



Mojammel Hoque (right), Micro-Enterprise Consultant (MEC) in Pakur District, Jharkhand generates a financial statement from the newly launched Performance Tracking System (PTS) mobile application for SHG entrepreneur Jinnath Praveen (centre) who runs a *kirana* store in Pakur. Mentor MEC from Kerala, Bindhu Udayan (left) monitors the process.



“Our MEC group MECMA, formed by 13 MECs in 2013, has supported 245 enterprises till date. Working in a group helps. Individual MEC cannot possess all knowledge and skills. In a group, every MEC brings their skill sets and the risk of making mistakes is reduced.”

**Deepak Kumar is a  
Micro-Enterprise Consultant  
in Muzzafarpur District, Bihar  
since 2013**



“In my community, women aren’t educated or literate. As a MEC, I derive satisfaction from the happiness of the SHG women whom I have supported in starting enterprises.”

**Shimla Banra is a Micro-Enterprise Consultant in West Singhbhum District, Jharkhand since 2013. She is also MEC trainer involved in the MEC project in Rajasthan**



“When the MEC, Shabana Begum came to our SHG meeting, I was looking for livelihood options. The MEC suggested I start a vegetable shop in the village since there wasn't one.

I took a loan of Rs 5,000 from my SHG to start my own vegetable shop. I earn an average of Rs. 200 a day.”

**Mehrun Nisa**  
**Amrit Kua Gram Panchayat**  
**Sangod Block**  
**Kota District**  
**Rajasthan**



*Local markets organized in Karnataka (above) and Maharashtra (below)*



## **Local markets in Jharkhand, Karnataka and Maharashtra**

- Local markets provide first time woman entrepreneurs, visible, accessible markets for their products
- It brings markets closer to the villages - saves time and effort for the buyers
- The MEC Group identifies locations to hold markets, liaised with administration for resources and approval, motivated SHG entrepreneurs to participate and conducted promotion activities to popularise the markets



*(Above) Goat market in Maharashtra.  
(Below) Local markets in Jharkhand*



In **Maharashtra**, 80 SHG entrepreneurs and 150 non-SHG entrepreneurs participate in 10 local markets every week. Local markets are being conducted for the past 5 months. The total revenue generated by SHG entrepreneurs is approximately Rs. 16 lakhs as on May 2016. In Osmanabad, Maharashtra MEC also organized women goat farmers to set up fair trade goat market.

9 local markets have been initiated in **Karnataka** since February 2015. 139 entrepreneurs participate of which 85 are first time entrepreneurs. Revenue generated during the past four months is approximately Rs. 11.94 lakhs.

**In Jharkhand, 4 local markets have been revived**, 3 in West Singhbhum and 1 in Pakur District. 380 SHG entrepreneurs participate regularly. Approximately Rs. 12 lakhs of revenue has been generated since November 2015.



Cafe Kudumbashree - India Food Court was organized by Kudumbashree during 25 December 2015 - 02 January 2016 in Thiruvananthapuram, Kerala.

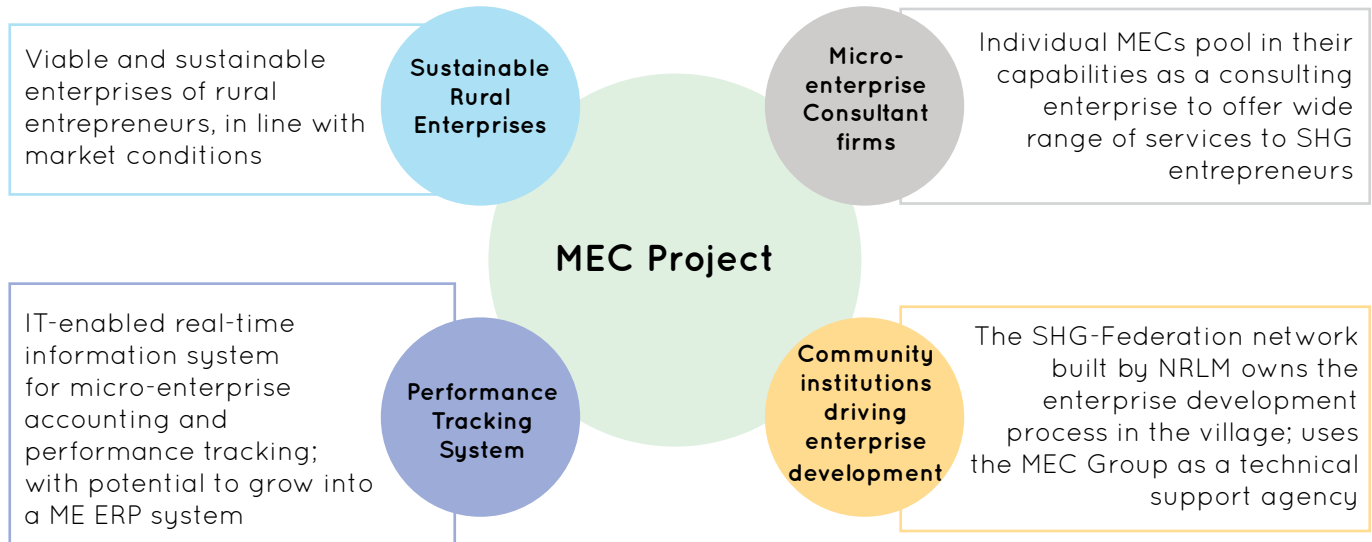
62 women entrepreneurs from 7 partner-States of Kudumbashree NRO, specialized in cooking and serving traditional food participated in the Food Court along with Café Kudumbashree entrepreneurs from Kerala. Sales worth Rs. 12.37 lakh was generated.



*Women entrepreneurs from Sikkim (above) and Jharkhand (below) during Cafe Kudumbashree - India Food Court in Thiruvananthapuram, Kerala*

The MEC project is being implemented on a pilot basis in 17 districts in Bihar, Gujarat, Jharkhand, Karnataka, Maharashtra and Rajasthan.

The pilot projects have helped develop proof of concept for the Community-based Micro Enterprise Support system. Creating a nurturing eco-system for rural micro-enterprises need to be built on four pillars:





**Micro-enterprise Consultants (MEC)** are drawn from the community, trained and placed locally to provide handholding support to existing and potential entrepreneurs on a chargeable basis.

**MEC Firms** are registered partnership firms offering business consulting services, leveraging the different skill sets of its members in the interest of providing quality services to targeted clients.



*MEC during training session (Left) and MEC visiting enterprises for market study in Gujarat*

## MEC Firms

The **MEC Firms** offer **services** such as business opportunity identification, entrepreneur identification and training, business planning, credit linkages, enterprise setting up and market linkages, performance tracking and advisory, growth diagnostics and problem solving.

Start date	State	#Districts	#MEC	#MEC Groups
Jan 2013	Bihar	2	93	11
Sep 2013	Jharkhand	3	110	8
Sep 2014	Karnataka	3	125	10
Oct 2014	Maharashtra	3	119	8
May 2015	Gujarat	3	104	9
Nov 2015	Rajasthan	3	63	8

Data as of May 2016



*MEC at SHG meeting for discussing on enterprise identification in Muzzafarpur, Bihar*

## Community institutions driving enterprise development

Enterprises form a valuable part of the diverse livelihood portfolio of poor families forming SHGs in NRLM.

SHGs and their federations are made capable to create mechanisms to steer and monitor the enterprise development process.

MEC Firms are envisioned as service providers to the community institutions. The relationship is governed by contracts and monitored by the CBO, supported by the implementation support structures of NRLM.

## Community institutions driving enterprise development



*Joshi (left) during VO Orientation for MEC Project in Osmanabad, Maharashtra*

*6 new Micro-enterprises and 7 existing enterprises of members of Pragati Mahila Gram Sangh are supported by Sankalp MEC Group.*

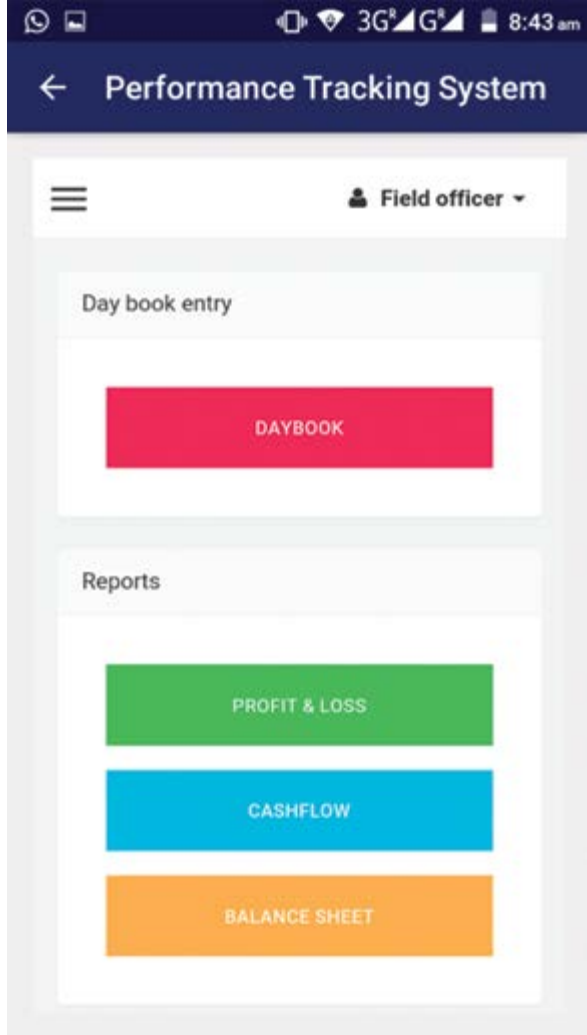
“Our VO received an orientation on MEC Project in May 2016 by Sankalp MEC Group. The orientation helped us realize the importance of maintaining records of enterprises started by our members.

Later, we were informed about a retail space which could be used as an SHG product store. The MEC motivated us to use this opportunity and also trained us on pricing the products, packaging, and accounting methods. We opened the store in June 2016 as a venture of the VO.

One of our members also managed to get a MUDRA loan within a week due to the MEC’s efforts. She started a vegetable trading business.

We now maintain a ME register for our VO. We also plan to have a dedicated ME convener to liaise with the MEC group and support our entrepreneurial initiatives.”

**Joshi, VO Secretary, Pragati Mahila Gram Sangh,  
Ambejalge Gram Panchayat, Osmanabad, Maharashtra**



## Performance Tracking System

Performance Tracking System (PTS) is a mechanism to record transactions, create financial statement, monitor and communicate the financial health of micro-enterprises.

Currently, the PTS is developed as a Application on a Android-based mobile phone.

MEC trains entrepreneurs to maintain a simple day book customized for the specific type of business, manually or directly on their phones. The day-book data is compiled, manually or on the App, to generate periodic Cash Flow and Profit & Loss statements and balance sheet for every Micro Enterprise registered in the system.

## Performance Tracking System



(Above) Suru Tiu's Snack Stall;  
her day book (right)

“The MEC suggested that I should maintain accounts of my business earnings and costs every day. Since I am not very comfortable with numbers, MEC suggested that I maintain accounts by drawing symbols instead of numbers.”

**Suru Tiu, Snack Stall Owner, Dopai Gram Panchayat, Khuntpani Block, West Singhbhum District, Jharkhand**

Date	Particulars	Debit	Credit
1/1/20	...	...	...
2/1/20	...	...	...
3/1/20	...	...	...
4/1/20	...	...	...
5/1/20	...	...	...
6/1/20	...	...	...
7/1/20	...	...	...
8/1/20	...	...	...
9/1/20	...	...	...
10/1/20	...	...	...
11/1/20	...	...	...
12/1/20	...	...	...

## Sustainable rural enterprises



“I paid for my daughter’s wedding using profits from my business. Nothing could be bigger and more satisfying than this”

**Madhuri Devi**  
**Owner, Tailoring and Ladies Store**  
**Kharrati Gram Panchayat, Dobhi Block,**  
**Gaya District, Bihar**

<b>Total Investment</b>	<b>Rs. 50,000</b>
Average Monthly Revenue	Rs. 38,000
Average Monthly Profit	Rs. 24,000

## Sustainable rural enterprises



Entrepreneurs with MEC and mentors at Cafe Jeevika Jalpan at Gaya, Bihar

### The MEC firm helps in:

- Identifying viable business opportunities, appropriate to the conditions of the entrepreneur and the market
- Developing bankable business plans and if necessary linking with the financial institution
- Making raw material and product market linkages; procure equipment

## Enterprises supported in pilot locations

State	# of enterprises
Bihar	1,768
Jharkhand	1,779
Karnataka	976
Maharashtra	965
Rajasthan	93
Gujarat	in progress

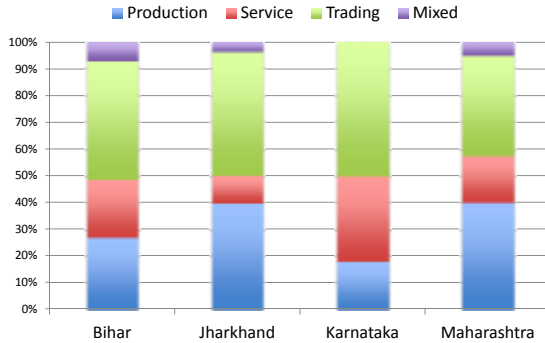
Data as of May 2016



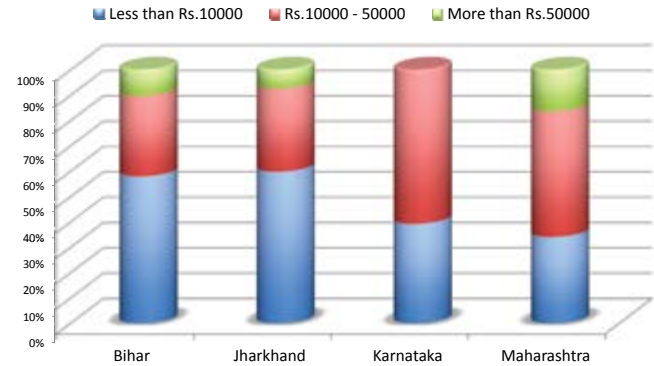
# Sustainable rural enterprises

## Profile of enterprises supported by MEC Firms

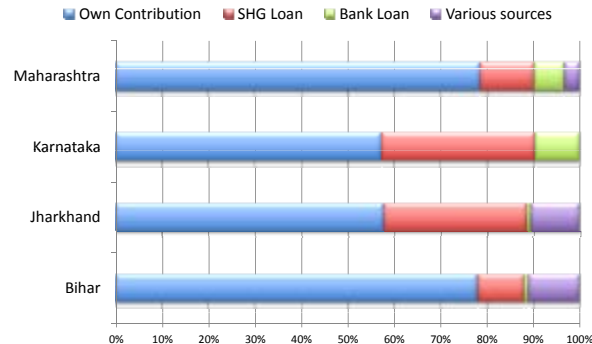
Data from Bihar, Jharkhand, Karnataka and Maharashtra as of April 2016



Distribution by sector



Capital Invested



Source of Capital

# MEC Project

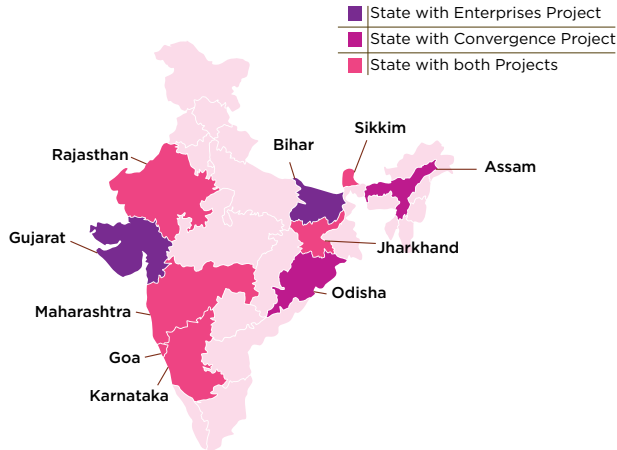
Based on the experiences of Kudumbashree, KS-NRO supports 6 states, namely Bihar, Gujarat, Jharkhand, Karnataka, Maharashtra and Rajasthan for micro-enterprise development through building and strengthening local pool of Micro-enterprise Consultants (MEC) in partner-States.

Prime activities include:

- Identifying and selection of MEC
- Capacitation of MEC and placement of MEC Groups
- Establishing MEC – CBO linkages for sustainable rural enterprise development
- Roll out of sustainable monitoring mechanisms

41 personnel drawn from Kudumbashree's resource pool of former CDS Chairpersons, Micro-Enterprise Consultants, KAASS accountants provide on-ground mentoring and hand-holding support for project activities in partner-States. 27 Young Professionals are engaged in supporting mentors, designing and developing training, planning and monitoring modules and tools.

# Kudumbashree – National Resource Organisation



- 10 partner-States
- Special short-period projects in Sikkim & Goa

- Kudumbashree, State Poverty Eradication Mission of Kerala identified as National Resource Organisation under National Rural Livelihood Mission (NRLM) by Ministry of Rural Development, Government of India
- Headquartered in Thiruvananthapuram, Kerala. Functioning since 2013
- Mandated to support partner-State SRLM for implementing two projects based on Kudumbashree experience:
  - **Convergence between Panchayat Raj Institutions (PRI) and Community Based Organisations (CBO)** for reaching out to the poor and empowering the community
  - **Enterprise Development** through strengthening local cadre of Micro-Enterprise Consultants (MEC)



Aajeevika  
National Rural Livelihoods Mission



Kudumbashree  
Kerala State Poverty Eradication Mission

## Kudumbashree National Resource Organisation



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