



TAMIL NADU RURAL TRANSFORMATION PROJECT

COVID-19 Assistance Package – CAP



The Tamil Nadu Rural Transformation Project (TNRTP) a World Bank assisted unique Project which aims at promoting rural enterprises and doubling the income of rural communities, will be implemented in 120 Non-Pudhu Vaazhvu Project blocks of Tamil Nadu covering 3,994 village panchayats spread across 26 districts (except Ariyalur, Dharmapuri, Kanyakumari, Perambalur, Thanjavur and Chennai) of Tamil Nadu.

FREQUENTLY ASKED QUESTIONS



1. What is CAP?

CAP is a response program to the COVID pandemic outbreak. CAP is to restart enterprises that do not re-open or open at smaller scale due to lack of capital because of COVID 19 lockdown and to bring incomes/employment back to pre-lockdown levels, reduce job loss (both formal and informal, and avoid distress sale of assets).

2. What is the rationale of the CAP?

To support Nano and Micro enterprises in rural areas that are facing crisis owing to the reduced economic activities and changed business scenario due to COVID-19 and to the lockdown impact.

The unprecedented impact of Covid-19 has imparted the rural enterprises & Livelihood to a longer expense. This CAP program will provide immediate CAP fund to individuals/Groups to reshare their enterprise/livelihood

3. What are the objectives of the CAP?

To reinforce the local economy through stimulus fund assistance to rural individual and group enterprises for income/employment generation.

4. What are the salient features of the CAP?

The CAP interventions include focused support areas, to the following SHG/SHG members:

1. Working Capital Support Fund for Individual Enterprise
2. One Time Capital Grant to Existing Collective Enterprises.
 - a) Support Under CAP for Existing Producer Groups.
 - b) Support on CAP for Existing Enterprise Groups
3. Capitalization to Producer Collectives in Project Blocks
4. a) Individual Assistance to Enterprises/livelihood run by Differently abled and Vulnerable People.
 - b) Skilled migrant youth returnees.



5. Duration of the CAP?

The package will be available for a period of six calendar months from the date of notification unless otherwise extended by notifying authority. Funds will not be disbursed after the closure date under any circumstances in TNRTP Project block villages.

6. What is the Project Coverage?

30 Districts - 120 Blocks - 3994 Village Panchayats.

7. Who are the Individual Entrepreneurs?

An enterprise owned by an individual or more than one individual in partnership. For the purpose of CAP, an individual enterprise is classified on the basis of following parameters detailed in the matrix below.

- The size of the investment [Nano: Upto 5 lakhs, Micro: 5- 15 lakhs]
- Employment generated [Nano: 1+, Micro: 10+]
- Business Turnover [Nano: 5-15 lakhs, Micro: 25-50 lakhs]

This support is one-time short-term assistance that will help to overcome immediate cash flow crisis for the businesses/enterprises at the village level.

8. Nature of Support for Working Capital Support Fund for Individual Enterprise?

This will provide short-term assistance of up to Rs.50,000/- per enterprise (SHG member/SHG household) for farm, farm allied and non-farm activities. The support will be primarily for working capital support to existing Nano and micro individual enterprises run by the SHG member / SHG household. The amount will be based on requirements of the businesses/enterprises and nature of support as derived from activity plan.



9. Repayment of the Individual Enterprises?

- The Entrepreneur shall repay the amount to the SHG in maximum 39 Monthly Instalments (Including 3 months moratorium period).
- The SHG will repay the amount to the PLF with an additional grace of 2 months, i.e. full repayment in 41 months.



10. What is One Time Capital Grant to Existing Collective Enterprises

Producers who are primarily engaged in farm, off-farm and non-farm sectors that already identified and mobilized into Enterprise groups (EGs) and Producer Groups (PGs).

a) EGs are a “group of members having joint ownership and control over the business activities with shared profit and loss.”

b) PGs are a “group of producers engaged in a commodity /subsector in a village who come together for aggregation, productivity enhancement and other collective actions.”



11. Nature of Support for Existing Producer Groups?

This will be one –time capital grant to existing PGs up to a maximum of Rs.1,50,000 per PG. Funds will disbursed based on actual requirement and demand, should not be a fixed amount as the requirement and demand should be varied /different based on nature of commodity/ sub-sector and size of the group.

12. Nature of Support for Enterprise Groups?

This will be a one-time capital grant to existing EGs of a maximum of Rs.1,50,000/- per EG. Funds will be disbursed based on actual requirement and demand, should not be a fixed amount as the requirement and demand should be different based on the nature of business and activity pursued.

13. Who are the Producer collectives?

Producer Collective is a formal higher-level collective of Producers for aggregation, value addition, marketing and service provisioning for economies of scale. The membership is usually ranging between 1500 to 5000 Producers and for certain commodities and in sparsely populated tribal areas the size of the PC may be as low as 500 producers. In the COVID 19 Assistance Package the minimum membership is 300 members.



14. Who are the target beneficiaries of the Producer collectives?

The Producer Collectives can be in the legal formats of Farmer Producer Company, Farmer Producer Organization and Common Livelihood Federation. The FPO's nurtured through multiple agencies such as NABARD, Small Farmers Agri Consortium, Tamil Nadu Agri Marketing, NGOs / CSOs, Private Entities and CLFs promoted by TNSRLM.

15. Nature of Support for Producer Collectives?

This will provide capital grant funds to existing PCs to a maximum amount of Rs. 10.00 Lakh per PC. Further, PCs those are undertaking farm and non-farm activities are eligible to get support under this window.

16. Identification of entrepreneurial Differently abled and Vulnerable People?

a. Individual (Differently abled and vulnerable) must belong to TNRTP implementing block. (vulnerable – Transgender, Widow, Destitute Women, Death of the breadwinner, Tribal, Women headed family, Chronic illness, etc.,)

b. The individual should have involved in an enterprise at least for 6 months. (The age of the Enterprise/livelihood should not be less than 6 months)



17. Nature of Support for Differently abled and Vulnerable People

To provide assistance to support enterprises / livelihood activities carried out by the differently-abled and vulnerable individuals through VPRC to a Maximum of Rs. 20,000 per individual.



18. Repayment of the Loan for Differently abled and Vulnerable People?

The Individual shall repay the amount to the VPRC as fixed by them.

19. Who are Skilled Youth Migrant Returnees?

Skilled youth migrant returnees from any source including within state, within the country or from abroad, aspiring to become an entrepreneur or a start-up. Further, they shall become spark/trainer and their enterprise shall be promoted as Community Skill School (CSS) if needed.

20. Nature of Support for Skilled Youth Migrant Returnees?

This will be one-time fund support, with a maximum of Rs.1,00,000/- per skilled youth migrant returnee for both existing and creation of new enterprises particularly, Nano and micro enterprises.

21 . Repayment of Loan by Skilled Youth Migrant Returnees?

The Individual shall repay the amount to the VPRC as fixed by them

22. Who all can I approach to avail the Package?

You may meet a member of TNTRP District/Block level Staff, Self Help Group, and Panchayat Level federation to check your eligibility for availing this package.

23. Who Should I Contact for grievance?

In case of any grievance, you may contact the following officers in the Project

Chief Operating Officer,
Tamil Nadu Rural Transformation Project,
2nd Floor, Annai Terasa Mahalir Valagam,
Valluvar Kottam High Road,
Nungambakkam, Chennai – 600 034.

District
Executive
Officer,
TNTRTP.

Block Team
Leader,
TNTRTP.

