

Market Segmentation
Segmentation refers to a process of dividing a large unit into various small units which have more or less similar or related characteristics.

V. Need for Market Segmentation (Why Market Segmentation?)

Each individual have varied interests and liking or requirement towards different products. Market segmentation is a marketing concept which divides the complete market set up into smaller subsets comprising of consumers with a similar taste, demand and preference.It helps the marketers to bring together individuals with similar choices and interests on a common platform. Thus a market segment is a small unit within a large market comprising of like-minded individuals.

Basis of Market Segmentation

Gender

The marketers divide the market into smaller segments based on gender. Both men and women haven't similar needs so segmentation is needed.

Age Group

Segmentation based on target audience is also one of the ways of market segmentation.

Income

Individuals are classified into segments like High income Group, Mid Income Group, Low Income Group according to their monthly income/earnings.

Marital Status

Market segmentation can also be as per the marital status of the individuals.

VI. Forward and backward linkages

Effective and smooth backward and forward links are critical to a company's success. Every new business creates opportunities for input suppliers (backward connections) and output marketers (forward linkages) (what is referred to as forward linkages). Effective links add value to the brand by ensuring high quality from start to finish and better control over production elements, resulting in cost savings and higher efficiency. These linkages help industry participants in gaining a better grip on the market and competing more effectively. Because major corporations and multinational corporations benefit from forward and backward integration,it may have a negative influence on small businesses and startups.

Preparations of questionnaire for Market survey

I. Objective:
- To help participants understand how to prepare a questionnaire for Market survey

II. . Concept of Market survey:

Once a prospective entrepreneur identifies a business opportunity and chooses an activity, the next step is to assess the viability of the particular activity. He has to decide not only the activity but also the location and scale of activity which he has to undertake which generates him good business and ultimately profit.

Markets are growing rapidly, dynamically and are becoming increasingly complex and competitive. For an entrepreneur to keep up with the changing demand and supply patterns in a responsive manner, it requires acute understanding of the market. Experience in promoting first generation entrepreneurs/start up enterprises suggest that most of them are facing problems in setting up and running the enterprise mainly because of reasons of lack of knowledge about the market and customer needs, low quality product or competition in the market, etc. If the entrepreneur conducts market survey to confirm the demand for the product or service, it is possible to minimize the risk and increase the probability of success.

Market survey and research is a tool through which it si possible to be in contact with the market. An intelligent and systematic use of this tool can reduce risks of decision making under conditions of uncertainty.

III. What is Market Survey?

Market survey or research may be defined as an objective and systematic collection, recording, analysis and interpretation of existing or potential markets, marketing strategies, tactics and interaction between markets, marketing methods and currently available products or services. Market survey is a scientific tool available to assess the viability of the   project by collecting information from the following sources:
   A. The users – the Customers
   B. The Wholesale suppliers of such products or the raw material providers
   C. The Competitors who is/are already in the similar activity

By collecting information in a structured format and analyzing the data, the entrepreneur will be able to assess the viability of the activity. Hence this activity of market survey through a set of questions:

IV What are questionnaires?

Questionnaires are a set of written questions used to gather standardised data on people's beliefs, opinions, experiences, intentions, and behaviour. They are a low-cost, rapid, and efficient method of collecting large amounts of data. Questionnaire design is a multi-stage process that necessitates consideration of a variety of issues. Depending on the type of information you're looking for, you'll need to ask questions in different ways and with different levels of depth.

V. Tips for the preparation for a survey

1. Target respondents

There must be certain limitations in terms of the questionnaire's intended audience. A key factor in maximising the strength of your study is group selection. Another thing to think about is whether you want to perform several questionnaire sessions with a single group over a longer period of time or if you want to deliver your questionnaire to two or more groups all at once .

2. Develop questions

The success of a questionnaire relies on well-crafted questions. They must be created in a way that it may not lead to any misconceptions or ambiguities. It is also crucial to consider your target group. Also make sure to avoid any technical language so that everybody can fully understand.

3. Choose your question type

First we have to decide the type of questions included in market survey. We can use open end questions as well as closed end questions.In Open end questions, where participants can fill in any answer, this makes sense whenever you try to gain an understanding of the topics associated with your research question. On the other hand, closed-questions, will be in the form of multiple choice answers or rating scales

4. Design question sequence and overall layout

Enhance the overall flow and structure of the questionnaire after improving each question separately. Make sure the transitions from one question to the next and the placement questions in it. Also confirm whether skip-rules implemented so that participants can skip questions that do not apply to them.

VI. Run a pilot

Run a pilot before proceeding, every questionnaire must be given to a representative sample of your target group. During piloting, you'll be able to spot problems with readability and interpretation, as well as language and entire strategy. Also, make sure to statistically examine your pilot data to ensure that the analytic processes of interest can be applied to the data.

Customers - customer needs and business capabilities

I. Objective:
- To help participants understand how to identify customer needs
- To help participants understand what are the core capabilities of organisations and what are the actionable elements of these capabilities?

II. Customer

A customer is a person or organisation who consumes or purchases goods or services from a store or business and has the option of selecting from a variety of items and suppliers. Customers are frequently consumers as well. Customers are the end users of any commodity or service that they have paid for, however this is not always the case. Customers become consumers as soon as they consume the goods they have purchased.

Types of customers The categories comes in this category given below:

1. B2C- Business-to-Customer
The acronym B2C stands for Business-to-Customer. It's a B2C occurrence when someone buy a coffee from a tea stall at the train station it can be considered as B2C.

2. B2B- business-to-business
The term B2B refers for business-to-business transactions. When a coffee shop owner buys coffee from a supplier, then it is business-to-business transaction.

3. C2B- Consumer to Business
C2B is an acronym for "Customer to Business Model?."Consumers who are typically referred to as end-users create services and goods that are consumed by the organisations and enterprises from which they purchase. For eg, Customer sell gold ornaments to a jewellery store.

4. C2C- Customer to Customer
C2C e-commerce refers to transactions in which both the sellers and the purchasers are individuals rather than businesses. Here communication happening between parties via a third party, most commonly an online platform. Internet resources charge a small fee to assist sellers and buyers locate each othere.g. Amazon and Flipkart, etc.

III. Identifying customer needs:

Customers' wants should be identified and met by entrepreneurs in order to satisfy them and achieve success. An entrepreneur or small firm must examine four primary client needs. These are the following:

1. Price

Price refers to the amount a company costs for its product or service. When acquiring a product or service, customers demand a fair price. Low pricing usually attracts a large number of customers, but people ultimately seek value for their money. A pricing must match to the quality of the product or service that the company is selling.

2. Quality

Regardless of the amount they pay for a product or service, customers expect a certain level of quality. In general, people who pay a low price can expect poor quality, whereas those who pay a higher price can expect better quality. Low prices usually suggest a lesser level of service quality, whereas high prices usually indicate a better level of service quality. For example, if a person invests a huge sum of money, they expect the thing to survive a long time.

3. Preference

Choices are crucial; many businesses offer a variety of products and/or services to appeal to different types of customers. When it comes to purchasing things, customers have a variety of demands and aspirations. They may need different styles or sizes, or even whole different things. For each item of apparel it sells, a clothes store, for example, may need to have a variety of styles and sizes.

4. Convenience

Customers and customers desire convenience and are ready to pay a higher for it. Customers are typically happy to pay an additional delivery price for the convenience of being able to stay at home while purchasing clothing or food online rather than going to a store or ordering takeout. Another example is a ticket-selling business that can display tickets on a Smartphone app instead of having clients to print their tickets.

CUSTOMER

"A Customer is the most important Visitor on our Premises

He is not dependent on us

We are dependent on him

He is not an interruption to our work

He is the purpose of it

He is not a outsider in our business

He is a part of it

we are not doing him a favour by serving him

He is doing us a favour by giving us an opportunity to do so"

- MOHAN DAS KARAMCHAND GANDHI

IV. What are the core capabilities of customer-centric organisations and what are the actionable elements of these capabilities?

A question we are often asked is "how do we improve our internal customer experience and capabilities?"

The capacities of the companies may differ. The sector, industry, geography, types of products/services, client groups, and competitive dynamics are some of the aspects that impact and shape the competences a company need. The capabilities of a company are the foundation in which it is built, and they are required to implement the strategic objective and generate business results.

In short a capability is an articulation of what a company does, not how it does it. Strategic Capabilities, Core Capabilities, Context Capabilities, and Foundational Capabilities are examples of a company's business capabilities. This classification is based on the relative relevance and value of the capabilities, and segmentation aids in determining executive focus and capital allocation, among other things.

There are several categories of enterprise business capabilities.

1. Strategic Capabilities:
Strategic skills provide the organisation with a competitive advantage. Existing capabilities that need to be improved or new capabilities that a corporation needs to develop or acquire.

2. Core Capabilities:
A company's core capabilities are necessary for it to exist. For multi-brand organisations like Procter and Gamble or Unilever, for example, a competence like "Product Management" is critical to their survival. "Design and Industrial Engineering," other fundamental abilities requirede for a company Furthermore, "Recruitment" and "Training" are essential capabilities for professional services firms.

3. Context Capabilities:
Context competencies are critical for getting things done in a business. Context capabilities are transactional services that are normally hidden but come to light when they don't perform properly. Finance and accounting, for example, are common context capabilities in most businesses. When there is a gap or a problem with compliance, this capability becomes a problem. When a company wants to enhance and shorten the time it takes to complete the "Close Process" or when a regulatory agency slams the company's reputation, for example, it becomes a candidate for transformation. (Of course, there are exceptions, such as organisations who use finance and accounting to differentiate themselves strategically.)

4. Foundational or Commodity Capabilities:
All other capabilities that provide no significant value but are required for the company's operation are classified as Foundational or Commodity capabilities. The most important goal for core or commodity capabilities is to reduce operational costs, and so standardisation and business process outsourcing become optimization levers. A corporation may change a situational competence into a core or strategic capability on occasion. For example, distribution and warehousing were once only incidental capabilities for most retail organisations but Wal-Mart and more recently, Amazon have made it a fundamental competency to reduce delivery times.

Session **9** to **13** Practicals for which Annexures to be followed

Basic financial terms (cost, price, profit, profitability, etc.) and their application

I. Objective:
- To help the participants understand the basic financial terms used in business.
- To make the participants understand the application of financial terms in business enterprises.

II. Importance of Business Finance

A thorough understanding of business finance by an entrepreneur is essential for successful running of the business. A realistic knowledge of costing of goods/services is necessary for an entrepreneur as some may sell their products/services without undertaking a costing exercise. A simple mistake like not taking the cost f after-sales services into account may force the business to close down. Similarly, pricing and assessing the profit are also important to run an enterprise successfully and earn the profit.

It is important for a first generation entrepreneur to know how much money comes in from the sales and in what way it is spent in a given time. Calculations worked out in the classroom will provide the entrepreneur with practice and overall idea of how to work out the turnover and profit of the unit.

In order to facilitate the above understanding basic financial terms and their applications are explained in following paras:

III. Basic Financial Terms & application:

1. **Assets:** Assets are anything that a company owns and has a monetary value like vehicles, furniture, cash, land etc. Assets are divided into four:
   a. Fixed assets: The things that are purchased for long term and can't be converted into cash quickly. Eg. Land, buildings etc.
   b. Current assets: The things which can be converted into cash quickly. Eg. Cash, investments etc.
   c. Tangible assets: The things associated to the business which can be seen and touched. Eg. Machineries and furniture.
   d. Intangible assets: The things which cannot be touched. Eg. Patents and copyrights.

2. **Liabilities:** Liabilities refers to any debt the business has e.g. Bank loans, payment to suppliers. Current liabilities refers to the debt which needs to be settled within one year whereas fixed liabilities stays for more than a year such as bank loans.

3. **Costs:** Costs refers to the cost of raw materials and production costs. Fixed costs refers to the cost of the items that do not change whereas variable costs refers to the change in cost incurred depending on the number of items produced.

4. **Expenses:** Expenses refers to any costs incurred to run a business.

5. **Capital:** Capital refers to the wealth of a company in terms of money or property owned by a business.

6. Price: Price refers to the sum of money for which anything is bought, sold or offered for sale.

7. Margin/ Profit: It refers to the percentage of the sales earnings after deducting the costs incurred by the products.

8. Loss: Loss refers to the stage when the total expenses exceeds the income acquired for a particular time.

9. Debt: Debt refers to the amount of money to be repaid back or owned by someone else.

10. Equity: Equity refers to the level of ownership one has towards a company.

11. Profitability: Profitability refers to the efficiency of a Company to earn a profit from its sales or operation.

12. Balance Sheet: Balance sheet is a document which calculates Company's net worth by subtracting the total liabilities from its total assets for a given period of time.

13. Cash: Cash includes all money including bank notes, petty cash, cheques and money in savings or debit accounts.

14. Cash Flow: Cash flow refers to the movement of funds throughout the business including income and expenses.

IV. Costing:

Every business has costs. Costs are al the money an entrepreneur spends to make and sell a product or services. e.g.
   A. Salaries and wages to the employees
   B. Electricity, rent, machines and equipments
   C. Raw materials bought to make the product – are all cost the business

Costing is a process through which an entrepreneur calculates the total cost of making and selling a product or providing a service. Costing helps the entrepreneur set a suitable price of the product or service. It also help to minimize the wastages and provides information to work out better and cheaper ways of production.

> **Total Cost = Fixed cost + (Variable cost per unit X No. of Units)**

V. Pricing:

Determining the value of product at the time of transferring to the buyer is pricing. An entrepreneur should determine:
A. What is the lowest price that can be charged in order to draw customer and still cover costs
B. What is the highest price that can be charged in order to maximize the profit without driving customers to competitors

The correct pricing of products or services is vital for making a profit in the business. Price offers profit and links marketing plan with financial plan. The price of products or services will depend a great deal on the cost of doing business.

Major considerations in deciding a price:
1. Actual cost of the item
2. Price the competitors charge for the same item or a similar one
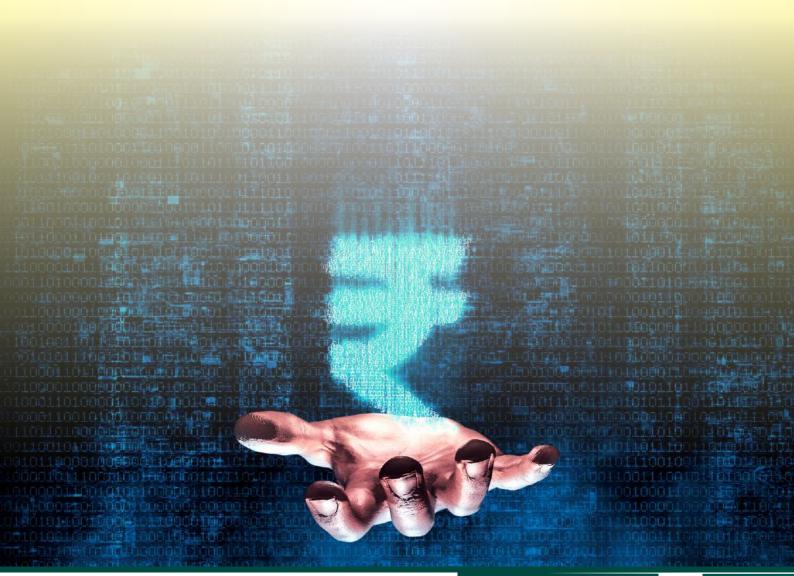3. Sensitivity of the consumers to price

VI. Profit Assessment

Profit = Price – Cost

An entrepreneur should know how much profit he is earning at a particular level of transaction. This has to be planned in advance.

A given level of sales at which he neither makes profit nor loss but recovers both is called "Break Even Point".
By definition, break-even point is a point where,
Total Revenue = Total Cost

Sources of capital

I. Objective:
- To help the participants to understand different sources of capital for a business startup

II. Sources of capital

Startups business may require a lot of funds or capital resources depending upon the nature of business involved. The sources of capital are mainly known as Startup funding sources and can be broadly divided into:

1. **Personal sources:** Personal sources for capital means personal funds are used to invest in one's own business. Bootstrapping is a method of self- funding which includes one's own savings or using credit cards for a startup. Personal sources also include borrowing from one's family members or friends. This method saves time and efforts.

2. **Equity financing:** This is the form of sourcing where the owner of the business hand over a part of ownership to the investor in exchange for the funds. The equity holders may be from family, friends or shareholders through Initial Public Offerings.

3. **Investors:** They are angel funders who not only invest funds but also contribute their experience and contact systems. The funders usually look for potentially growing business in which they can use their ability to provide mentorship, knowledge and resources which is beneficial to the entrepreneurs.

4. **Venture Capitalists:** They are firms or small companies that invests funds and which works as same as angel funders.

5. **Government funding and grants:** In India, the Central and State Governments always encourages innovations and startups and provides loans, grants and subsidies to the entrepreneurs e.g. the Govt. of India has initiated MUDRA loan scheme for Micro/Small enterprises that provides collateral free loans.

6. **Bank advances:** Banks provides funds in the forms of loan for small and medium sized organizations.

7. **Crowd funding:** This is a form of funding where small amount of money is raised from a large number of people by explaining and convincing one's own business ideas e.g. Websites in Internet follows this method of funding.

Different Types of Financial Statements

I. Objective:
- To understand different types of financial statements in business ventures

II. Different types of financial statements:
Financial statements are written records that convey the business activities and the financial performance of a business firm. Financial statements are used to ensure accuracy of financial deals, tax, financing, investing purposes and are often undergo auditing.

Three main financial statements are:
1. Balance sheet
2. Income statement
3. Cash flow statement

1. Balance sheet: A balance sheet provides an overview of assets, liabilities and stockholders' equity for a period of time.

Balance sheets are calculated based on the formula:
Assets = Liabilities + Owner's equity

A balance sheet includes the following factors:
a. Assets-
- Cash and cash equivalents or liquid assets.
- Accounts receivable or the money to be paid by customers to the Company for the sale of products or services.
- Inventory

b. Liabilities
- Debt including long term debt and loans
- Wages payable
- Dividends payable

c. Shareholder's equity
- The amount of money to be returned to the shareholders calculated as difference between Company's total assets and liabilities.
- Retained earnings or the amount of net earnings that were not paid to the shareholders as dividends.

2. Income Statements: It provides an overview of revenues, expenses, net income and earnings per share covered for a particular time range may be quarterly or annually. This statement is also known as the Profit and Loss Statement which conveys the details of profitability and financial results of business activity. The formula for calculating net income is:

Net Income (for a particular period) = Total Revenue- Total Expenses (for a particular period)

a. Revenues: The revenues are mainly classified as Operating revenue and Non-operating revenue.

- Operating revenue is the income earned from selling a Company's product or services or from direct business activities.
- Non-operating revenue is obtained from non-core business activities such as:
  - Interest earned on cash from bank
  - Rental income from a property
  - Income from strategic partnerships like royalty payment receipts.
  - Income from an advertisement display on the Company's property
  - Sale of long term assets such as vehicles, land etc.

b. Expenses: This includes the expenses incurred from primary activities and secondary activities.
- Primary expenses include employ wages, transportation, electricity, sales commission etc.
- Secondary expenses include the interest paid on loans and debts, loses from the sale of an asset etc.

3. Cash Flow Statement: This statement measures the capacity of a Company in generating cash to pay out the debt obligations. It allows the investors understand how a Company operates, sources of money and how the money is being spent. The three components if Cash flow statements are:

a. Operating activities: It includes any sources and uses of cash from the running the business and selling its products or services like the transaction including payment of wages, income tax, interests, rent and cash receipts from the sale of goods and services.

b. Investing activities: It includes any sources and uses of cash from a Company's investments like the purchase or sale of an asset, loans made to vendors or received from customers etc.

c. Financing activities: It includes the sources of cash from investors or banks or shareholders like debt issuance, equity issuance, stock repurchases, loans, dividends paid and repayment of debt.

Institutions providing credit

I. Objective:

- To inform the participants about different financing institutions from where they obtain credit for their business

II. Institutions Providing Credit

There are several financial institutions like Commercial, Urban and Rural Banks, cooperative committees, industrial financial corporations, providing financial assistance and credit to other enterprises which is called Institutional credit and the credit granted by financial institutions is called financial credit.

Characteristics of Institutional Credit:
1. Loans provided for short/ medium and long terms.
2. Rate of interests varies according to the nature of loans.
3. Reliable source for acquiring financial credit for business enterprises.

In India, Financial Institutions mainly includes the Reserve Bank of India, the commercial banks, the credit rating agencies, the securities and exchange board of India, Insurance companies and specialized financial institutions in India.

Institutional finance can be classified into:
1. Institutional finance for agriculture sector
2. Institutional finance for Industry and Trade sector
3. For Personal loan

Sl.	Type of Enterprise	Terms of Loan	Financial Institutions	FC Examples
1.	Agriculture Sector	Short/ Medium/ Long Term Loan	Scheduled Commercial Banks (SCB)	SBI, Canara Bank, Bank of Baroda, PNB, IOB, BOI, AXIS Banks, Federal Bank, HDFC & other Public & Private Sector Banks
			Regional Rural Bank	Kerala Gramin Bank (Canara Bank), Tamil Nadu Grama Bank (India Bank), Baroda UP Bank (Bank of Baroda), Punjab Gramin Bank (PNB)
			Land Development Bank	Kerala State Co-operative Agricultural & Rural Development Bank (KSCARDB), National Co-operative Agriculture and Rural Development Banks Federation Limited
			Commercial Banks	SBI, HDFC, Corporation Bank, Dena Bank

Sl.	Type of Enterprise	Terms of Loan	Financial Institutions	FC Examples
1.	Agriculture Sector	Short/ Medium/ Long Term Loan	Cooperative Banks	Cosmos Cooperative Bank, Saraswat Cooperative Bank, Bharath Cooperative Bank, Kerala Bank
			NABARD	NABARD Cooperative Bank
			Micro Finance Institutions	Equitas Small Finance, ESAF Microfinance and Investments Pvt Ltd.
			Commercial Banks	SBI, HDFC, Corporation Bank, Dena Bank
2	Industry and Trade Sector	Short/ Medium/ Long Term Loan	Non-Banking Finance Company	Industrial Finance Corporation of India (IFCI), Bajaj Finance Ltd, HDB Finance Services, TATA Capital Financial Services Ltd.
			State Financial Corporation (SFC)	Kerala Financial Corporation(KFC), Tamilnadu Industrial Investment Corporation Limited, Punjab Financial Corporation (PFC)
			Commercial Banks- Public & Private Sector Banks	SBI, HDFC, Corporation Bank, Dena Bank, Industrial Credit and Investment Corporation of India (ICICI), Industrial Development Bank of India (IDBI)
3	Personal Loans	Short/ Medium/ Long Term Loan	Public & Private Sector Banks	SBI, Canara Bank, Axix Bank, IDBI, ICICI, PNB, HDFC
			Non-Banking Finance Company	TATA Capital, Mahindra Finance, Aditya Birla Capital, YES Bank, Standard Chartered Bank
			Regional Rural Bank	Kerala Gramin Bank (Canara Bank), Tamil Nadu Grama Bank (India Bank), Baroda UP Bank (Bank of Baroda), Punjab Gramin Bank (PNB)
			Cooperative Banks	Cosmos Cooperative Bank, Saraswat Cooperative Bank, Bharath Cooperative Bank, Kerala Bank
			Micro Finance Institutions	Equitas Small Finance, ESAF Microfinance and Investments Pvt Ltd.

Credit products and its features

I. Objective:
- To help the participants understand various credit products offered by financial institutions in India for enterprises.

II. Credit products and its features

All obligations under which the bank agrees to make payments for the borrower including Letter of Credit, guarantees or other arrangements for assisting the transaction between the borrower and third party are the credit products. It means all credit products provided by bank to its customers.

Different credit products are:

Sl.	Credit Product	Features
1.	Consumer loan	Short term loan
		Loan for personal usage
		Suitable for purchasing domestic equipment, finance travels etc.
		Expensive
		Interest depends on loan term, volume and income
2	Mortgage	Long term loan
		Secured
		Suitable to buy, build or repair immobile property, apartment, cottage etc.
3	Auto loan	Determined type of loan for purchasing desirable car new or secondary one.
		For security, immobile property can be kept for auto loan
4	Installment	Loan claimed for personal usage for purchasing specific item or service.
		Instant financial assistance to be repaid based on financial terms.
5	Overdraft	Short term loan allowed for the card holder
		Allows the customers to use the sum more than their deposits.
		Attached to the salary of the customer
6	Credit card	Allows the customers to buy an item or service vide internet or ATM.
		Credit limit depends upon the credit history and income of customer.
		Consumers are provided with privileged period

Central and State Govt. Schemes supporting entrepreneurships

I. Objective:
- To help the participants to directly understand various Central and State Govt. schemes for entrepreneurial developments in India.

II. Top Government schemes supporting entrepreneurs in India are:

1. Multiplier Grants Scheme (MGS) for IT Research and Development, launched by Dept. of Electronics and Information Technology to collaborate R&D institutions for development of products and packages.

2. Modified Special Incentive Package Scheme launched by Dept. of Electronics and Information Technology to promote large scale manufacturing in the Electronic System Design and Manufacturing Sector.

3. The Venture Capital Assistance Scheme launched in 2012 by Small Farmers Agri-Business Consortium to assist agriculture based entrepreneurs.

4. Credit Guarantee Fund Trust for Micro and Small Enterprises to assist retailers, educational institutes, SHG, Farmers, SMEs etc.

5. Raw Material Assistance launched by National Small Industries Corporation to assist manufacturers and MSMEs for procuring raw materials.

6. Infrastructure Development Scheme launched by National Small Industries Corporation to assist startups establish their own offices and infrastructures.

7. MSME Market Development Assistance to help SMEs and small retailers to get more attention at international trade and exhibitions.

8. Credit Linked Capital Subsidy for Technology Upgradation to help manufacturers, SMEs and agri startups to upgrade their existing machineries and technology.

9. Atal Incubation Centres headed by Atal Innovation Mission to promote innovation and entrepreneurship in India.

10. Samridh Scheme to provide funding supports to startups along with bringing skill sets together to grow enterprises.

11. Start up India Seed Fund worth INR 1000 crores to help startups and support ideas from aspiring entrepreneurs.

12. Aspire promoting Innovation and Rural Entrepreneurship.

13. Pradhan Manthri Mudra Yojna (PMMY) to enhance credit facility and boost the growth of small business in rural areas.

14. Dairy Products and Infrastructure Development Fund launched by NABARD for the sustained benefits of farmers.

15. NewGen Innovation and Entrepreneurship Development Centre under Department of Science and Technology, GoI, to inculcate the spirit of innovation and entrepreneurship in Indian youth.

The State and Central Government in India not only promotes these schemes for the startups but also motivates the budding and aspiring entrepreneurs to be independent and lead the vision of Atmanirbhar Bharath forward.

Different types of licensing, registrations and certifications required for various types of enterprises

I. Objective:

To help participants understand
- Different types of licensing, registrations and certifications required for various types of enterprises
- What are Business Licenses and how do we get them?
- What are the requirements, what documents must be submitted, and how can we apply?

II. Business Licenses

A business license is required in India for every individual who wishes to start a business. It is legally received from the state licensing organisation in order to officially register the firm. In India, all businesses, large and small, must get registration and business licenses, as well as have their licenses renewed on schedule. Each state has its own rules for business registration. Businesses in India, whether large or little, should get registration and business permits and gets the business license renewed on time. The type of licenses and permissions required by a firm are determined by the industry and area in which it operates.

III. What are the Benefits of Obtaining a Business License and Permit?

You must first obtain a business license, which allows you to operate within your industry and jurisdiction, before you can legally register your company. You will be able to legally operate your business while adhering to federal and state regulations if you obtain a business license. A business license can also be advantageous to a company's owner. It enables them to instill trust in their successful business and the quality of their products and services in their employees, customers, and other stakeholders. Another benefit of licensing is that it can be used as a competitive advantage in some industries, since businesses possessing licenses can demonstrate them during the negotiation process.

Private firms, single proprietorships, trusts, non-governmental organisations, and other types of businesses can seek licenses and registration in India. Startups can apply if they meet specific requirements, such as having a Private Limited Company (PLC) under the Companies Act 2013 or a Partnership firm under the Indian Partnership Act, 1932. Smaller firms can register as sole proprietors instead of forming a company or LLP. The Ministry of Corporate Affairs of the Government of India oversees the registration of a company or limited liability partnership (LLP). In India, the vast majority of enterprises begin as sole proprietorships or partnerships, with little government participation. When a firm or LLP joins, it receives its own legal identity.

The municipal council has released an important and necessary document. State governments handle business licences through municipal corporation legislation. These licences and permits are also used to check on firms to see if they are adhering to the law's requirements. This assures that no one is harmed in any way as a result of commerce or business disrupting and endangering people's health. This also assures that the company or trade is taking place in a certain region and that no one is involved in illegal activity.

IV. What Are the Different Types of Business Licenses in India

1. Company Registration

Company registration is the first and most important procedure for a new business organisation in India. Depending on the structure of the organisation and the partners involved.

The following is a list of mandatory registrations that are similar to all states:

Registration of Business Name
The first and most important step in establishing your small business under a new name is to give it a name and secure it straight away.

Director Identification Number (DIN) - A Director Identification Number (DIN) is a unique eight-digit number assigned to a current or prospective Director of a corporation. It is a simple one-day procedure that may be obtained online.

GST Registration - Any individual or business supplying products or services for intra-state supply, regardless of turnover, must obtain GST Registration for their firm. All business owners must be aware of the various criteria outlined in the GST Act and get GST registration within 30 days of starting a firm.

State Business License - The state's goal in tax collecting is to keep track of sales and purchases, transactions, and tax amounts on a regular basis. As a result, state governments have made this State Business License a requirement for all businesses. Only after validating a few documents do state governments give a licence. This licence is required for any small business that deals with food, consumer products, clothes, electrical equipment, or sports.

The types of new business registration categories that exist in India are as follows:

2. Company or Limited Liability Partnership (LLP)

In India, the vast majority of businesses are created as sole proprietorships or general partnerships, with no central government approval. The Ministry of Corporate Affairs is in charge of regulating the creation of corporations and limited liability partnerships (LLPs). Entrepreneurs who plan to establish a business with an annual income of more than Rs.20 lakhs may consider forming an LLP or a firm. A business or LLP will have legal existence once it is registered, and the promoters will be protected from liability. Furthermore, the company would be easily transferred and would continue to exist indefinitely. As a result, consulting a specialist before beginning a firm is recommended. The best thing about being an LLP is that the firm is easily transferrable.

What Is Limited Liability Partnership? And it's Registration Process

One Person Company Or OPC
The One Person Company registration, which was introduced in 2013, allows a sole proprietor to register his or her business and legally carry on his or her business operations.

Private Limited Company (PLC)
When a corporation is registered as a Private Limited Company, or PLC, it is treated as a separate legal entity from its founders under Indian law. A firm like this has shareholders, directors, and

each entity within the company is considered an employee. Companies and startups that want to raise money and give their employees ESOPs commonly register as PLCs.

Public Limited Company (PLC)

In the case of a Public Limited Company, the law recognises it as a legal body made up of members who have formed a voluntary association. Every member's legal responsibility.The Ministry of Corporate Affairs is responsible for registering businesses in either of these categories.

3. Registration for GST

GST Registration is necessary for all organisations and individuals with an annual revenue of more than Rs.20 lakhs in most states and Rs.10 lakhs in Special Category States. In addition, regardless of revenue, anyone delivering products for intra-state sale must register for GST. Understanding the criteria and obtaining GST registration within 30 days of beginning a firm is critical for all entrepreneurs.

In addition to the aforementioned criteria, the GST Act has a slew of other requirements for GST registration. It is critical for all business owners to understand the rules and seek GST registration within one month of beginning a company.

4. Registration for Udyog Aadhaar (Udyam or MSME)

Entrepreneurs who want to create and run a small business - micro, small, and medium enterprises – can apply for this registration. The eligibility criteria for getting Udyog Aadhaar registration are based on a manufacturing concern's investment in plant and machinery or a service provider's investment in equipment. Once a firm has gained Udyog Aadhaar registration, it is eligible for a variety of government subsidies and initiatives aimed at assisting small enterprises in India.

5. Import Export Code

Everyone who imports or exports products or services from India must get an Import Export Code from the DGFT Department. To get an Import Export Code, the company must have both a PAN and a bank account.

6. A License under the Shop and Establishment Act

The "Shop and Establishments Act" was adopted to control business practices such as working hours, child labor, salary payment, worker safety, and overall health. State governments offer Shop and Establishment Act licenses or registrations, which vary by state. As a result, the relevant State Public authority for getting a Shop and Establishment Act License should be contacted based on the State where the business is located.

7. FSSAI License for Food Business

The Food Safety and Standard Authority of India, or FSSAI, is a government-run organisation in charge of ensuring the safety and uniformity of all food products supplied in India. If you want to start a food business, whether it's packaged food, a restaurant, a Cloud kitchen, or something else, you'll need to get a licence from the FSSAI.

There are three types of FSSAI licenses: These are classified based on business turnover:
- FSSAI Central License / Turnover more than Rs 20 crore: FSSAI Central registration
- FSSAI State License/ Turnover between Rs 12 lakh and Rs 20 crore: State FSSAI registration
- FSSAI State Registration/Turnover up to Rs 12 lakh: Basic FSSAI registration

8. **Shop and Establishment Act License**

   The "Shop and Establishments Act" was enacted to regulate commercial practises such as working hours, child labour, wage payment, employee safety, and general health. State governments offer Shop and Establishment Act licences or registrations, which vary by state. As a result, the concerned State Government authority for acquiring a Shop and Establishment Act License must be addressed based on the State in where the business is located.

9. **Other Registrations and Licenses**

   Certain sorts of businesses that deal with or provide insurance, financial services, broadcasting services, defense-related services, and so on, would require regulatory permission from agencies like the Reserve Bank of India, IRDAI, and so on. Furthermore, a company may be required to seek permissions from the fire department, the pollution control board, or other government agencies.A company may also be required to obtain approval from the fire department, the environmental control board, or the local health agency. It all depends on the type of company you wish to launch. As a result, speak with an expert before starting a business to examine and understand the legal requirements.

V. How to Apply for a Business License in India?

The process of obtaining a business license is determined by the type of the business, its location, its nature, and its size. To find out what type of Business License India is necessary, call a legal service provider or a CA, CS, and ICWA firm and ask for advice on how to obtain a Business License in India. Seeking professional assistance on obtaining a business license will assist you in determining whether or not you require that particular business license. It will also save time and ensure that no errors or mistakes are made throughout the process of obtaining a company license.

To start a business in India, you'll need the following documents.
- Pan Card
- Aadhar Card
- Rent Agreement and Lease Agreement'
- Electricity Bill, Water Bill, or Telephone Bill

So, those are the documents you'll need to set up a business in India.

VI. What Are the Purposes of Licensing Products?

From growing a new business to exploring new markets, there are several reasons companies' license products:

Licensing agreements provide IP owners more control over how their intellectual property is used. This commercial relationship safeguards brands while also allowing product producers and designers to earn from their licensed items without fear of unauthorised use.

Exploration: Licensing allows IP owners to enter new markets with minimal risk. They can spread their brand into other areas or geographic locations without having to invest in establishing and sustaining a presence there.

Extension: Licensing allows existing brands, entrepreneurs, and small businesses to expand their product into other regions. Companies that test new products, particularly in new markets, keep control over their product while also benefiting from increased income and brand exposure.

Control: Licensing agreements provide IP owners more control over how their intellectual property is used. This commercial relationship safeguards brands while also allowing product producers and designers to earn from their licenced items without fear of unauthorized use.

Support: A licencing arrangement helps existing businesses by providing new revenue and marketing opportunities. For example, sports clubs who licence their logos for use on clothing, collectibles, or other retail goods earn licensing fees and promote their brand every time a customer uses or wears the item.

Types of Product Licensing

There are numerous types of product licensing available. They include:

1. **Brand licensing:** A brand licence, also known as a trademark licence, gives the licensee the right to distribute products using the brand owner's name or trademark, as well as the name, logo, or slogan of an organisation or designer affiliated with the brand. The licencing fee may be independent of the licensee's revenue or may rise or fall in response to revenue. A licence arrangement that allows the licensee to both distribute and manufacture trademark products is known as licenced production.

2. **Copyright licensing:** Copyright licensing allows a licensee to use a copyrighted item while maintaining intellectual property rights. Books, movies, musical recordings, artwork (including characters or images from animation or illustration), dance choreography, computer programmes, and other materials may be included in this category.

3. **International licensing:** International licencing allows a foreign company to manufacture or use a company's product in its home market. While worldwide licencing has several advantages for IP owners, there may be barriers unique to other regions, such as quotas or tariffs.

4. **Patent licensing:** A patent licence gives the patent owner or holder authority over their patent while allowing the licensor access to it, usually for manufacturing or distribution purposes. Patent licencing is complicated by licencing requirements, which often include all of the documentation required to obtain a patent.

VII. Licensing vs. Franchising: What Is the Difference?

Licensing and franchising both allow another company to use the intellectual property of another. In a franchise agreement, however, the licensee (or franchisee) receives both the licensor's (or franchisor's) brand and the licensor's activities, whereas the licensee only receives trademarked items such as copyrights or patents. The franchisor determines how the franchisee conducts this company extension and receives a fee in exchange for training and direction from the franchisee.

VIII. What Are Certifications and What Do They Mean? Why getting certified in their field is useful to an entrepreneur

Professional certificates can help people develop in their jobs more quickly, particularly in highly specialised fields. While not all certifications are created equal, when combined with a professional degree or job experience, they provide proof of professional competency.

What are certifications?

Certifications are designated credentials earned by an individual to verify their legitimacy and competence to perform a job. Your certification is typically displayed as a document stating that as a professional, you've been trained, educated and are prepared to meet a specific set of criteria for your role. This statement is awarded only after you've passed the proper assessments administered by a recognized third-party credentialing institution.

Advantages of certification

Professional certification demonstrates your commitment to your job and verifies that you've been properly taught to utilise the instruments of your trade. Investing the time and effort necessary to achieve these certifications can demonstrate to future employers that you are a worthwhile contributor to your field and help you gain recognition for your dedication to lifelong learning and self-improvement. The following are some of the most significant benefits of becoming certified in your career, in your industry's tools, or inside your company:

- Professional credibility
- Competitive advantage
- Efficiency
- Earning potential
- Expand knowledge and skills
- Competitive advantage

MSME, e-Aadhar, DIC Registration, etc.

I. Objective:
- To help participants understand MSME, eAadhaar & DOC registration Process

II. What's MSME?

Micro, Small, and Medium Enterprises (MSME) is an acronym for Micro, Small, and Medium Enterprises. MSME industries are the backbone of the economy in a growing country like India. Small-scale industries, or SSIs, are another name for these businesses.

Even if the company is in the manufacturing or service industries, the MSME legislation allows for registration in both of these categories. Although the government has not made this registration essential, it is advantageous to have one's business registered under it because it provides numerous benefits in terms of taxation, business setup, credit facilities, and financing.

On October 2, 2006, the MSME became functioning. It was created to help micro, small, and medium-sized businesses become more competitive by promoting, facilitating, and developing their competitiveness. The Union Cabinet's recent decision (February 7, 2018) to shift MSMEs' classification requirements from "investment in plant and machinery/equipment" to "annual turnover" is a huge relief for the MSME sector. Manufacturing enterprises and service enterprises are the two types of MSME. They are defined as follows in terms of plant and machinery / equipment investment.

1. Manufacturing Sector
- Enterprises investment in plant & machinery
- Micro-businesses/ Not more than Rs. 25 lakh
- Small businesses/More than 25 lakh rupees but less than five crore rupees
- Medium-sized Enterprises/Over five crore rupees but less than 10 crore rupees

2. Service Sector
- Enterprises Investment in equipment
- Micro-businesses Not more than ten lakh rupees
- Small Businesses
- Amounts greater than ten lakh rupees but less than two crore rupees
- Medium-Sized Businesses
- More than two crore of rupees but less than five crore of rupees
- More than two crore of rupees but less than five crore of rupees

3. Registration Types:
There are basically two types of registration
- Permanent /Final Registration
- Provisional Registration

During the pre-investment period, the unit is granted provisional registration to enable it to seek for financial credit, land or an industrial set, water, power, or telephone connections, among other things.

4. Permanent /Final Registration:

An industrial unit that has been provisionally registered and is about to begin production can apply for permanent registration. Aside from that, an existing industrial unit might seek for permanent registration instead of temporary registration.

5. Registration Process:

To register, the owner of a small or medium-sized business must fill out a single form, which can be completed both online and offline. Individual registration is also possible if a person wants to register for more than one industry. To register, he or she must complete a single form that can be found on the website. Personal Aadhar number, Industry name, Address, Bank account details, and some common information are required for registration. This allows the individual to give self-certified certificates. This technique does not require any registration fees. You will be given a registration number once you have completed the form and uploaded it.

III. e-Aadhaar

An Aadhaar number basically refers to the 12-digit figure that is printed on the card issued to Indian residents by the Unique Identification Authority of India through a verification process.
In order to apply for the Aadhaar card, residents have to submit demographic details such as name, gender, age, date of birth, and residential address. Apart from this, biometric information including fingerprints, iris scan and facial photographs are taken.

The Aadhaar number is a unique number that is likely to prevent identity duplication and can serve as a digital identity proof. It can be used to encourage more transparency in government-based welfare schemes and avoid misuse of government subsidies through identity duplication.

E-Aadhaar is an electronic version of the Aadhaar card that may be obtained by inputting an individual's Aadhaar or enrolment ID online. This version is equally accepted as the original. The status of Aadhaar card can be checked online in and download it from the UIDAI's official website.

Information Available On E-Aadhaar

An e-Aadhaar card of individuals, like its physical copy, contains their personal information. Individuals can visit the UIDAI website to see their Aadhaar information such as -

- Aadhaar number
- Photograph
- Name
- Date of birth
- Address
- Sex

How to Download e-Aadhaar from the e-Aadhaar link?

To download your e-Aadhaar card: -

Those who already have an Aadhaar card can enter their 12-digit Aadhaar number in UIDAI website. Individuals who have not received their Aadhaar number yet must first note down the enrollment number, time and date provided in their acknowledgment slip that would have been given during the time of their Aadhaar application.

Step 1: Visit the UIDAI website and enter all required details.

Step 2: Click on the option titled, 'Get One Time Password' (OTP)

Step 3: Enter the one-time password or OTP received to you into the given field.

Step4: Enter the first four letters your name in Capitals combined with your birth year (YYYY format) as the password in order to open the e-Aadhaar PDF file.

Benefits of e-Aadhaar Card

The various benefits of e-Aadhaar card are mentioned below:

- E-Aadhaar card is an electronic card and is available online, hence can be accessed at all times, and individuals need not have to worry about losing their card as it is virtual and cannot be misplaced.
- E-Aadhaar card is a universal identity card can be procured by all residents of India. This card acts as a proof of identity as well as address, unlike most other documents.
- The Government of India has provided a number of subsidies such as LPG subsidy, and so on to all Individuals. However, in order to avail these subsidies, applicants must provide their Aadhaar card.
- Individuals can also open bank accounts by using their Aadhaar card.
- An e-Aadhaar card is a valid proof of address and identity as mentioned by the Unique Identification Authority of India since this document has been digitally certified. Additionally, all data that has been printed in a physical copy of the Aadhaar card is also available on e-Aadhaar card.

IV. DIC Registration

Ref: http://laghu-udyog.gov.in/howtosetup/grgxx01x.htm

DIC is the primary registering centre. Registration is voluntary and not compulsory. Two types of registration is done in all States. First a provisional registration certificate is given. And after commencement of production, a permanent registration certificate is given.

SSI Registration through DIC

Small Scale and ancillary units (i.e. undertaking with investment in plant and machinery of less than Rs. 10 million) should seek registration with the Director of Industries of the concerned State Government.

Registering your SSI Unit

The main purpose of Registration is to maintain statistics and maintain a roll of such units for the purposes of providing incentives and support services.

States have generally adopted the uniform registration procedures as per the guidelines. However, there may be some modifications done by States. It must be noted that small industries is basically a state subject. States use the same registration scheme for implementing their own policies. It is possible that some states may have a 'SIDO registration scheme' and a 'State registration scheme'.

Benefits of Registering

The registration scheme has no statutory basis. Units would normally get registered to avail some benefits, incentives or support given either by the Central or State Govt. The regime of incentives offered by the Centre generally contains the following:

- Credit prescription (Priority sector lending), differential rates of interest etc.
- Excise Exemption Scheme

- Exemption under Direct Tax Laws.
- Statutory support such as reservation and the Interest on Delayed Payments Act.

(It is to be noted that the Banking Laws, Excise Law and the Direct Taxes Law have incorporated the word SSI in their exemption notifications. Though in many cases they may define it differently. However, generally the registration certificate issued by the registering authority is seen as proof of being SSI).

States/UTs have their own package of facilities and incentives for small scale. They relate to development of industrial estates, tax subsidies, power tariff subsidies, capital investment subsidies and other support. Both the Centre and the State, whether under law or otherwise, target their incentives and support packages generally to units registered with them.

Objectives of the Registration Scheme

They are summarized as follows:
- To enumerate and maintain a roll of small industries to which the package of incentives and support are targeted.
- To provide a certificate enabling the units to avail statutory benefits mainly in terms of protection.
- To serve the purpose of collection of statistics.
- To create nodal centres at the Centre, State and District levels to promote SSI.

Features of the Scheme

Features of the scheme are as follows:
- DIC is the primary registering centre.
- Registration is voluntary and not compulsory.
- Two types of registration is done in all States. First a provisional registration certificate is given. After the commencement of production, a permanent registration certificate is given.
- PRC is normally valid for 5 years and permanent registration is given in perpetuity.
- Provisional Registration Certificate (PRC).
- This is given for the pre-operative period and enables the units to obtain the term loans and working capital from financial institutions/banks under priority sector lending.
- Obtain facilities for accommodation, land, other approvals etc.
- Obtain various necessary NOCs and clearances from regulatory bodies such as Pollution Control Board, Labour Regulations etc.

Permanent Registration Certificate

Enables the unit to get the following incentives/concessions:
- Income-Tax exemption and Sales Tax exemption as per State Govt. Policy.
- Incentives and concessions in power tariff etc.
- Price and purchase preference for goods produced.
- Availability of raw material depending on existing policy.
- Permanent registration of tiny units should be renewed after 5 years.

Procedure for Registration

Features of the present procedures are as follows:
- A unit can apply for PRC for any item that does not require industrial license which means items listed in Schedule-III and items not listed in Schedule-I or Schedule-II of the licencing Exemption Notification. Units employing less than 50/100 workers with/without power can apply for registration even for those items included in Schedule-II.
- Unit applies for PRC in prescribed application form. No field enquiry is done and PRC is issued.
- PRC is valid for five years. If the entrepreneur is unable to set up the unit in this period, he can apply afresh at the end of five years period.
- Once the unit commences production, it has to apply for permanent registration on the prescribed form.

The following form basis of evaluation:
- The unit has obtained all necessary clearances whether statutory or administrative. e.g. drug license under drug control order, NOC from Pollution Control Board, if required etc.
- Unit does not violate any locational restrictions in force, at the time of evaluation.
- Value of plant and machinery is within prescribed limits.
- Unit is not owned, controlled or subsidiary of any other industrial undertaking as per notification.

De-Registration

A Small Scale Unit can violate the regulations in the following ways which will make it liable for de-registration:
- It crosses the investment limits.
- It starts manufacturing any new item or items that require an industrial license or other kind of statutory license.
- It does not satisfy the condition of being owned, controlled or being a subsidiary of any other industrial undertaking.

AADHAAR

Unique Identification Authority of India
Government of India

Book keeping for small Businesses

I. Objective:
- To understand basic book keeping procedures and documentation involved for small business enterprises.

II. Book keeping for small business units.

Bookkeeping is the process of recording and organizing business financial transactions. The person responsible for bookkeeping is the Bookkeeper. The Bookkeeper records the transactions, sends invoices, makes payments, manage account and prepare financial statements. Bookkeeping helps:

1. To prepare accounting statements.
2. Business owners to figure out if their business is profitable or not.
3. To identify the challenges faced by the enterprise and address the same in order to avoid any crisis.

An account is a record of all financial transactions of a particular type like sales or payroll. There are five basic types of accounts:

1. Assets: Cash and resources owned by the business. Eg. Amount receivable, inventory etc.
2. Liabilities: Debts owned by business. Eg. Loans, Amount payable.

Sl.	Account	Account Type
1.	Amount payable	Liability
2.	Amount receivable	Asset
3.	Cash	Asset
4	Dividends	Equity
5	Machinery	Asset
6	Owner's capital	Equity
7.	Inventory	Asset
8	Rental expense	Expense
9	Rental income	Revenue
10	Insurance	Expense
11	Interests payable	Liability
12	Interest income	Revenue
13	Retained earnings	Equity
14	Salaries and wages	Expense
15	Sales income	Revenue
16	Supplies	Asset
17	Supplies expense	Expense

SI.	Account	Account Type
18	Utility expense	Expense
19	Advertisement/ Marketing expense	Expense
20	Loans	Liability

3. Revenue or Income: Money earned by the business usually through sales of products.
4. Expenses or expenditures: Cash flow out of business to pay for some item or service. Eg. Salaries, Purchases
5. Equity: Value remained after liabilities are subtracted from assets. It represents the owner held interests in the business. Eg. Stock, retained earnings.

Small business accounts and their types:

III. Single and Double entry bookkeeping

- Single entry book keeping records transactions only once in one particular a/c head e.g., the amount paid by a customer can be recorded on Assets. This type of entry is suitable for simple and very small businesses where there is no too much of transactions taking place.
- In double entry book keeping the transactions are recorded in such a way that for any transaction in one particular a/c head requires an equal and opposite entry in another a/c head. This is the common method followed in bookkeeping. Every transactions are double entered, as Debit (Dr) and Credit (Cr) as journal entries in a ledger. While entering, Debit is recorded first in the left and Credit to the right.
- It is very important that for each transaction, both debit and credit is correctly entered in right account head.

Balance the Books
The entries in the journal ledger are posted to particular accounts and needs to be balanced. At the end, trial balances should match the equation -

Assets = Liabilities + Equity

Prepare Financial Reports

Most common financial reports created in bookkeeping are:
1. Balance Sheet- Balance sheet summarizes the business assets, liabilities and equity for a particular period. This document gives a clear picture of the business progress.
2. Profit & Loss (P/L) statement- This is an income statement which clearly reveals the revenues, cost and expenses over a period of time like quarterly, half yearly. This statement helps to understand and compare the sales and expenses to make out financial decisions and forecasts.
3. Cash flow statement- This statement is similar to P/L statement but doesn't include any non cash transaction items like depreciation. This helps to understand where the business is spending money and where it is earning.

Process flow in bookkeeping
1. Record daily transactions in journal entries.'
2. Posting the entries from journal to ledger under separate a/c head.
3. Preparation of trail balance after balancing ledger entries.

4. Preparation of financial statements Profit & Loss statements, Trading account, Cash flow statements and balance sheet.

General Journal					
Sl.	Date	Account Name & Description	Ref.	Dr.	Cr.

Ledger Book				

Trail Balance		
Ledger Name	Debit Balance	Credit Balance

Sample Summary Cash Flow Statement	
Statement	Amount

Balance Sheet

Fixed Assets			Equity		
Production rights	₹	2,000	Farmer Claire	₹	65,000
Land	₹	18,000			
Barn	₹	22,000	**Liabilities**		
Farm Machinery	₹	15,000	Loan Agribank	₹	33,000
Shares	₹	2,000	Accounts Payable	₹	8,000
Dairy cows	₹	18,000			
Current Assets					
Stocks	₹	5,000			
Accounts receivable	₹	8,000			
Bank account	₹	10,000			
Total	₹	100,000	**Total**	₹	100,000

Comparison of financial statements across time and basic business diagnostic techniques

I. Objective:
- To help participants understand various financial statements and basic business diagnostic techniques.

II. Types of Financial Statements
There are four main financial statements. They are: (1) balance sheets; (2) income statements; (3) cash flow statements; and (4) statements of shareholders' equity.

1. Balance Sheets
A balance sheet provides detailed information about a company's assets, liabilities and shareholders' equity. Balance sheets show what a company owns and what it owes at a fixed point in time

Assets are things that a company owns that have value. This typically means they can either be sold or used by the company to make products or provide services that can be sold. Assets include physical property, such as plants, trucks, equipment and inventory. It also includes things that can't be touched but nevertheless exist and have value, such as trademarks and patents. And cash itself is an asset. So are investments a company makes.

Liabilities are amounts of money that a company owes to others. This can include all kinds of obligations, like money borrowed from a bank to launch a new product, rent for use of a building, money owed to suppliers for materials, payroll a company owes to its employees, environmental cleanup costs, or taxes owed to the government. Liabilities also include obligations to provide goods or services to customers in the future.

Shareholders' equity is sometimes called capital or net worth. It's the money that would be left if a company sold all of its assets and paid off all of its liabilities. This leftover money belongs to the shareholders, or the owners, of the company.

A company's balance sheet is set up like the basic accounting equation shown above. On the left side of the balance sheet, companies list their assets. On the right side, they list their liabilities and shareholders' equity. Sometimes balance sheets show assets at the top, followed by liabilities, with shareholders' equity at the bottom.

Assets are generally listed based on how quickly they will be converted into cash. Current assets are things a company expects to convert to cash within one year. A good example is inventory. Most companies expect to sell their inventory for cash within one year. Noncurrent assets are things a company does not expect to convert to cash within one year or that would take longer than one year to sell. Noncurrent assets include fixed assets. Fixed assets are those assets used to operate the business but that are not available for sale, such as trucks, office furniture and other property.

Liabilities are generally listed based on their due dates. Liabilities are said to be either current or long-term. Current liabilities are obligations a company expects to pay off within the year. Long-term liabilities are obligations due more than one year away.

Shareholders' equity is the amount owners invested in the company's stock plus or minus the company's earnings or losses since inception. Sometimes companies distribute earnings, instead of retaining them. These distributions are called dividends.

A balance sheet shows a snapshot of a company's assets, liabilities and shareholders' equity at the end of the reporting period. It does not show the flows into and out of the accounts during the period.

2. Income Statement

An income statement is a report that shows how much revenue a company earned over a specific time period (usually for a year or some portion of a year). An income statement also shows the costs and expenses associated with earning that revenue. The literal "bottom line" of the statement usually shows the company's net earnings or losses. This tells you how much the company earned or lost over the period.

Income statements also report earnings per share (or "EPS"). This calculation tells you how much money shareholders would receive if the company decided to distribute all of the net earnings for the period. (Companies almost never distribute all of their earnings. Usually they reinvest them in the business.)

To understand how income statements are set up, think of them as a set of stairs. You start at the top with the total amount of sales made during the accounting period. Then you go down, one step at a time. At each step, you make a deduction for certain costs or other operating expenses associated with earning the revenue. At the bottom of the stairs, after deducting all of the expenses, you learn how much the company actually earned or lost during the accounting period. People often call this "the bottom line."

At the top of the income statement is the total amount of money brought in from sales of products or services. This top line is often referred to as gross revenues or sales. It's called "gross" because expenses have not been deducted from it yet. So the number is "gross" or unrefined.

The next line is money the company doesn't expect to collect on certain sales. This could be due, for example, to sales discounts or merchandise returns.

When you subtract the returns and allowances from the gross revenues, you arrive at the company's net revenues. It's called "net" because, if you can imagine a net, these revenues are left in the net after the deductions for returns and allowances have come out.

Moving down the stairs from the net revenue line, there are several lines that represent various kinds of operating expenses. Although these lines can be reported in various orders, the next line after net revenues typically shows the cost of the sales. This number tells you the amount of money the company spent to produce the goods or services it sold during the accounting period.

The next line subtracts the costs of sales from the net revenues to arrive at a subtotal called "gross profit" or sometimes "gross margin." It's considered "gross" because there are certain expenses that haven't been deducted from it yet.

The next section deals with operating expenses. These are expenses that go toward supporting a company's operations for a given period – for example, salaries of administrative personnel and costs of researching new products. Marketing expenses are another example. Operating expenses are different from "costs of sales," which were deducted above, because operating expenses cannot be linked directly to the production of the products or services being sold.

Depreciation is also deducted from gross profit. Depreciation takes into account the wear and tear on some assets, such as machinery, tools and furniture, which are used over the long term. Companies spread the cost of these assets over the periods they are used. This process of spreading these costs is called depreciation or amortization. The "charge" for using these assets during the period is a fraction of the original cost of the assets.

After all operating expenses are deducted from gross profit, you arrive at operating profit before interest and income tax expenses. This is often called "income from operations."

Next companies must account for interest income and interest expense. Interest income is the money companies make from keeping their cash in interest-bearing savings accounts, money market funds and the like. On the other hand, interest expense is the money companies paid in interest for money they borrow. Some income statements show interest income and interest expense separately. Some income statements combine the two numbers. The interest income and expense are then added or subtracted from the operating profits to arrive at operating profit before income tax.

Finally, income tax is deducted and you arrive at the bottom line: net profit or net losses. (Net profit is also called net income or net earnings.)

3. **Cash Flow Statements**

Cash flow statements report a company's inflows and outflows of cash. This is important because a company needs to have enough cash on hand to pay its expenses and purchase assets. While an income statement can tell you whether a company made a profit, a cash flow statement can tell you whether the company generated cash.

A cash flow statement shows changes over time rather than absolute dollar amounts at a point in time. It uses and reorders the information from a company's balance sheet and income statement.

The bottom line of the cash flow statement shows the net increase or decrease in cash for the period. Generally, cash flow statements are divided into three main parts. Each part reviews the cash flow from one of three types of activities:
(1) operating activities.
(2) investing activities and
(3) financing activities.

Operating Activities

The first part of a cash flow statement analyzes a company's cash flow from net income or losses. For most companies, this section of the cash flow statement reconciles the net income (as shown on the income statement) to the actual cash the company received from or used in its operating activities. To do this, it adjusts net income for any non-cash items (such as adding back depreciation expenses) and adjusts for any cash that was used or provided by other operating assets and liabilities.

Investing Activities

The second part of a cash flow statement shows the cash flow from all investing activities, which generally include purchases or sales of long-term assets, such as property, plant and equipment, as well as investment securities. If a company buys a piece of machinery, the cash flow statement would reflect this activity as a cash outflow from investing activities because it used cash. If the company decided to sell off some investments from an investment portfolio, the proceeds from the sales would show up as a cash inflow from investing activities because it provided cash.

Financing Activities

The third part of a cash flow statement shows the cash flow from all financing activities. Typical sources of cash flow include cash raised by selling stocks and bonds or borrowing from banks. Likewise, paying back a bank loan would show up as a use of cash flow.

II. Financial Analysis

Financial analysis is the process of evaluating businesses, projects, budgets, and other finance-related transactions to determine their performance and suitability. Typically, financial analysis is used to analyze whether an entity is stable, solvent, liquid, or profitable enough to warrant a monetary investment.

- If conducted internally, financial analysis can help fund managers make future business decisions or review historical trends for past successes.
- If conducted externally, financial analysis can help investors choose the best possible investment opportunities.
- Fundamental analysis and technical analysis are the two main types of financial analysis.
- Fundamental analysis uses ratios and financial statement data to determine the intrinsic value of a security.
- Technical analysis assumes a security's value is already determined by its price, and it focuses instead on trends in value over time.

Financial analysis is used to evaluate economic trends, set financial policy, build long-term plans for business activity, and identify projects or companies for investment. This is done through the synthesis of financial numbers and data. A financial analyst will thoroughly examine a company's financial statements-the income statement, balance sheet, and cash flow statement. Financial analysis can be conducted in both corporate finance and investment finance settings.

One of the most common ways to analyze financial data is to calculate ratios from the data in the financial statements to compare against those of other companies or against the company's own historical performance.

III. Types of Financial Analysis

There are two types of financial analysis: fundamental analysis and technical analysis.

Fundamental Analysis

Fundamental analysis uses ratios gathered from data within the financial statements, such as a company's earnings per share (EPS), in order to determine the business's value. Using ratio analysis in addition to a thorough review of economic and financial situations surrounding the company, the analyst is able to arrive at an intrinsic value for the security. The end goal is to arrive at a number that an investor can compare with a security's current price in order to see whether the security is undervalued or overvalued.

Technical Analysis

Technical analysis uses statistical trends gathered from trading activity, such as moving averages (MA). Essentially, technical analysis assumes that a security's price already reflects all publicly available information and instead focuses on the statistical analysis of price movements. Technical analysis attempts to understand the market sentiment behind price trends by looking for patterns and trends rather than analyzing a security's fundamental attributes.

The goal of financial analysis is to analyze whether an entity is stable, solvent, liquid, or profitable enough to warrant a monetary investment. It is used to evaluate economic trends, set financial policy, build long-term plans for business activity, and identify projects or companies for investment.

Introduction to the basics of Smart phone

I. Objective:
- To help the participants understand the basics of smart phone.

II. The Importance of Smart phone

Smart phones are playing a very vital role in the world. Without smart phones it is not possible to connect with each other even with members of the same organisation. If you have smart phone then can contact with relatives, friends, clients, and you can move your office anywhere in the world. The smart phones have operating system so you do not need to buy personal computer and laptop, because the smart phone gives you that work which personal computer and laptop do. In next five years amazing change will occur in smart phones by the improvement of technology. Smart phone will replace personal computer because it has the complete keyboard and many other functions which personal computer has. So it is true that within the next few years smart phones will become the single most important digital device we own.

The first ever cell phone was invented by Martin Cooper on April 3rd, 1973, that was only for two pounds. The height of that phone was 10 inches, depth 3 inches and the width an inch and a half (Motorcity, 2003). At that time it was the only way to communicate with each other, At that time it was not available to the general population and it was used for only businesses and government purposes.

III. Operating System of Smartphone

In 2010 the market of smart phone operating system changed. For customer and businessmen the importance of smart phone is very essential. Because without smart phone it's not possible to keep in contact with each other, with clients and with family members and friends.

IV. Key features of Smartphone

Wi-Fi
With the help of this feature you can connect wireless internet connection. Using Wi-Fi the speed of internet will be very high.

Push Notification
By push notification we mean that you can receive messages, emails and you do not need to log in to check your account.

Social Networking
'Social Networking' means those websites such as Facebook, YouTube and Twitter by which we can communicate with each other individually and as well as groups and also can share photos, videos and album.

QWERTY Keyboard
QWERTY keyboard is the layout and this keyboard allows you to search and browse the internet and send emails and text.

One may see a smartphone as one that offers a complete keyboard with internet and email functionality, and some may only view a smart phone as a phone with a full operating system (OS) and applications. A smartphone is a full-featured mobile phone that comes equipped with the personal computer like functionality. So it is the most efficient way of being mobile and carrying your office with you. Most of these phonescome with a camera that supports email capabilities and serves as a complete personal organizer.

This is true that the smartphones are the helping hand of the several businessmen's. Because of the technological features of mobile phones these are called smart phone.

In these days smartphone is a basic demand of every businessman and company. By latest technology it includes to share his idea with their partners and colleagues. With the help of smart phone we can watch live match if you are somewhere else it does not matter, breaking news. We can get help from smart phone like human bodies.

In next five years change will take place suddenly in smartphones. If we study last few years about phones we will understand that how quickly changes occurred from time to time, therefore in next few years the improvement in technology will take place.

PC Replacements

The basic change in smartphones in next few years will occur that it starts working like laptops. It means that in future those people who have smartphones they do not need to buy laptops and personal computers. So smartphones will replace PC in next five years.

Joined Devices

After long time finally it's become possible to connect devices with each other like bluetooth in PC and in laptop can connect with smart phones. In next few years it will be possible to know about you that now where are you and what do you want to do because of smart phones. Smart phones will become a single device in next few years yes it is true because the smart phones are moving in a straight forward direction.

There are alot of confusion because of the variety of mobiles phone and competency. If you want to have a great mobile than smartphone is the best choice among all. Smartphone is much better than any other mobile phone. If you have smartphone you can move your office with where you want so than you do not need to buy personal computer or laptop because in smartphone there is an operating system like personal computer and laptop, so nowadays most of smartphones are with their camera.

Concept of search engine and app stores

I. Objective:
- To help the participants understand the concept of search engine and app stores

II. Search Engine

A search engine is a software program that helps people find the information they are looking for online using keywords or phrases. Search engines are able to return results quickly-even with millions of websites online—by scanning the Internet continuously and indexing every page they find.

In general, a search engine consists of three main components a crawler, an offline processing system to accumulate data and produce searchable index, and an online engine for real-time query handling. Their roles are summarized as follows.

Eg: Google, Bing, Yahoo!, & MSN Search. Google is the most used search engine worldwide.

Search engines essentially act as filters for the wealth of information available on the internet. They allow users to quickly and easily find information that is of genuine interest or value, without the need to wade through numerous irrelevant web pages.

III. Application Software

Application software is a type of computer program that performs a specific personal, educational, and business function. Each application is designed to assist end-users in accomplishing a variety of tasks, which may be related to productivity, creativity, or communication.

Functions of Application Software
Application software programs are created to facilitate a variety of functions, including managing information, manipulating data, constructing visuals, coordinating resources, and calculating figures.

Eg: Microsoft Office suite, Internet browsers like Safari or Google Chrome, and mobile software like Spotify, Zoom, and Slack.

IV. Difference between an app and an application

An app is a piece of software designed for a single purpose or a single function. An application, however, is a piece of software that performs a variety of related functions. Typically, if an app

breaks, life goes on, while applications are considered critical to normal business function and are therefore considered to be of higher value.

Additionally, apps are typically associated with mobile personal-use, whereas applications are associated with use on all devices and typically serve personal and business needs.

App	Application
Single purpose	Performs a variety of related functions
Not critical for business function	Critical for business function
Generally we their mobile	Can be used with full features across many device types
Typically associated with personal use only	Typically Associated with personal and business use

V. App Store

An app store (application store) is an online portal through which software programs are made available for procurement and download. It's a collection of free or commercial software and games approved for use on the devices that we use. We can browse, purchase, download, install, and update software through your device's app store.

All major mobile operating system vendors, including Apple, Google, BlackBerry and Microsoft, run their own app stores, which gives them control over the software available on their respective platforms. There are also several third-party app stores in operation; examples include the Amazon Appstore for Android and Cydia for jailbroken iOS Apple devices.

The app store concept became popular with the rise of smartphones and tablets, but it has since expanded to Web browsers and desktop operating systems. The Mozilla Firefox and Google Chrome browsers each have their own stores, where users can install Web-based applications. Mac OS X and Windows 8 desktop applications are also available through app stores.

Benefits of using an app store
The software available on an app store is officially approved by the store operator. For instance, Apple inspects all software on the macOS and iOS App Stores, and Google inspects all software on the Play Store. The code of each app is reviewed to make sure it doesn't contain malware or viruses, and conforms to other guidelines for the user's device. The software is then digitally signed by the store operator to prevent it from being altered without the operator's knowledge and approval.
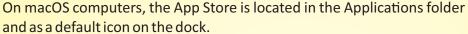
Other benefits of app stores
- Convenience - Users can search for new software in one familiar place on their device.
- Trust - Instead of needing to trust a wide array of software vendors, trust can be placed in a single entity (the store operator).
- Consistent experience - Because software must conform to device guidelines, separate apps have a greater consistency of interface and user experience. The user is already familiar with the general way the software looks, feels, and operates.
- Easier updates - When an update is available for software installed from the app store, the store can notify the user. The user does not need to manually check for new updates. If multiple updates are available, they can be installed by the app store all at once.

macOS App Store (Apple computer)

The macOS App Store was launched on January 6, 2011. It is part of macOS, and may be used to find, download, and install software for a Mac. The App Store is also used to install security updates and upgrade to newer versions of macOS.

On macOS computers, the App Store is located in the Applications folder and as a default icon on the dock.

The macOS App Store is closely integrated with a macOS feature called Gatekeeper, which verifies the digital signature of all apps downloaded from the Internet. For information about changing Gatekeeper settings, see Changing Gatekeeper settings in macOS.

iOS App Store (Apple iPad and iPhone)

The iOS App Store provides software downloads for the iPad and iPhone. It was launched on July 10, 2008. Unlike in macOS, the iOS App Store is not used for updating the iOS system, and cannot be configured to lower security settings. The only way to install software on an iOS device without using the App Store is to jailbreak the device, which voids its warranty.

On iOS devices, the App Store is on the home screen. It is a core part of iOS and cannot be removed.

Google Play Store (Android tablet and smartphone)

The Google Play Store is an app store provided by Google for Android devices, the Chrome web browser, and Chrome OS computers. It was launched on October 22, 2008, as "Android Market." It was later integrated with two other Google services, Google Music and Google eBookstore, to create Google Play.

Unlike other App Stores, Google Play allows users to purchase digital music and e-books.

On most Android devices, the Play Store is available on the home screen.

On the web, the Google Play Store website can be visited.

Microsoft Store (Microsoft PC)

The Microsoft Store is an app store for Microsoft Windows. It was also available on the Windows Phone before Microsoft discontinued the platform in July 2017.

In Windows 10, the Microsoft Store can be accessed in the Start menu listed under the M section.

SVEP Software

I. Objective:
- To help participants understand the importance of SVEP Software and its uses.
- To train the participants how to install the app.
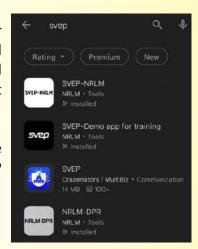- To make the participants aware about the demo App of SVEP

II. SVEP Software

SVEP-NRLM is free Tools app, developed by NRLM. Latest version of SVEP-NRLM is 1.0.0.45, was released on 2021-04-13 (updated on 2021-05-24).

SVEP will create a complete enterprise support eco-system for village enterprises to enhance their viability, market linkages and credit-worthiness. This will be built on local skills, knowledge and intelligence, guided by high-quality business management knowledge and ICT platform.

This app is for CRP-EPs (Community Resource Person-Enterprise Promotion) who will be working in field supporting the SVEP Program

It can be downloaded from Google Play store.

II. How to install SVEP-NRLM on Windows& Laptop

SVEP-NRLM on Windows PC can be installed by using Android App Player such as BlueStacks, Nox, KOPlayer.

An emulator is required that will emulate an Android device on the Windows PC and then applications canbe installed and used.
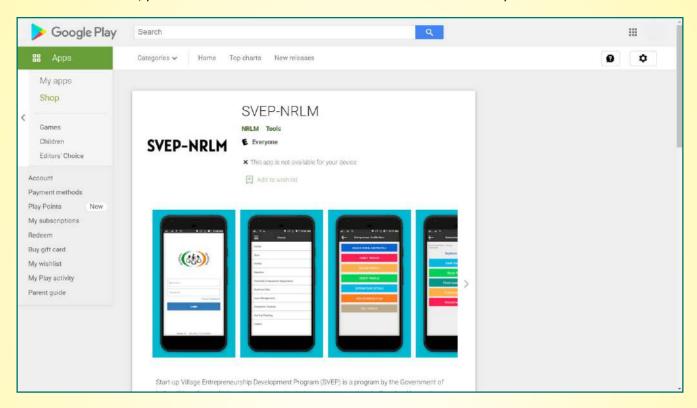
SVEP-NRLM using BlueStacks
- Download and Install BlueStacks at: https://www.bluestacks.com. The installation procedure is quite simple. After successful installation, open the Bluestacks emulator. It may take some time to load the Bluestacks app initially. Once it is opened, you should be able to see the Home screen of Bluestacks.
- Google Play Store comes pre-installed in Bluestacks. On the home screen, find Google Play Store and click on the icon to open it. You may need to sign in to access the Play Store.
- Look for "SVEP-NRLM" in the search bar. Click to install "SVEP-NRLM" from the search results.
- If you don't see this app from the search results, you need to download APK/XAPK installer file from this page, save it to an easy-to-find location. Once the APK/XAPK file is downloaded, double-click to open it. You can also drag and drop the APK/XAPK file onto the BlueStacks home screen to open it.
- Once installed, click "SVEP-NRLM" icon on the home screen to start using, it will work.
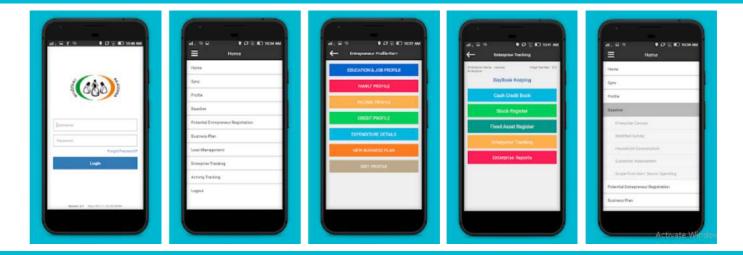
SVEP-NRLM on Windows PC using NoxPlayer

- Download & Install NoxPlayer at: https://www.bignox.com. The installation is easy to carry out.
- After NoxPlayer is installed, open it and you can see the search bar on the home screen. Look for "SVEP-NRLM" and click to install from the search results.
- You can also download the APK/XAPK installer file from this page, then drag and drop it onto the NoxPlayer home screen. The installation process will take place quickly. After successful installation, you can find "SVEP-NRLM" on the home screen of NoxPlayer.

III. Demo App of SVEP

SVEP Demo App is also available in play store for training the CRP EPs.

Trainees are to be practiced in the demo App for further Learnings in this application.

Processes of data uploading, downloading and generating reports in SVEP software

I. Objective:
- To train the trainees how to upload and download datas
- To train the trainees how to generate reports in SVEP software

II. Session Guide

Trainees are to be advised to create the Login ID in SVEP demo Software and to practice the sessions for uploading the data, Downloading it an degenerate reports.
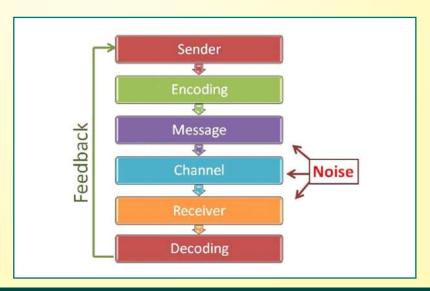
Session 19.2

Effective communication skills

I. Objective:
- To help participants understand Processes of data uploading, downloading and generating reports in SVEP software

II. Communication

Communication is the dynamic process to convey a thought or feeling to someone else. It could be in the form of writing, speaking, knocking, or winking. Communication is the act of exchanging thoughts, messages, or information by speech, pictures, signals, writing, or conduct. It's the exchange of significant information between two or more living creatures. The word "world" comes from the Latin word "communicate," which means "to share."

A sender, a message, and a recipient are required for communication, albeit the receiver does not have to be present or aware of the sender's desire to communicate at the time of communication; hence, communication can take place over great distances in time and space. Communication necessitates the communication partners sharing a communicative common ground. Once the recipient has comprehended the sender's message, the communication process is complete. In the garment industry, there are two sorts of communication.

1. **Verbal communication:-**
   spoken or written mode

2. **Nonverbal communication:-**
   gestures and other means

III. Barriers to communication

When a communication takes place, it is critical that the recipient receives the same message that the sender sent. It is possible that the receiver misunderstands the speaker, either in terms of meaning or in terms of action. There are numerous factors that influence communication interpreting; barriers may vary or have an effect on it; some of the most significant barriers are the following:

1. **Environmental barriers: -** are characteristic of the organization and its environmental setting. E.g.:- The receiver hears the message, but does not understand it. Due to inadequate attention paid to the message, the receiver is not really "listening."

2. **Personal barriers: -** develop as a result of people's personalities and interactions with others. Some civilizations, for example, believe in "don't."

IV. How to Overcome These Barriers
- Taking the receiver more seriously
- Crystal clear message
- Delivering messages skilfully
- Focusing on the receiver
- Ensuring appropriate feedback
- Be aware of your own state of mind/emotions/attitude

V. ELEMENTS OF COMMUNICATION

Effectiveness of our communication depends on the words we use, tone in which we send the message and our body language.

Yet, not all the components play equal role. Body language plays huge role (55%) in making our communication effective, followed by our tone (38%) and least by words (7%).

VI. WAYS/STYLES OF COMMUNICATION
- Aggressive
- Assertive
- Submissive

Assertive communication is the best style in any situation as it requires;respect and patience to listen to other's point of view and also courage and confidence to put forward our own thoughts/needs.

VII. Effective Communication

Effective communication is our ability to make other's understand our message and to fulfill our objective. To make our communication effective, we have to understand the role of three components of communication

VIII. Communication Skills for Entrepreneurs

Communication is one of the most critical aspects of running a business in any industry. Communication skills are essential to success in a variety of ways, whether you need to persuade investors of the advantages of your idea, persuade customers to buy your products or services, or entice a top applicant to work for you.

Understanding Body Language

The majority of communication is nonverbal. However, how much time do you spend each day considering whether your body language is communicating the message you want it to? For entrepreneurs, mastering your nonverbal presentation is crucial.

- Looking people in the eye
- Sitting and standing straight

Active Listening is a skill that allows you to pay attention

Active listening entails paying attention to and attempting to comprehend what another person is saying to you. If you want to be a successful entrepreneur, you'll need to learn how to listen carefully. Listening is one of the most important communication skills for businesspeople to learn because it can be used in a variety of situations and situations with a variety of individuals. You can more quickly and effectively work out a client's specific problems and address them or illustrate how they could obtain additional benefits by listening to them.

Presentation

In many business scenarios, you have to present your proposals, ideas, statistics, or other information to, potential clients. To acquire the benefits you need to do the presentations, well-versed in properly communicating your message so that it has the desired impact. Not only does it take a lot of effort for speakers to get their message out with clarity, conciseness, poise, and confidence, but it also takes a lot of practice for them to understand how to use useful tools like PowerPoint.

Writing as a means of communication

The written format is used for a lot of corporate communication. You must know how to write correctly in order to get your message through as effectively as possible. This reduces the possibilities of readers misinterpreting your words; however, you should still double-check your work for errors (in spelling, punctuation, and facts) and use spell-check programmes or proofreaders on your most critical documents. Otherwise, people will judge you solely on the basis of your writing abilities. When you send out goods that are poorly written, it might reflect poorly on you

Session 19.3

Networking and Liasoning skills

I. Objective:
- To help participants understand the Networking and Liasoning skills.

II. Liaison skills
Cooperation with others, teamwork, strong communication, and the ability to relate to people are all good liaison qualities. An entrepreneur should also serve as the organization's liaison officer. He should be able to interact well with the outside world and corporate groups, and he should always be on the lookout for opportunities to partner with other top enterprises.

III. Networking skills
Networking skills are essential in both personal and professional environments. Building your professional network helps you connect with individuals who can help you in your job search process and offer support to advance your career. By understanding the skill set required to build long-lasting relationships can help you develop and improve them. In this article, we discuss what networking skills are, explore their importance, learn about different skills you may need to maintain relationships and providing an understanding of how to develop and highlight them.

IV. What are networking skills?
In both personal and professional settings, networking abilities are vital. Building a professional network allows you to connect with people who can assist you in your job hunt and offer advice on how to enhance your career. Understanding the skill set required to form and improve long-term relationships might assist you in developing and improving them. We'll talk about the networking abilities you need in this article.

Why are networking skills important?

Opens up new job opportunities: Networking is a great strategy to enhance your career because it allows you to meet new people.

Increases self-confidence: The more you interact with people, the better your self-confidence and social abilities will become.

Improves communication skills: Networking allows you to share your views with others. This will help you improve your verbal communication abilities.

Assists in the search for mentors: Networking allows you to identify and connect with people who have a lot of experience in your industry and may be able to mentor you.

Networking skills

Networking with people necessitates a variety of abilities. Here are a few examples:
- Communication
- Listening attentively

- Confidence in public speaking
- Social abilities
- Compassion
- Attitude of gratitude

How can you improve your networking abilities?

1. Determine your networking objectives
2. Improve your public speaking and communication skills
3. Seek constructive criticism
4. Participate in networking events

Working of team and groups

I. Objective:
- To help participants understand the importance of working of team and groups

II. Teamwork

Teamwork is defined as a group of people working together to achieve a common goal, "The capacity to work together toward a common goal is referred to as teamwork.

It is the ability to channel personal achievements into organizational goals. It is the fuel that enables ordinary individuals to achieve extraordinary results." Working together and attaining common goals is what teamwork entails. We must distinguish between teamwork and groupwork in order to better comprehend teamwork.

In the fashion industry, a single person rarely handles all parts of a project. Although one individual may have the initial vision, it is brought to reality by numerous teams. Design teams, production teams, and sales teams are all examples of these groups. An online presence for the design firm is usually maintained by a team. The aggregate production of the teams, or the success of the teams, determines the fashion company's success.

III. Importance of Team Work

A group of individuals who are working together to achieve a common goal is known as teamwork. "Teamwork is the ability to work together toward a common vision. The ability to direct individual accomplishments toward organizational objectives. It is the fuel that allows common people to attain uncommon results." Teamwork is a process of working together and achieving common goals. In order to understand teamwork better, we need to differentiate between teamwork and group.

The fashion industry rarely relies on a single individual to handle all aspects of a project. Although one person might have the initial vision, various teams bring that vision to life. These teams include everything from design teams to production team to sales teams. There is usually a team maintaining a web presence for the design company. The success of the fashion company is the overall output of the teams, or we can say the success of the teams of teams.

IV. Why we should encourage Team Work.
- Increased work efficiency
- Improved employee relation
- Increased accountability
- Increased learning opportunities

V. Some benefits of team working
- **Endorse Infrastructure:**
  Increased cooperation fosters workplace cooperation by infusing a sense of belonging that promotes the growth of an ecosystem rather than a single person or team.

- **Retention and Motivation:**

  A workplace culture that encourages cooperation, mutual respect, and empathy helps to motivate and retain employees.

- **Increased Ownership:**

  Having a common vision is important because it instills a sense of responsibility for a larger goal. It motivates people to collaborate and provides them a sense of achievement when they achieve common goals.

- **Alternative Points of View:**

  It is critical to foster a culture that values a diversity of perspectives. This will aid in the stimulation of creativity and invention across all tasks.

- **Roles and responsibilities are defined:**

  By using the expertise sets of individual team members and enabling work prioritization, a clear knowledge of roles and duties is critical to ensure efficient collaboration. Increased accountability and shared responsibility will result as a result of this.

- **Encourages personal growth:**

  Working together as a team fosters a culture of shared learning, mentorship, and advice. Members of a team can learn from one another's errors.

Training Need Assessment

I. Objective:
- To help participants understand the importance of Training Need Assessment

II. Importance of Training need Assessment

A training need assessment lays the necessary groundwork for determining your organization's true need and how your employees will best receive the required training.

A training need assessment (TNA) is an assessment process that companies and other organizations use to determine performance requirements and the knowledge, abilities and skills that their employees need to achieve the requirements. There are three key areas that are considered accurate assessors of those needs:

- Skill proficiency of employees
- Employees' frequency of skill usage
- Level of employees' skills crucial to job performance

One of the outputs of the training needs assessment is a list of who needs what kind of training. TNA aims to answer some familiar questions: why, who, how, what and when. Here's a look at the descriptions of the questions and what analysis can to answer them.

III. Why to conduct the training:

Organizations typically conducts training to tie the performance problem to a working need and make sure that the benefits of carrying out the training are greater than the problems. To answer this question, you have to conduct two types of analysis: feasibility analysis and needs versus wants analysis.

Who is involved in the training: A training typically involves appropriate parties to solve the performance problem. To determine the target participants for the training, you have to conduct a target population analysis. This type of analysis allows you to learn as much as possible about the people who are involved in the deficiency and how to tailor a training program to engage them.

How to fix the performance problem: Conducting training can help fix the performance problem. But you have to look for another remediation if training is not appropriate. To identify what skill deficiency to address, you must conduct a performance analysis. This type of analysis investigates how your company or department is performing as a whole.

What is the best way to perform: There is a preferred or better way to do a task to get the best results. To identify the best way to perform, you must conduct a task analysis. This type of analysis gets down to the fine details of exactly what your employees are doing in their individual roles.

When to conduct the training: Because holidays, work cycles, etc. affect the participants' attendance at the training, you must determine the best timing to deliver training. You may conduct a context analysis to answer logistics questions. Context analysis is a method to examine the environment in which a business operates.

IV. How to conduct a training needs assessment

There are four steps you should take to successfully conduct a training needs assessment. These steps include the following:

Step 1: Identify the Business Need

A training assessment is the first step to any successful training program and is also a critical aspect of succession planning. Conducting this analysis allows an organization to focus its efforts on areas of training that are necessary for employees to successfully carry out the organization's goals, make optimum use of the company's training dollars and motivate employees by contributing to their career development. The person conducting the training needs assessment must clearly understand the overall organization and department goals and priorities, so he or she can properly assess the training options and identify which training opportunities will contribute most to the overall success of employees, the business units and the organization as a whole.

Essentially, why is the organization conducting a training needs assessment? What is the end result that the employee, manager or executive team is trying to accomplish? Will training contribute to this accomplishment? Sometimes training is not the answer. There may be other organizational issues that would be best addressed through another means—for example, through job analysis, goal clarification, reorganizing or realigning a department, or employee engagement.

Step 2: Perform a Gap Analysis

Performing a gap analysis involves assessing the current state of a department's or employee's performance or skills and comparing this to the desired level. The difference between the existing state and the desired state is the gap. There are many different methods for conducting a gap analysis. The method for identifying the gap will depend on the organization and the situation. Depending on the situation, it may be helpful to use one or more gap analysis methods. Some gap analysis assessment tools are the following:

HR records: HR records can include accident and safety reports, job descriptions, job competencies, exit interviews, performance evaluations and other company records such as production, sales and cost records. For example, if a department has a dramatic increase in workplace accidents, then it would be important to review accident reports as part of the gap analysis prior to conducting safety training.

Individual interviews: Individual interviews may be conducted with employees, supervisors, senior managers and even sometimes clients/customers or outside vendors. If an organization is providing safety training, talking with the employees who not only had the accidents but also witnessed the accidents would be advisable. In addition, talking to employees who have never had accidents could be useful in creating a training program that includes a standard of safe practices. If the accidents involved equipment, it may be beneficial to talk to the vendor that manufactured or serviced the equipment. The information gathered can identify the gaps that an organization needs to address. A company and its employees can benefit from new training opportunities as a result of the training needs assessment.

Focus groups: Unlike individual interviews, using focus groups involves simultaneously questioning a number of individuals about training needs. Best results occur with a department or group of

employees who have similar training needs. The participants brainstorm about all the training needs they can think of and write them on a flip chart. Then each person is provided perhaps five dots or sticky notes (employers should provide the number of dots or sticky notes that will work best for the organization). Each individual places his or her dots or sticky notes on the training ideas he or she believes are the most important. An individual could choose to place one dot on five different items, or all five on one training item.

Surveys, questionnaires and self-assessments: Surveys generally use a standardized format and can be done in writing, electronically or by phone. Depending on the situation, it may be helpful to conduct surveys with employees as well as with customers. When conducting a customer service training needs assessment, employers should ask employees what would help them provide better customer service. Employers should also obtain opinions from customers about their experiences with employees.

Observations: Sources for observation include a supervisor's direct observation and input, on-the-job simulations of work settings, and written work samples.

Step 3: Assess Training Options

The gap analysis generates a list of training options and needs. Now the list can be assessed based on the goals and priorities of the organization, both currently and in the future.

A scale of 1 to 3 could be used with number 1 being critical, 2 being important and 3 being not important at all. Here are factors to consider when determining if training is a viable option.

Solution to a problem:
For example, an employee has a performance problem that has clearly been identified as a training issue. The employee is provided with additional on-the-job training in which he or she successfully acquires the needed skills. As a result, the company would have a fully competent employee who is also meeting the required performance standards.

Cost:
Cost of training is a significant factor that needs to be weighed in terms of importance. Depending on the situation, the organization may be willing to invest a significant amount in one training but not in the others listed due to organizational priorities and finances. Here is the formula to calculate the total cost of training:
Number of Employees Trained x Cost of Training = Total Cost of Training

Return on investment:
Return on investment (ROI) is a calculation showing the value of expenditures related to training and development. It can also be used to show how long it will take for these activities to pay for themselves and to provide a return on investment to the organization.
Legal compliance:
If any of the training needs from the gap analysis are required legally (i.e., by federal, state or industry laws) or to maintain employees' licenses or certifications, then these trainings would be a high priority.

Time:

Sometimes the amount of time involved to build the capacity within the organization will affect its operational needs as it can interfere with the employees' ability to complete other job duties. In this case, it may be more beneficial to hire the talent from outside the organization or outsource the task to fill in the skills gaps. In other cases, like succession planning, the organization can afford a long-term commitment to building the capacity from within.

Remaining competitive:

Perhaps there exists minimal knowledge/competencies in a new product or service that is negatively affecting company revenue. The employer can provide the needed training to its employees so that the new product or service generates or exceeds the desired revenue. In this situation, the company benefits from the increase in revenue, therefore outweighing the cost of training.

After all the training needs/options have been assessed, the HR professional will have a list of training priorities for individual employees, departments or the organization as a whole.

Step 4: Report Training Needs and Recommend Training Plans

The next step is to report the findings from the training needs assessment, and make recommendations for short- and long-term training plans and budgets, starting with the most critical priorities from the training option list. If there is a timeline for any of the trainings, such as a deadline to satisfy training obligations for legal compliance purposes, then they should be budgeted and scheduled accordingly. The report should include a summary of why and how the assessment was completed, the methods used and people involved, and the training recommendations with a general timeline.

Considerations for the report and recommended training plans include:

What training is already being offered, and should it continue to be offered?
Will the training be conducted in-house or externally?
Does it make sense to bring in a trainer to train several employees on the same subject matter, rather than send everyone to an off-site training?
Does the company have the subject matter expertise within HR, the training department or another department to conduct the training?
Can and should the training be conducted online?
What is the learning style of the participants?
Are all participants at one location or multiple locations, or are they decentralized?

Structuring training modules as per Training Needs of the target group

I. Objective:
- To help participants how to prepare a Training Module as per training need

II. What is a training module?

A training module is a segment of an overall learning course that focuses on a specific topic or objective. Think of it like a chapter of a book. Each training module (or chapter) acts as a step in a learner's journey, each time edging closer to completing the overall course.

Training modules can vary in format, from interactive videos and quizzes to text rich modules or demonstrations. Ideally, it's best to incorporate a blend of different training module types to ensure you're catering for different learning styles and promoting employee engagement throughout.

A training module is one structured section of a course. The content within a training module should be designed, and created, to support the learner's intake and retention of the information it contains. Grouping training modules together is used to create step-by-step learning.

III. How to create the best training modules

Here are our recommended steps to follow when building effective training modules:

Step 1: Establish your training objectives
The most important step comes right at the beginning and that's understanding the challenge. Set objectives on what you need your training to achieve.

To do this, it's important that you understand the problems that your teams are coming up against, the priority areas that need addressing and what an ideal outcome looks like. That way, you can begin to work backwards and get to the crux of what you need your users to learn as a result of your training course.

Once you've established this, you can start to break this down into topics and map out the different modules you need to create. For each training module, be sure to set SMART goals (specific, measurable, achievable, realistic and time-bound) so you can measure how they perform and make iterations at a later stage, if necessary.

Step 2: Define your audience
It's vital that you understand who exactly the training is for so that you can pitch it at the right level: training that's too difficult or simplistic will cause a drop off in engagement and participation.
Take some time to get to grips with your audience so you can establish an appropriate tone of voice and difficulty level. Depending on your audience, you may need to break certain topics into multiple modules, while for others, one module may be sufficient, so be mindful of this in the planning stage.

Consider whether there are any specific learning styles that may yield better participation or engagement rates from your audience. For example, if your audience is particularly time-poor, it may be worth creating microlearning modules – and if your audience has previously demonstrated a lack of engagement with elearning courses, consider integrating gamified elements to boost employee participation.

Step 3: Decide on the right content format

There's no such thing as one size fits all when it comes to building training modules; some formats may work well for some topics but not for others. Engage Subject Matter Experts at this stage to determine the best content format for each module.

i) Scenario-based learning

This type of training module is great for complex projects that are made up of lots of different aspects. Scenario based learning allows the learner to explore different situations and reflect on the actions they would take and the impact this would have.

Best for:
- Allowing employees to test real-life scenarios in a simulated environment
- Creating an immersive learning environment
- Challenging your learners to think independently and react to different scenarios

ii) Video

Video is one of the most engaging training module types and great for how-to type content. Video is also an effective medium for conveying stories and evoking emotion, which can make it a good option for HR-related training.

Best for:
- Presenting information in an immersive, emotive and engaging way
- Quick employee onboarding
- Product demos

iii) Microlearning

Micro learning is where topics are broken down into short, bite size training modules, allowing for greater flexibility and higher learner engagement. It can be a useful format for making large complex topics into easier-to-consume chunks of information.

Best for:
- Time poor employees
- Conducting training little and often
- Focusing on core messages and takeaways

iv) Quizzes

Utilizing quiz modules within your elearning course can inject an element of fun and transform potentially boring content into an engaging gaming experience. Quizzes allow learners to put their knowledge to the test and build on their performance throughout the training.

Best for:
- Challenging your learners
- Rewarding and incentivising users with leader boards and badges
- Tracking how well your employees have understood a particular topic

v) Personalized training modules

Personalized training modules use branching scenarios to personalize the content, based on the responses of the user. It's an effective way to ensure that your content is tailored to different individuals and is relevant and useful to them.

Best for:
- Assessing skips gaps
- Delivering the most relevant content
- Self-reflective learning

Step 4: Create your training module template

Once you've decided which module is the best fit, it's time to build your training module template using your chosen authoring tool. Either build from scratch or from pre-existing elearning design templates. Editing an existing template can save you time and help to ensure consistent branding throughout.

Step 5: Test and test again

Before launching your training module, it's critical that you test it on a sample audience and generate feedback from other stakeholders. Testing will help to identify any potential snags or gaps in the training that may need addressing before it's pushed out to your intended audience. Consult your Subject Matter Experts again at this point who can advise on any additional content to include or where existing content can be improved.

Collect feedback from your test audience on their general experience, the usability of it and what they liked the most and the least. Was it easy to follow? Did they find it engaging? This can inform any improvements that can enhance the user experience or make the content easier to digest.

Step 6: Publish the training module

After making necessary changes if any from the testing stage, it's ready to get publish the training module in order to give access to the trainees.

It's important that you review how your training module performs against your SMART goals on a regular basis to understand whether further improvements can be made, or if it's worth creating supporting modules that can help employees top up their knowledge.

Different Training Aids

I. Objective:
- To make the Participants aware about the different Training Aids

II. Training Aids
Training aids
- Help the trainee to get more time to and make learning permanent.
- Motivate the students properly through different training aids through which they put more efforts into learning.
- Training aids provide correct model for theoretical philosophy.

III. Why Use Training Aids?
All learning is through the senses. The more senses are brought into use, the more effective is the learning; 97 percent of learning is achieved through simultaneous appeal to the eye and ear. It is because of this that we should make use of audiovisual aids in training.

Effective use of audiovisual aids can be included in any sort of presentation. Charts, slides, videos, overhead transparencies and films can be used to add interest as well as supplement verbal explanations.

Proper use of instructional aids saves time, adds interest, helps trainees learn and makes your job easier. But remember that aids to training are aids only. They are not substitutes for training.

Trainers should use training aids to supplement their training rather than to replace all or part of it.

IV. Classification o Instructional Aids
Projective
- Motion pictures
- Videos
- Colour slides
- Overhead projector transparencies
- Computer pallet

Non-projective
- Chalkboard
- Whiteboard
- Charts and diagrams
- Models
- Exhibits
- Handouts
- Tape recorder

V. Selection of Training Aids

In selecting aids, take into account the following:
- Practicability
- Attractiveness and interest; vividness
- Suitability
- Complexity
- Clarity
- Portability
- Serviceability
- Availability
- Location
- Preparation and presentation
- Time factor

VI. Principles to Follow in Adopting a Visual Approach
- Anything that can be quantified or is factual can be presented visually
- Obtain and select the necessary data; confusing data and confusing information will result in confusing visuals
- Know clearly what you want to say in your visuals; write it down
- Plan your visuals; know what you want to include
- Try the visuals out on others before you use them

Tips to ensure the trainees do not go to sleep during presentation of your visuals
- Make your visuals visible
- Ensure that the trainees can see them
- Use colour for headings
- Take care with drawings; they can be misinterpreted
- Make them simple; eliminate details
- Ensure the key feature occupies a prominent part of the screen or display
- Minimize reflection
- Show all the key points

Preparation
- Plan carefully the use of instructional aids
- Make sure that the aids can be seen clearly from all areas of the room
- If you write, write clearly
- Use colour for emphasis

VI. Charts and Diagrams

These fall in two main categories:

I) Bold and simple

These are for use during a training session. They should:

- Be large enough to be seen by all
- Not necessarily be self-explanatory
- Be functionally coloured
- Include only the essentials

ii) Detailed

These are for close study at leisure. They should:

- Be more or less self-explanatory
- Be of medium or small size
- Be suitable for semi-permanent display
- Be artistically produced

VII. Handouts

Handouts are specially prepared sheets and notes. They are used:

- For reference purposes during the session or course
- To substitute for note taking
- To retain as a permanent record for reference after the course

A handout can:

- Introduce a topic
- Provide revision
- Provoke discussion

Handouts should:

- Be brief and sharp/containing only essential details
- Be accurate and complete
- Be designed clearly and attractively, with good use of white space
- Include diagrams if appropriate
- Always have a title
- Be planned
- Be of a standard size
- Be presented in a logical sequence
- Be pitched at a level appropriate to the audience

Why use handouts?

- They carry the stamp of authority
- They provide a record of important information
- They supply data to reflect the presentation
- They can provide background documentation
- They can be studied at the reader's own pace
- They convey with certainty the same data to a number of people
- They appeal to the sense of sight

When should handouts be distributed?

- Before the presentation

- During the presentation
- At the end

VIII. OVERHEAD TRANSPARENCIES

The overhead projector is one of the most useful training aids. It can replace the need for chalkboards, whiteboards and charts. The overhead projector can be used for presentation to a group of any size.

All material for use on an overhead projector needs to be reproduced on to transparencies using either special pens or printers with either non-permanent or permanent ink (the latter if the trainer wants to keep and reuse the transparencies). It is also possible to make either black and white or colour transparencies using a specially designed photocopier. Computer-generated transparencies can be excellent.

Design of overhead transparencies
- Keep them simple
- Include only essentials
- Make sure lettering is of sufficient height (>5 mm)
- Use colour on colourless film or contrasting colours on coloured film
- Do not clutter (no more than seven principle points to a transparency)
- Illustrations can be useful

Using the overhead projector
- Make sure the projector is placed so that all can see
- Focus correctly
- **Use masking technique:** cover part of the transparency so only the material you are discussing is shown

The overhead projector is probably the most flexible of the aids available to the trainer. Used correctly, it will enhance trainee learning by making presentations more interesting and explanations clearer.

IX. The Computer Pallet

The computer pallet is a device that replaces the computer screen. It is placed on top of an overhead projector, allowing the instructor to project material that has been prepared and stored on a computer disk.

The same basic principles that apply to the design of overhead transparencies also apply to the preparation of material on a computer for use on a computer pallet. The benefits of using a computer pallet include flexibility and the ability to amend material easily. Particular computer programs, if available to the instructor, can provide a large selection of graphic materials and presentation packages.

At present this technology is not widely available. An instructor who wishes to utilize a computer pallet should be trained and familiar with its use.

Colour Slides

Main features
- Slides are relatively inexpensive to procure
- They are easily used
- They facilitate study of a topic one step at a time
- All trainees get the same clear view
- Each frame can be studied and discussed at leisure during the screening
- They can be used in conjunction with a tape-recorder (tape/slide sequence)

How to use slides effectively
- Do not treat as entertainment
- Select slides that are relevant
- Plan your presentation
- Include an introduction and conclusion
- Do not prolong the presentation
- Ensure the equipment is sound and well set up before the presentation

X. VIDEOS
- Make sure videos are directly related to the subject; do not use them merely for entertainment or to give yourself a rest
- Make sure all trainees can see the monitor
- The video should be introduced; trainees should be told what it is about and what they should look for
- Review the video in a discussion after screening

Tips for an Effective Presentation

Always:
- Allow ample time for preparation: sufficient time to plan and construct and sufficient time to rehearse
- Make a file copy of your visuals
- Check on your worst seats, those on the extreme right and left
- Mount screen high enough for all to see
- Remove competing attractions; competition will reduce impact of your visuals
- Check all arrangements before you go on, even if it means going without your breakfast, lunch or dinner; make sure you have done everything possible for a smooth presentation
- Maintain constant contact with your audience; know your visuals well enough that you do not have to break your commentary to check points
- Time your visuals to coincide with your comments; mistiming is distracting
- Make your presentation straightforward; be sincere and win the confidence of your audience
- Keep your visuals moving; parallel the flow of your words with the flow of visuals
- Use only the required number of words; avoid excessive wordage
- Use only well-trained assistants who know the visuals as well as you do
- Keep your visuals; they may be needed again

Session 20.4

Behavioral games of Ring Toss

I. Objective:
- To make the trainees involved in the behavioural Game Ring Toss
- To make them understand about risk taking

II. Session Guide

Follow page No. 23 of AMT Manual

Session 21.1

Behavioral games of Boat Building

I. Objective:
- To make the trainees involved in the behavioral game, Boat Building
- To make them understand the importance of Time Management, Quality, Optimum Resource Utilization

II. Session Guide

Follow page No. 24 & 25 of AMT Manual

Methods of creating awareness among the community

I. Objective:
- To encourage the trainees to identify the various technique to create awareness among the community

II. Need for creating awareness about SVEP

India has progressed to a level to compete other developed nations in industrialization, agriculture, science, technology, and modernization. On the contrary majority of them are poverty striken, illiterates, ill health and powerless. It is a fact that, every year crores of money is spent in assisting the poor families in a view to improve their economic condition and eventually raise them form below the poverty line. The schemes like Integrated Rural Development Programme, National Rural Employment Programme, Rural Landless Employment Guarantee Programme, Drought Prone Areas Programme, Special Livestock Production Programme, Agricultural Development Programme, Training for Rural Youth for Self Employment, Development of Women and Children in Rural Areas, Primary Health Care, Rural Water Supply, Rural Road etc., are intended to supplement in assisting those families whoever unable to cross the poverty line during the previous plans and to take new beneficiaries in the current and consequent years.

Importance of SVEP in Rural Enterprise Development

SVEP develops an eco-system for enterprise development in rural areas consisting of Community Enterprise Fund (CEF) for enterprise funding, Cadre of Community Resource Persons-Enterprise Promotion (CRP-EP) for providing Business Support Services which includes preparation of business plans, trainings, accessing loans from Banks etc. and dedicated centre at block level for providing information to entrepreneurs.

CRP-EPs are selected from the community where the programme is being implemented as they understand the local context and their familiarity with the NRLM eco-system. CRP-EPs along with the Block Programme Manager (BPM) and the Mentor are the key human resources at the block level for implementing the programme. They play an important role for Orientation of CBOs on Enterprise development, business plan preparation, market linkages and handholding support to entrepreneurs.

The SVEP proposes to address following three major problems of rural start-ups

Under SVEP, the rural entrepreneurs will get technical support in the following three broad areas so that the enterprises (both existing and newly promoted) in the rural will become profitable.

a) **A missing knowledge eco-system -** the potential entrepreneurs do not have the skills of choosing which enterprise to start and how to do a feasibility analysis of the proposed enterprise. Common mistakes like starting an enterprise in a "me-too" manner or on the basis of "herd mentality" – copying any enterprise that is moderately successful occur frequently. There is also lack of specific business domain skills and many a times they lack business numeracy skills as well.

This gap shall be met by creating adequate trained social capital to guide and provide necessary support services to rural entrepreneurs (both new and existing entrepreneurs). MORD seeks to

create a cadre of Community Resource Persons – enterprise promotion (CRP-EPs) in all the blocks where SEVP intervention is being implemented. Local youth with numeracy skills shall be selected and trained to become CRP-EP's. These CRP-EP's shall help trigger potential entrepreneurs to start their enterprises and shall help them in doing a business feasibility analysis before starting up.

b) **A missing incubation eco-system -** Post starting the enterprise, the entrepreneurs do not have a mechanism of an advisor from whom they can seek help, specifically for business planning, risk assessment, working capital requirements, accounting, monitoring, costing and pricing, understanding seasonal demand etc. Also, there is no mechanism for peer to peer learning from similar entrepreneurs. Most enterprises fail due to not having this support eco-system in the critical first 6 months of operations.

This gap shall be met by the CRP-EPs, who'll handhold the entrepreneurs from start-up to at least six months post start-up. The CRP-EPs shall be supported by a software which shall help the CRP-EP make a usable P&L for the enterprise based on basic business data being fed into the same, shall create regional benchmarks for business performance parameters and use the same for giving performance feedback to the entrepreneurs.

c) **A missing financial eco-system -** The poor do not have access to bank finance and the existing mechanism of finance from moneylenders or MFIs or SHGs is not suited for businesses. Enterprises need working capital finance and startup finance, with some moratorium and flexible repayment schedules. The existing loans from MFIs or even the SHG's are of a fixed tenure with monthly EMIs which do not lend itself to enterprises with seasonal demand and supply cycles.

SVEP plans to address this gap by providing a loan to the entrepreneur for start-up, from a dedicated community investment fund, vested with a block level community based organization (CBO). Post start-up, the enterprise's business performance and loan repayment history to the CBO shall be captured in the software and can be provided to the banks while applying for a loan for scaling up the enterprise.

Hence the awareness among the community regarding SVEP and CRP EPs are important as both are complimenting each other for the success of the project as per the envisaged aim.

III. Methods of creating awareness

Awareness is the first step towards making programs successful. It has been seen, that many programmes launched by government finish unnoticed by the general public, though they are meant for the public. The reason is lack of proper tools of awareness, most of the awareness campaigns take with the help of electronic media; however, most of the rural population in India still does not have access to electronic media. The agencies associated with any sanitation programme should create awareness among the general masses in rural areas about sanitation schemes through street play, folk shows etc.

Through individual contact, dialogue, group discussion and community meetings the personnel should acquire a fair degree of familiarity with the people and their culture, the needs and priorities and the awareness programme to be implemented.

The motivational pendulum of awareness which is round the clock should keep the people on the move of learning through their experiences, thus strengthen the capabilities of the people to enable themselves to draw out relevant strategies to the more organized and work in order to shift the SEP or cultural systems to their favor - to democratic, secular and socialist society. To communicate to the people possible means of communication methods shall be adopted taking into account the culture and tradition. Relevant messages shall be documented and disseminated to the poor and at one stage the people should be trained to communicate within themselves without any financial constraints.

Hence, the media has an important role to play in changing the lives of the people through disseminating relevant information to the people that would help them to make their own destiny. 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 SRLM 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.

Session 21.3

Process of Maintaining Documents, files and indexing

I. Objective:
- To make the trainees understand the importance of proper documentation
- To get the trainees acquainted with the process of documentation

II. Filing and Indexing

Filing is the process of arranging and storing records so that they can be referred to at any time. The main objectives of arrangement of records are:

Careful storing, easy availability, ready reference, future planning, effective control, evidence in court and follow-up steps.

Centralized filing means a filing department in general office, whereas under decentralized filing every department maintains its own records. They have their own merits and demerits.

Systems of classification of files are: alphabetical, numerical, geographical and subject wise.

Methods of filing are: horizontal and vertical.
Old methods of horizontal filing are: wire file, folder file, pigeon hole, box file, guard book file, expanding case and arch liver file. The most modern method is vertical filing system. There are certain adaptations of vertical system such as suspension filing, lateral filing, open shelf, visible, rotary filing etc. All the systems of classification of files have their own merits and demerits.

Indexing is the process which helps locating the name, subject etc. under which the documents are filed. Indexing is necessary for easy location of files and cross referencing. Types of index are : ordinary page index (like bound book, loose leaf and vowel), vertical card, visible card, strip and rotary index. All the methods have their own advantages and disadvantages.

The two aspects of management of records are 'filing' and 'indexing'. Filing is the process of organizing the documents and records in a proper sequence. Indexing is the device for locating documents which have been filed.

III. Why should organizations have a good filing system

Filing means keeping documents in a safe place and being able to find them easily and quickly. Documents that are cared for will not easily tear, get lost or dirty.

A filing system is the central record-keeping system for an organisation. It helps you to be organised, systematic, efficient and transparent. It also helps all people who should be able to access information to do so easily.

It is always a pleasure when someone looks for something and is able to find it without difficulties. In our organizations we work in groups. We receive and send out documents on different subjects. We need to keep these documents for future reference. If these documents are not cared for, we cannot account for all our organizational activities. Everyone who needs to use documents should know where to get them.

IV. Important things to know about filing

What do we file?

We file documents that are sent to us by other people or organisations. We also file records of all our organisational activities. These can be letters, memos, reports, financial records, policy documents, etc.

When do we file?

This depends on how busy your office is. In very busy organisations filing is done at least every day and usually first thing in the morning. In a small or less busy office you could file once or twice a week.

Equipment used for filing

Filing Cabinet - It is used to keep flat files and suspension or hanging files

Steel Cabinet - It is used to keep big files that need to be locked up

Date Stamp - It is used to date stamp documents that are received on daily basis so that they are filed in chronological order and so we have a record of when we received the document

Register - It is used to record files taken out and files returned

Filing shelves - It is used to file box files

Box file - This is a big file that is used to keep big documents that cannot go into a filing cabinet. They are kept in shelves.

What files are used and how are they used?

Clip folders - they are used for documents that need to be taken out very often; they hold documents tightly so that they do not fall out.

Folders - paper or cardboard folders are used to keep loose documents together. The folders are placed inside suspension or box files.

Suspension file -the suspension files are used to keep documents in filing cabinets. The files are put into the drawers upright. The suspension files hangs down from the cradle. These files always remain in the cabinets but folders inside them can be taken out.

Box files - they are used to keep big documents including magazines and books.

Lever arch files -documents are kept firm in these files and allow one to look at documents without taking them out of the file.

V. Methods of filing

There are 5 methods of filing:

- Filing by Subject/Category
- Filing in Alphabetical order
- Filing by Numbers/Numerical order
- Filing by Places/Geographical order
- Filing by Dates/Chronological order

These ways of filing is called classification and means organising things that are alike, together. You can, however, combine some of these methods. For example, files that are kept together according to what they are about we say are subject filing but, inside each file the documents could be filed according to date order.

VI. Essentials of a good filing system

The system of filing must achieve its objectives. The following are the chief characteristics of a good filing system.

1. Simplicity

   The system should be simple so that the employees concerned may operate it without any difficulty.

2. Accessibility

   The system should enable files to be easily located and papers to be inserted in files without disturbing the arrangement.

3. Compactness

   The filing section should occupy reasonable space in view of the cost implication of large space.

4. Economy

   The cost of installation and operation of the system should be proportionate to the benefits derived from it.

5. Flexibility

   The system should be capable of expansion as the activities of the organisation expand.

6. Safety

   The records should be safe and available whenever they are needed.
   There should not be any danger regarding insects, rain and mishandling.

7. Retention

   There should be a well-defined policy of retaining or discarding the papers and records. Dead material must be discarded periodically.

8. Classification

   Most suitable method of classification should be adopted. Too many miscellaneous files and bulky files must be avoided.

VII. Purpose of Indexing

Meaning and Purpose

Indexing is an important aid to filing. Filing and indexing are so interrelated that filing without indexing is incomplete and indexing without filing does not exist.

Indexing is the process of determining the name, subject or other captions under which the documents are filed. Index is a guide to records. The main purpose of an index is to facilitate the location of required files and papers. Index helps the staff to find out whether a particular file exists for a party or subject, and its place in the container. It also facilitates cross referencing. Where records are classified in numerical order, or subject wise an index is necessary.

The purposes served by indexing are as follows:
(i)   easy location of files and documents
(ii) speedy cross-referencing
      Systems of Filing and Indexing :: 61A
(iii) saving of time and effort in locating records
(iv) efficiency of record keeping
(v)   reducing the operating cost of records management

A good indexing system should be simple, economical, safe, elastic and efficient.
It should provide for cross referencing of files. Tabs, guides or slips should be used for indications for quick referencing.

VIII. Types of Index

Various types of indexes are used in different offices according to their requirements.

The main types of indexes are:
1. Ordinary Page Index
   (a) Bound book index
   (b) Loose leaf index
   (c) Vowel index
2. Vertical Card Index
3. Visible Card Index
4. Strip Index
5. Wheel or Rotary Index

1. Ordinary Page Index
It is similar to the subject index given at the end of standard books inwhich the subject matter is alphabetically arranged and then relevantpage numbers are given against each heading or sub-heading. Sometimes it consists of specially designed pages fitted with a tab indicating an alphabet and on each page the names or subjects starting with thatalphabet are written along with the page numbers. This type of indexcan be

(a) Bound Book index, (b) Loose Leaf index, or (c) VowelIndex.
(a) Bound Book Index: Under this system, index is prepared in abound book or register divided into alphabetical sections in which the

names or documents are entered. Each section has the leaves cut awayat the right hand side so that the initial letters of all the sections are visible at a glance. All entries relating to a letter or alphabet are arranged in the same section or page reserved for it.

The merits of this method are: (i) It is a very simple method of indexing;(ii) No special training is required of the staff; (iii) It is very economical62 :: Commerce (Business Studies)as it does not need costly equipment. (iv) It is compact and handy andcan be used for a long period; (v) It is popular in small organisations.

The main drawbacks are :

(i) It is not flexible and cannot be expanded beyond a limit;

(ii) Alteration is not possible if anything has been wrongly entered. Dead subjects cannot be deleted;

(iii) The location of names is difficult as they are not entered in alphabetical sequence;

(iv) It is suitable for small offices only.

(b) Loose-Leaf Index: This is an improved version of the bound book index. The bound book becomes inconvenient to handle if it is too big.

In loose leaf index single sheets are punched to fit in between metal hinges with the help of a metal screw. Pages are loose so that any page can be taken out or additional pages inserted. To insert or remove the pages the metal hinges have to be unscrewed. The binder with the loose index sheets can be locked so that no one can take out any sheet without having authority to do so.

The main advantages of loose-leaf index are :

(i)   This method provides for maximum flexibility and can be adapted to suit the needs.

(ii) It is convenient to handle and provides quick and easy reference.

(iii) Dead records can be withdrawn and stored at the back.

(iv) It is more economical than other methods of indexing.

(v)   The sheets can be used for many different purposes such as keeping additional information regarding a customer e.g. credit rating, telephone number, postal and telegraphic addresse etc.

The main drawbacks are :

(I)   It takes longer to locate a particular index page.

(ii) Through constant handling the sheet may be damaged.

(iii) There is a possibility of the sheets being misplaced after they have been taken out.

(iv) If pages are used for multiple purposes, there are chancesof committing errors.

Vowel Index: It is a modification of the book index. In big organisations which deal with large correspondence, the index book is maintained onthe basis of vowel classification in order to facilitate quick reference.

The section of book reserved for an alphabet is subdivided into subsections, each of which is reserved for a vowel, that is, a, e, I, o, u and y.

The page is first selected by the initial letter and then by the vowel occurring after the initial letter, For example, the name 'Gandhi' will be recorded in the section reserved for 'G' and in the vowel sub-section'a'. The system is simple, easy to operate, economical, and suitable for large organisations. but it is not suitable for small offices.

Systems of Filing and Indexing :63A

2. Vertical Card Index

Under this system each subject, customer or document is allotted a separate card on which necessary information appears. The cards maybe of small size (12.5 cms x 7.5 cms) or as per

need. They are classified and arranged alphabetically, numerically, geographically or subject wise.

The alphabetical classification is more popular. In some cases more than one card may be prepared for the same set of information and each card may be arranged in different manner e.g. in library usually two cards are prepared for each book — one is arranged on the basis of author and the other on the basis of title of the book. The cards are filed vertically in steel or wooden drawers. A hole is punched into each card to keep the card in its proper place. Guide Cards may be used to indicate groups of cards in a class. This type of index is very popular in big offices.

It has many advantages.
(i)   It provides for flexibility as the number of cards can be increased or decreased without disturbing the arrangement.
(ii)   It is economical to operate
(iii) It is simple and easy to understand.
(iv)   The system can be used for many different purposes.
(v)   Dead records can be withdrawn at any time.
(vi)   It can be used by several persons at the same time.
(vii) Cards can be arranged in any order.

It suffers from certain limitations.
(i)   All the cards are not visible at a glance.
(ii)   Cards may get lost or damaged since removal of cards is easy.
(iii) Cards may get torn due to constant handling.
(iv)   The equipment is costly.
(v)   A regular check is required to ensure that cards removed for reference are replaced in their proper places.

3. Visible Card Index
   Under this system, the cards are arranged flat in a shallow tray or metal frame. Each card is attached to metal hinge and overlaps the one before it, so that name address and other particulars are visible without touching other cards. The frames or trays are attached vertically to the metal stands or they can be put horizontally into cabinets. The details of data can be written or typed on the front or back of the cards for reference.

The advantages are :
(I)   It occupies less space.
(ii)   The reference is much faster. Cards are easily located.
(iii) any information can be added without disturbing the arrangement.
(iv)   Out dated cards can be removed easily whenever necessary.
(v)   Its capacity is quite large. More cards can be accommodated in the same space.
(vi)   It is widely used in libraries, banks, insurance companies and other organisations.

Visible card index also suffers from certain drawbacks.
(i) It requires costly equipment.
(ii) Designing and operating the system needs special training. (iii) Making entries on cards takes more time.

4. Strip Index

In every office there is need for a list of names of parties to be maintained with their telephone numbers, addresses etc. A line entry on a narrow strip of card board can be prepared for a single item. These strips are arranged in a frame in such a way that they can be taken out and replaced with ease. Frames can be hanged on the wall or put on the table in a book form or even arranged on a rotary stand which can be turned round to look at any part of the index. This system is a variation of the visible card index, offers the same advantages and suffers from the same drawbacks.

5. Wheel or Rotary Index

Under this method cards are arranged around the hub of a wheel which may be portable. A single wheel can hold as many as 5000 cards. A card can be inserted or withdrawn without disturbing the other cards.

Entries can also be made on the cards without removing from the wheel.

The merits of this system are - quick and easy referencing, economy of time and efforts, economy of space, elasticity, etc. This indexing system has gained popularity because it is simple to operate.

SVEP Administrative Procedures

I. Objective:
- To make the trainees understand the SVEP Administrative Procedures.

II. SVEP Administrative procedures

Role of the SRLM in the implementation of the SVEP

The SRLM is expected to depute an officer as Block Program Manager-SVEP. This person shall be a dedicated Program Manager for SVEP- to be placed at the blocks where the SVEP is being implemented in the state. This Manager shall co-ordinate the implementation of the SVEP in the pilot blocks of the state for the year of initiation of the SVEP.

The KRA's, KPI's and competencies of this position are detailed below:

Position: Block Program Manager – SVEP

Purpose of the position - To co-ordinate between the PIA/NRO and the SRLM project team, and the community organizations (SHGs/VOs/CLFs) and ensure the SVEP gets implemented as per the plan and schedule (on all parameters - physical, financial and timelines).

To be involved in the implementation and monitoring the progress of the SVEP in the two blocks and help to scale up the same after incorporating mid-course corrections, if any.

To document and share best practices, identified in the implementation of SVEP in the initial 2blocks.

Reporting To - Administratively to the District Program Manager (SRLM) of the district chosenby the SRLM, and functionally to the State Program Manager (SVEP). He/she shall be based/posted in the block where the SVEP is being implemented.

Key Responsibilities
1. To ensure rollout of the SVEP program across all the pilot blocks, including completionof the baseline and market potential study and preparation of the DPR.
2. To co-ordinate and act as a bridge between the PIA/NRO, the community organizationsand the Block and the village level project staff.
3. To participate in all the processes of implementation of the SVEP.
4. To help operationalize the MIS for SVEP, monitor progress of the SVEP and share thesame with all the stakeholders – SRLM/PIA/NRO/ NRLM.
5. To ensure adherence to norms and completion of processes related to procurement oftablets and other equipment for the BRC.
6. To help institutionalize the Block Resource Centre and make it part of all the SRLMprocesses in the block.
7. Create and operationalize a course correction mechanism and a process for documentingand sharing best practices.

8. To help create a repository of business logics and training material at the BRCs.
9. To be part of the State level business advisory team for creating local benchmarks forenterprises and for giving seasonality based business advisories.

Key Performance Indicators -

1. Rollout of SVEP physical activities as per the timeline.
2. Number of community organizations' members trained effectively on the SVEP vs targets.
3. Number of MIS reports sent timely per month.
4. Number of monthly reviews of the progress of the program with the PIA/NRO and the District Program Manager facilitated.
5. Ensuring timely reporting of the work done by the PIA, and any deviation from plan is addressed or taken up at appropriate levels within the SRLM, with respect to:
   a. Number of CRP-EPs selected, trained and retained vs targets, for the period under review.
   b. Number of Enterprises trained, supported to start /grow their business and increase in their incomes vs targets, for the period under review.
   c. Number of enterprises linked to banks for loans for the business vs targets for the period under review.
   d. Number of enterprises given loans (from banks or SHGs) and repayment of the loans from business profits vs targets, for the period under review.
6. Number of regional and village category wise benchmarks created for various groups of enterprises created.
7. Number of best practices and training materials, including ICT trainings documented and added to the repository.

Core Competencies -

1. Understanding and hands-on experience of the non-farm livelihoods sector and its issues– having worked with either a business or a producer organization that has been successful, or having worked with the SRLM in a livelihoods profile or having worked with a SVEP-like project. The person should have at least 2 years of work experience.
2. Should have numerical and business finance understanding and skills.
3. Good team player, strong ability to work with teams and with people with no direct reporting relationships.
4. Data driven, open to learning and adaptable, should be willing to adapt to ground realities.
5. Should be compassionate for the poor and should be willing to look at issues from theirlens. Also, should be honest, fair and objective in work. The person should not discriminate anyone based on gender, caste, class, region or any other identity mark.
6. Should have a training and development orientation.
7. Should be self-driven and should be motivated by social change and impact at scale.
8. Should be willing to travel extensively in the field and be willing to stay in a village forapprox. 10 to 15 days a month.

Apart from this person being selected and deployed at the block, the SPM in charge of SVEP andthe SMD (whenever possible) should review the progress of the program and its physical andfinancial achievements every month.

The SRLM should own the project and should develop capability to roll-out the program in all blocks of the states, using its own human resources after the establishing the success of the pilot.

The SRLM also has to play a facilitating role in setting up state level benchmark settingcommittee which shall comprise members from SRLM including the SRLM (SPM/BPMSVEP), other SPM (livelihoods), and expert practitioners of the trade and industry experts. This committee shall validate the business performance benchmarks for each group of enterprises forthe blocks, as generated from collating data, by the MIS software. This committee is also expected to send out seasonal advisories to various kinds of enterprises – to help them maximizeincomes based on seasonal demand and minimize losses due to seasonal stocks left with them,due to the end of a seasonal demand.

Apart from these activities, the committee is also expected to facilitate consolidation of demandand supply of all the enterprises in the block/ district /state and use the same for facilitating bettertrade terms for the enterprises capitalizing on collective bargaining power.

III. Monitoring mechanisms for the SVEP at the state and central levels
Monitoring and review of the Projects sanctioned and implemented will be done at two levels i.e.at the Central level by a designated agency or the NMMU and at the State level by the SRLM.

i). State Level:
For monitoring and periodic review of the sanctioned project, a Committee should be formed at the State level, headed by the Mission Director, SRLM. The State Committee should have participation from the relevant state departments like Forest and Environment, tribal development, Women and Child Development, MSME, KVIC, textiles, and domain experts etc.

The Committee should undertake quarterly reviews withthe PIAs/NROs. The State governments may also constitute a State Level Technical Project Support Group to assist the PIAs in the implementation of the Projects.

The minutes of such monitoring committee meetings must be shared with the NRLM within 10days of the meeting being held.

ii). Central Level:
At the Central Level, the NMMU and the monitoring committee of the NMMU will periodically review and monitor the SVEP projects (minimum at quarterly intervals), sanctioned under the scheme. This monitoring and advisory body including the representatives from private organizations, industries, marketing firms etc. would be constituted at the Central Level to give necessary advice to the Ministry of Rural Development on the implementation of SVEP.

III). Audit requirements for the SVEP projects
There are two kinds of audits envisaged under the SVEP:

I. The Ministry of Rural Development retains the right to carry out internal audit of funds and financial implications of the project, if deemed necessary.

ii. Regular Financial audit is to be carried out by the Chartered Accountant of the Project Implementing Agency or any other authority appointed by the State Government. The audit report together with action taken on the auditor's observations and physical progress under the project shall be furnished at the time of release of 2nd / 3rd installment of the Central funds and at the end of every financial year. These audit reports would clearly state that the

grant funds utilized under SVEP have not been used to create any individual assets or for purchase of vehicles or used for any activity prohibited under the NRLM. Only funds loaned to the entrepreneurs from the CIF under the SVEP, can be used to create individual assets required for the running of the enterprise.

The accounts of the BRC (Block resource center) specially the accounts of the CIF under SVEP,would be maintained separately and should be audited by the SRLM or its deputed auditors. These audit reports have to form the part of the SRLM's audit report for the SVEP to be submitted at the same frequency as discussed above.

IV. Beneficiaries of SVEP
There are 2 types of beneficiaries –
   a. The Community Resource Person – Enterprise Promotion (CRP-EP)
   b. The entrepreneur

a. Selection criteria for the CRP-EP beneficiary
The CRP-EP shall be getting detailed training and the eligibility criteria for selection of the CRPEP shall be decided jointly between the PIA and the SRLM. Some suggested criteria are – this person should be literate, should be fluent in the local language, ideally should be a resident of the block, should have a working knowledge of / aptitude for mathematics and business understanding, should be willing to travel and interact with potential entrepreneurs, ideally should be a member of, or should be from the family of a member of a SHG. The age criteria canbe defined by the SRLM, but ideally should be between 18 to 45 years old.

The process of applying for becoming a CRP-EP is an open process by which any person meeting the base eligibility criteria can apply.

This CRP-EP shall be selected after a due process of selection, which has a written test and some team activities. This CRP-EP post training is expected to clear a certification process, only after which he/she shall be eligible to operate as a CRP-EP.

b. Selection criteria for the entrepreneur beneficiary
There shall be 2 stages of the selection of the entrepreneur beneficiary -

1st stage
i. When the potential entrepreneur expresses interest for starting an enterprise
ii. At this point of time the beneficiary gets only training and support.
   This beneficiary selection may be done by the community organization, based on the need and poverty of the person, and also the potential capability of the person to run an enterprise.
   There is no age limit nor is the beneficiary expected to be a woman only.

2nd stage
i. Post the training and completing the viability test by the potential entrepreneur; the potential entrepreneur may seek a loan from the dedicated CIF under this scheme (applicable only for entrepreneur beneficiaries who are part of the SHG eco-system).
ii. This loan shall be recommended by the CRP-EP based on the assessment of the viability of the enterprise and the potential entrepreneur's ability to run the enterprise viably.

Both the selection decisions are to be taken by the community based organizations, after evaluating the recommendation of the Community Resource Person, about the viability of the proposed enterprise and the capability and readiness of the potential entrepreneur for running the enterprise viably.

The guideline specifies that preference should be given to the highly vulnerable beneficiaries under MGNREGA, marginalized sections, women, SC and ST communities and should also include rural artisans.

There is no provision of grant under the scheme, the only benefit the beneficiary shall get are training and a loan for starting/running the business.

Session 32.1 to 4

32.1 & 33.2	-	**Assessment**
32.3	-	**Feed back**
32.4	-	**Valediction**

"Instead of writing some one else's account through wage employment, after three to five years of collegiate education, it is more meaningful to write one's own account by embarking upon some self employment.

Dr D Veerendra Heggade
President
National Academy of RUDSETI

**National Rural Livelihood Mission
(NRLM)**

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