



Annual Report 2009-2010



Bihar Rural Livelihoods Promotion Society

EXECUTIVE SUMMARY

The end of the FY 2009-10 marks the completion of two & half years of the project. During the year, the project scaled up its operations in 26 new blocks making the total number 44. The achievements of this year has been quite phenomenal. Remarkable progress was seen in the areas of SHG formation, micro-plan preparation, Bank account opening, Capitalization of groups and VO formation.

The project has significantly achieved its entire target set in the Annual Action Plan for the year 2009-10, except in a few cases. In terms of SHGs promotion, bank account opening, disbursement of CIF etc., the project has over-performed in comparison to what was planned, where as in terms of federating SHGs into VOs and ensuring credit linkage, mobilization of finance from commercial banks and training – there have been some shortfalls.

Therefore, while the project has mastered the art of forming SHGs, their account opening and capitalization of groups, there is a long way to go in training and building their capacity and credit linking of these groups with commercial banks. Overall at the state level the project has been able to achieve more than 90% of the targets. Among 18 old BPIUs, the performance in key indicators of 12 blocks has been more than 85% of their annual targets.

This year has been found significant in terms of further federation of SHGs into VOs and trying out BLF. Till March'10, JEEVIKA has promoted 19175 SHGs and 651 VOs. These institutions have been nourished for being instrumental in implementing larger convergence issues. Also, the efforts have been initiated to register VOs as primary federations under the "Bihar Self Supporting Co-operative Societies Act".

It would be encouraging to share that, a Steering Committee of SLBC for SHGs and Financial Inclusion has been constituted. At the behest of this committee, the SLBC has taken a key decision to increase the limit of 1st bank credit linkage to Rs. 50000 or four times of SHGs corpus, "whichever is higher", previously the

policy being "whichever is lower". The concept of Bank Mitra has also been accepted and incorporated at Steering Committee level of SLBC. Looking at the size of SHGs micro-plan and huge requirement of capitalization of community institutions, the Initial Capitalization Fund limit has also been enhanced to Rs. 50000.

The interventions of Health Risk Fund and Food Security programme also picked up during the year and 39606 SHG members of 3444 SHGs of 314 VOs have started additional saving for HRF. During the year, the project has crossed the mark of making signature literate to nearly 80 thousand SHG members. Similarly three VOs in Gaya have come forward to take up PDS license for ensuring timely food grain availability to the target community of the village.

In farm sector, in continuation of the success in System of Rice Intensification, System of Wheat Intensification was scaled up this year. 25235 farmers from 184 villages have tried the SWI and got an average yield of 4.5 ton/ha. against 2.19 through traditional practice. Put together the PVSP, SRI and SWI, have emerged as the best way out for income enhancement as well as ensuring food security.

Dairy interventions are taking shape quickly with the support of COMFED and the Dairy Consultants. During the year the project formed 62 DCS comprising 2257 SHG members. There are additional members who have been linked to existing Co-operatives. Altogether, 3520 members pour around 8000 litres of milk in the DCS. Apart from that, the partners EDA, Shakti Sudha, Sakhi, Pradaan and ASA have strengthened the initiatives in livelihoods sector.

The annual action plan for the FY 2010-2011 has been prepared following a bottom up process. The enthusiasm, particularly of the BPIU team members, was quite inspiring and motivating-the overall budget for the next financial year is more than the total budget for the whole five years project duration. The challenge would be to get this enthusiasm going and move to the next orbit the performance, effectiveness and efficiency.

CONTENT

List of Content	Page #
Project Locations	01
Project Framework	02
Project Outreach	03
<i>SECTORAL PROGRESS</i>	
Institution & Capacity Building	04
Micro Finance	06
Livelihoods	08
Social Development	10
Communication	12
Monitoring, Evaluation & Learning	14
Human Resource Development	16
Administration	18
Procurement	18
Finance	19
<i>ANNEXURE</i>	
Progress up to March' 2010	20
Human Resource Status	21
Audited Financial Statement	22
Abstract of Annual Budget	38



PROJECT LOCATIONS

Based on the study related to Poverty and Social Assessment of Bihar, looking into the aspects viz. Poverty, Social Vulnerability, Livelihood Potential and Social Capital, eighteen blocks in six districts were included in the first phase. It was expanded to further twenty four blocks in same districts and one block each in Madhepura & Supaul in its second phase.

Phase - I

Work in 18 Blocks started in the first year of the project from 2nd Oct 2007.

Phase - II

Work in 26 Blocks started in the third year of the project i.e. 2nd Oct, 2009.

District	Total Blocks	Block in 1st Phase	Block in 2nd Phase
Purnia	14	Banmankhi Dhamdaha B. Kothi	Amour Bhawanipur Baisi Rupauli
Gaya	24	Bodh Gaya Dobhi Sherghati Khizirsarai	Amas Atri Barachatti Gurua Manpur Tankuppa Wazirganj
Nalanda	20	Harnaut Rajgir Sarmera	Biharsharif Nagarnausa Rahui Noorsarai
Khagaria	07	Alauli Khagaria	Chautham
Muzaffarpur	16	Bochaha Minapur Musahari	Dholi (Muraul) Kurhani Sakra Saraiya
Madhubani	21	Rajnagar Benipatti Khajauli	Jainagar Jhanjharpur Lakhnaur Pandal
Supaul	11	-	Chhatapur
Madhepura	07	-	Kumarkhand

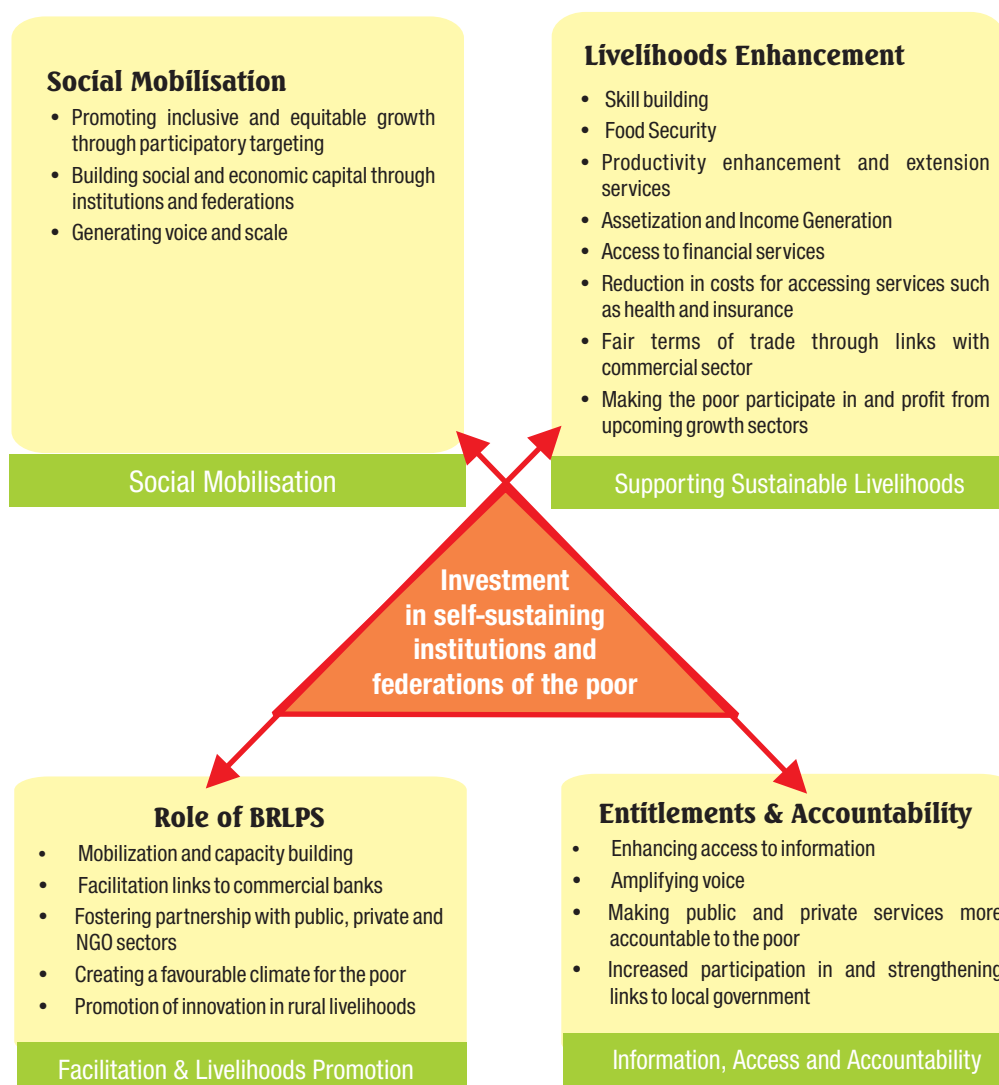
PROJECT FRAMEWORK

As per the project design, targetting of the poorest of the poor and poor has to be done considering the social vulnerability existing and spatial distribution of the villages based on discriminations.

- * *Project duration* - 5 years.
- * *Total estimated Project Cost* - US \$ 73 million
- * *Total World Bank Financing* - US \$ 63 million.
- * *Govt. of Bihar's Contribution* - US \$ 7 million.
- * *Community's Contribution* - US \$ 3 million.

The project in its period of five years envisages covering :

- * 0.5 Million Poor Families
- * 4,000 Villages
- * 44 Blocks of Eight Districts viz. Nalanda, Gaya, Khagaria, Muzaffarpur, Madhubani, Purnia, Madhepura and Supaul..



OUTREACH

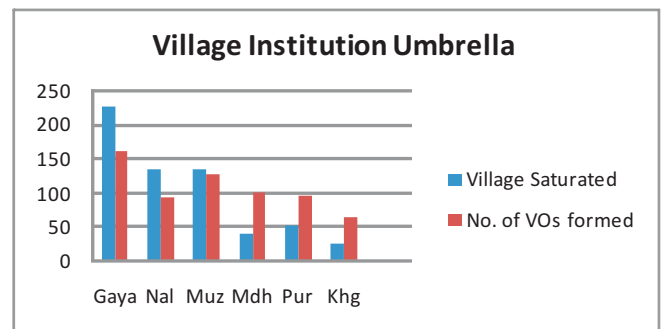
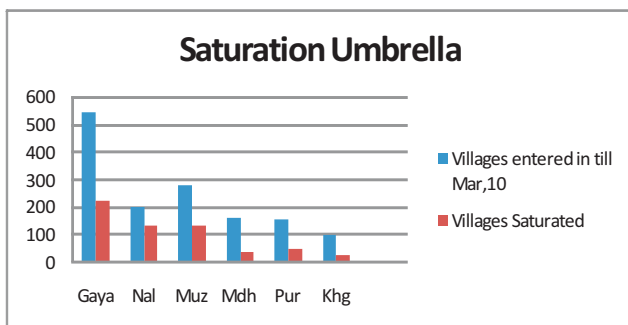
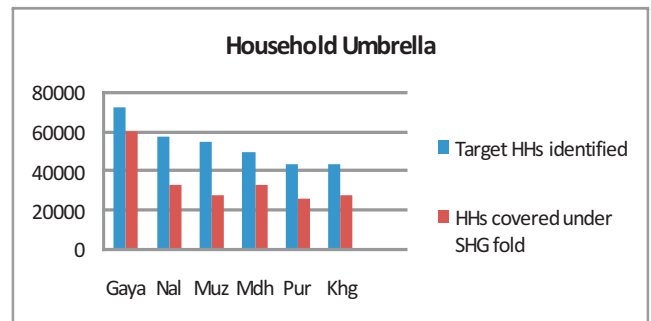
The Journey of 2009 – 10

During this year, the project reached 1039 villages in 44 blocks. The cumulative number of villages rose from 411 in 2008-09 to 1450 by the end of 2009-10.

322331 HHs have been identified as target HHs out of 510785 HHs in these villages, which constitutes 63% of the total. Out of these 1450 villages, 618 (43%) villages have been saturated- i.e. more than 64% of identified target HHs have been brought under the fold of SHGs.

The project started its operation with smaller villages during the beginning of the year and moved towards the bigger villages.

Sl.	District Name	No. of Villages Entered	No. of Villages Saturated	Total No. of Hhs	No. of Target Hhs (identified)	No. of Covered Hhs	% of Coverage vs. target
1	Muzaffarpur	282	227	83152	55101	27523	50%
2	Madhubani	161	136	95145	49417	32572	66%
3	Purnia	159	135	80903	43752	25776	59%
4	Nalanda	200	41	78298	57736	32805	57%
5	Gaya	546	53	94920	73117	60557	82.5%
6	Khagaria	102	26	78367	43208	27212	63%
		1450	618	510785	322331	206445	64%



INSTITUTION & CAPACITY BUILDING

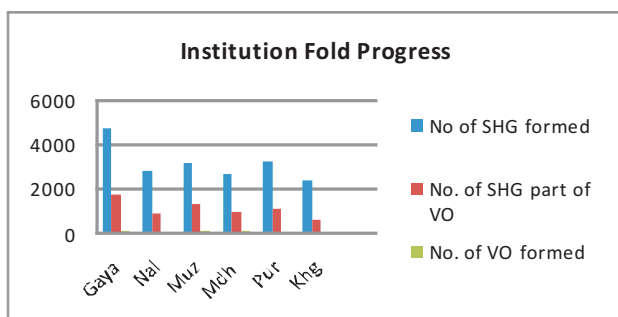
Major focus areas in the year 09-10 include formation of SHGs through Internal CRP drives, focus on VO Formation & its training, developing VO Flip Charts and VO training Modules and imparting induction training to newly joined staff in the project along with mobilization of the community.

PROMOTION OF COMMUNITY INSTITUTIONS

Self Help Group is the primary community institution, which the project is promoting. By end of March 2010, 19175 groups have been promoted with the highest number of groups i.e. 4764 in Gaya, followed by Purnia with 3262 groups.

In terms of formation of groups the period of this financial year has been very crucial. The year began with a number of 4627 groups and it reached a total of 19175 groups at the end. Similarly these SHGs were federated into 651 VOs by end of the year.

Particulars	Gaya	Nal	Muz	Mdh	Pur	Khg	State
No of SHG formed	4764	2838	3167	2716	3262	2428	19175
No. VO formed	162	94	129	103	97	66	651
No. of SHG part of VO	1739	916	1322	987	1118	629	6711



INTERNAL CRP DRIVE

The project has been successfully practiced with an Internal CRP strategy, so as to build up own cadre of community resource for nurturing of community institutions in the villages. It has

been proved that community to community cross learning approach is the best proven means for social mobilization and sustainability.

In the year 2009-10, 54 teams of altogether 221 CRPs were engaged across all project districts. This resulted in the formation of 5623 groups and identification of 258 Community Mobilisers.

GROUP ESTABLISHMENT POLICY

The procurement of group establishment materials like Cashbook, Dari, Box etc. has been successfully integrated in the institutions with a community driven mechanism. A policy was designed, according to which at the initial stage the cost would be transferred to the community institutions. It is envisaged that within two years, the VOs and SHGs will be capable of earning sufficient Income to share at least partial costs of Group Establishment materials. This policy proved to give the ownership and instill self reliance among the community members.

EXPOSURE OF COMMUNITY MASTER TRAINERS

The exposure visits were conducted for the master trainers to the areas of SERP, Andhra Pradesh. The Master Trainers are the ones who take out their learnings of life & share the experience with the community for the better strengthening of SHGs and its federations. The master trainers learnt and experienced the Andhra VO Members growth. This single person to person communication leads to better understanding and motivations.

INTERNAL CRP ROUND FOR VO

Best 90 CRPs were sorted out on the basis of their active participation in VO activities. After training, field immersion & exposure, VO fostering and formation were carried out by them.

REVISION OF CM POLICY

Moving towards the growth and scale of the project, the CMs are entrusted with increase in tasks and to have a better hold on the efficiency. Therefore, the CM policies were revisited and

their job profile has been enhanced to reduce the lag period in financial mainstreaming and capitalization of groups. For certain other tasks they have to be paid additional incentives.

Further, to strengthen the bond and accountability of CMs towards their respective VOs, the project has transferred the CM honorarium to the respective Village Organization on yearly basis and the respective VO will disburse the CM honorarium on monthly basis as per approved CM policy.

REVISION OF CRP POLICY

With the opinion and sharing during debriefing sessions organized for CRPs after each round, the honorarium for CRPs has been revised.



Earlier CRPs used to get Rs. 80 per day as Resource fee and Rs 50 per day as food charges. As per the revised CRP rates, now, CRPs are getting Rs. 120 per day as Resource fee and Rs. 80 as food charges, thus total of Rs. 200 per day. Project bears the Transport and other logistic expenses. The Institutional charges by SHGs and Village Organizations against providing the CRP services are the same.

VO BOOKKEEPER

Community Mobilisers are providing their services in terms of conducting regular weekly meetings and maintaining the books of accounts of SHGs. Village organization is providing several financial and social services to the SHGs. Incorporating the services that VOs are providing to SHGs, timely and quality updation of books of accounts is of paramount importance. As of now Project staff i.e Community Coordinators are providing support in writing and updating of books of accounts.

It is envisaged that in longer run CCs will be engaged largely in trainings of community institutions, identification and implementation of

livelihoods activities, hence project needs to develop another community level cadre to provide services for writing of books of accounts of SHGs and Village Organizations. These cadres of people provide their services to Village Organizations to maintain their books of accounts and these community cadres are known as "VO- Bookkeepers". One VO-BK may provide his services to a maximum of 5 VOs.

INDUCTION TRAINING TO STAFFS-AC & CC

The project has been emphasizing on providing induction training for the newly recruited staff. They were given an initial orientation about the project and sent to village immersion programme with an objective to understand the village life and institutions nurtured in the context of JEEViKA and Bihar. They were assigned with some individual specific tasks so as to enhance their understanding of the village life in general and poorest community in particular.

EXPOSURE OF COMMUNITY MASTER TRAINERS

A batch of 64 Community Master Trainers along with 6 training cell officials went to SERP for an exposure visit to know the functioning of VO and learning best practices so that it might be replicated in our project.

In this visit, the team members learnt the steps for eradication of poverty, the qualities of SHG, the responsibility of a Village Organisation and sustainability aspects of VO. They have been equipped with the training skills, learnt best practices and are now helping the project in the formation and nurturing of quality VOs.

VO REGISTRATION

The Project has decided to register the VOs and BLFs under 'Bihar Self Supporting Cooperative Societies Act'. For Registration of the VOs formed under aegis of BRLPS, services of consultant has been taken who is having enough field level experience in framing bylaws, imparting training and registration of primary cooperatives in the context of Bihar.



MICRO FINANCE

As SHG is the base of the project, this year emphasis had been on putting across the knowledge of SHG's book keeping for newly joined staff (especially BPMs and ACs) of all the districts, work at policy level for setting up of a special committee of SLBC, ICF for the SHGs and its roll-out, the roll-out of the Life Insurance policies, and Identification of Bank Mitras and Micro Finance Consultants. The project also made a major breakthrough in micro finance by linking more than 1800 SHGs with the banks, exposure of bank officials to Andhra Pradesh in order to learn ways of SHGs capitalization by credit linking the SHGs to mainstream financial institutions, entering into institutional collaboration with Banks through MOUs.

JEEVIKA PORTFOLIO WITH DIFFERENT BANKS

The forwarding steps of the organization is an evidence of the growth. As regards the number of accounts opened with the banks, attempt had been to track the portfolio with respect to the accounts opened and groups provided with credit support.

INSTITUTIONAL COLLABORATION WITH BANKS

During this year the MOUs signed with different banks yielded positive results to the project as it gave pace and momentum to the opening of the Savings Bank accounts of SHGs in a big way. In this regard the JEEVIKA entered in to an MOU with Banks like Punjab National Bank, Central Bank of India, Madhya Bihar Gramin Bank, Uttar Bihar Gramin Bank and Bihar Kshetriya Gramin Bank. The MOU had been signed by General Manager (PNB, Patna), Executive Director (CBI) and Chairmen of different Gramin Banks. The MOU had been signed by the

Executive Director in case of Central Bank of India. This is likely to streamline the issue of financial flow to the community institutions in a better way.

FINANCIAL LEVERAGING FROM BANKS

The process for the account opening of the groups with the help of different banks, the time was utilized to convince the mainstream financial institutions to consider for financial linkage of the groups. In this direction the exercise undertaken provided results when Bank of India took initiative to link more than 100 groups in one go. The project took the initiative to arrange for a mega programme in order to give message of women empowerment coupled with their readiness to shoulder responsibilities of the financial flow through their community institution. The programme had been a huge success with the participation of senior government officials and bank officials.

ROLLING OUT THE BOOKS OF RECORDS FOR VOs

The need had been to incorporate it within the training programme. So, training module had been designed and all the project staff have been trained on VO books of records across all the 8 districts. Case studies have been duly prepared to create understanding of real situation and training was imparted by organizing 7 days residential programme for different districts.

EXPOSURE VISIT OF BANK OFFICIALS

The project had arranged exposure visit for Bank officials to Andhra Pradesh in order to show the successful model of Andhra Pradesh, and anticipate a replication of

Name of the Bank	No. of SHG's A/c opened	SHGs Credit Linkage
State Bank of India	2368	954
Punjab National Bank	1173	339
Central Bank of India	820	251
Bank of India	691	194
Union Bank of India	255	137
Canara Bank	153	68
Allahabad Bank	171	70
Bank of Baroda	510	208
UCO Bank	120	25
Madhya Bihar Gramin Bank	1528	685
Uttar Bihar Gramin Bank	2118	375
Bihar Kshetriya Gramin Bank	702	127
United Bank of India	185	37
other banks		
Total	10794	3470

similar situation over here in Bihar in terms of mainstreaming the financial flow to the vulnerable sections of the society. The Project Management interacted with senior management of all the banks and took them into confidence for releasing officials from different banks for an exposure visit. A team comprising of 54 people went to A.P. in order to see and experience the successful model. A total of 49 bankers participated in the exposure visit. 5 people from project accompanied them in order to facilitate the process of exposure.

CREDIT LINKAGE OF SHGs

Now the Banks are very supportive, as they are ensuring that savings accounts of SHGs are opened without any delay. The project had been very successful in streamlining the process of liaisoning with Banks to open the savings account. The greater challenge was to ensure the capitalization of groups through Credit-linkages. It is in this regard that project decided to increase its effort towards credit linkage and has been successful in doing so. In the month of September alone, more than 1800 groups got credit-linked with Banks.

TRAINING ON SHG'S BOOKS OF RECORDS

Training had been administered on SHG's Books of records to the newly recruited staff in different blocks of districts. The training plan had been scheduled to ensure that all staff of the project get adequate training on SHG's Books of records. The trained staff in turn, facilitate in creating the learning ambience for the CMs for the rolling out of books of records in a uniform way.

Training was also provided to newly identified VO Book Keepers on VO Books of records. To further strengthen the process, a cadre of VO book keepers has been identified and trained to ensure timely book keeping of the VOs. A total no. of 75 VO book keepers have been provided training on VO book keeping.

FORMATION OF A STEERING COMMITTEE OF SLBC

The project took up the issue of the SHGs at the state level and convinced the apex institution of SLBC to form an exclusive committee, consisting of key members of SLBC to look in to the issues of SHGs and Financial Inclusion. A "Steering Committee of

SLBC on SHGs" has been formed. So far, two key decisions have been taken -

- The minimum limit of 1st credit linkage to SHGs from Banks has been raised to Rs.50, 000 (Rs. Fifty Thousand only) or 4 times of group savings, whichever is higher.
- Taking up the issue of account opening, it has been agreed that the representatives at the block level and district level from BRLPS shall be sufficient to authenticate the address or identity proof of the leaders of the SHGs. This shall certainly ease the process of account opening for the SHGs.

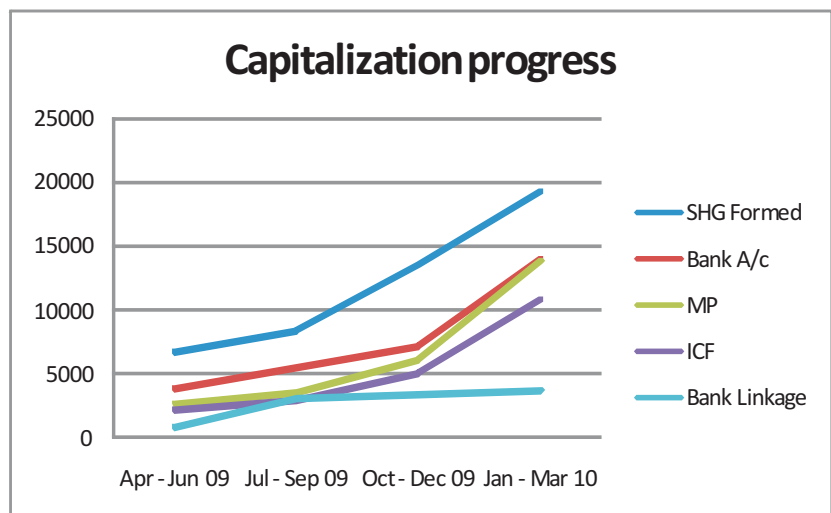
AUGMENTATION OF ICF FOR SELF HELP GROUPS

It was examined that the amount which was earlier provided as ICF (Initial Capitalization Fund) to the groups on the basis of Micro Plan was not adequate to meet the requirement of the group. The average size of the micro plan is comparatively much higher, as the large number of households are having high cost debts from the non-financial sources. Similar concern had been raised in the aide memoir of the World Bank, too. Thus, the amount of ICF has been enhanced to Rs. Fifty Thousand.

BANK MITRAS IN DIFFERENT BANK BRANCHES

The project policy intervened to facilitate the process of financial transactions of group with the banks in a smooth way. The policy of Bank Mitras has been ratified by a committee on SHGs and Financial Inclusion formed by SLBC.

A group of 42 bank Mitras from 18 old blocks were trained on documentation requirements of account opening. Thereafter, the bank branches have been followed up to support the Bank Mitras in getting proper infrastructural and other support services.



LIVELIHOODS

PARTICIPATORY VARIETAL SELECTION & PROMOTION

PVSP in wheat was practised in Khagaria district. Nearly 85% of the trial-holders who practised it, got yield of 30-50 quintals per hectare wheat, nearly 5% got yield more than 50 quintals per hectare. More than 20%, who had tried GW 336, got the yield more than 50qtl/ha. For HI 1531, HP 1761 & HD 2824, about 70% of farmers got yield in between 30-50 qtl/ha. Around 74% of the farmers, who tried local variety got yield less than 25 qtl/ha (out of that more than 33% got the yield less than 20 qtl/ha).

SRI AND SWI ARE COMPLEMENT TO PVSP

The project has carried out Participatory Varietal Selection & Promotion (PVSP) Programme as a complement to System of Rice Intensification (SRI) in Khagaria and Purnia districts in the Kharif season. There are four paddy varieties under trial in Khagaria & Purnia. Four varieties P r a b h a t ,



Rajshree, Rajendra Mansurie, MTU-1001 were given to SHG members for mother & baby trial. In SWI all the 8 varieties (besides GW 273), more than 67% of farmers; the trial holders got the yield in between 40-50 qtl/ha, which is more than double the yield of local variety. Indra Devi from Sahrul village received a yield of more than 70 qtl/ha. With GW 273, the SHG members got the yield of 70 qtl/ha, which is around 7 ton/ha.

SYSTEM OF RICE INTENSIFICATION (SRI)

In the Kharif season 2009, the project scaled up System of Rice Intensification (SRI) with 8637 farmers of around 350 villages in 12 blocks of six districts. In Purnia and Khagaria, four varieties were tried with 2698 farmers in 36 villages under Participatory Varietal Selection & Promotion (PVSP) as a complement to SRI.

The average yield of SRI in Nalanda was 8 ton per hectare, while the highest yield recorded was 13 ton per hectare in PR-113 variety. The average yield of Gaya was seven ton per hectare, while the highest yield was recorded as 12.1 ton per hectare in PR-113 variety.

SYSTEM OF WHEAT INTENSIFICATION (SWI)

In order to scale up System of Wheat Intensification in the Rabi 2009-10, the project had organized large scale Exposure programmes for the non-SWI SHG members during the effective tillers and crop harvest stage of Wheat 2008-09, Altogether the exposure for 26405 SHG members / farmers from 36 blocks of 8 districts was organized. During this exposure, the SHG members, who followed the SWI methodology rigorously, had been given opportunity to explain to the new farmers and in this process, around 400 SHG members emerged as SWI Experts/motivators. These SWI Experts were used for campaign in the upcoming Rabi season for scaling up of SWI.

SEED PRODUCTION

Getting quality seeds in time is a key constraint in agriculture. Therefore, seed production had been initiated in Purnia and Khagaria in nearly 97 hectares of land. The seed inspector had completed the required visits in the crop fields and finished the first round of seed certification process. It is estimated that around 300 tons of seed would be produced and procured by the Aranyak Agri Producers' Company and JEEViKA Mahila Agri Producers' Company Limited. They are also working towards grading and proper storage of these seed materials.

WOMEN FARMERS' PRODUCERS COMPANY

Two Women Farmers Producers' Companies, one each in Purnia & Khagaria districts have been formed. The equity holders for the WFPCs in Purnia and Khagaria are 1050 and 500 respectively. The companies were registered. The Aranyak Agri Producers' Company had initiated its first business as seed production by

registering for 84 hectares of land where as JEEVIKA Mahila Agri Producers' Company Ltd. had registered for 13 hectares of land.

COMMODITY PROCUREMENT CENTRE (CPC)

The project had initiated 2 nos. of Commodity Procurement Centres (CPCs) at the Village Organization level in Gaya & Nalanda. The CPC of Suraj JEEVIKA Gram Sangathan, Karimpur, Rajgir of Nalanda had procured around 52 quintals of wheat and supported food security by selling wheat to the Village Organizations of Sirinagar & Khariyama at lesser than market price. The Suraj JEEVIKA Gram Sangathan had fetched around Rs. 3033/- in 2 months. After the wheat trading, the SHG members demanded the CPC to start the fertilizer business in order to get required fertilizer from the CPC, as in rainy season, the transportation cost is exorbitantly high because of inaccessibility. Now the CPC, Karimpur has initiated the fertilizer trading and purchased Urea of around Rs. 49,750/- from the dealer licensed by the Agriculture Department, Government of Bihar.

DAIRY INTERVENTIONS

The project had collaborated with COMFED to support Self Help Group members to take up milch cattle rearing, capacity building on animal nutrition and milk selling to the village level Dairy Cooperative Societies (DCS) to improve their livelihoods in Khagaria, Muzaffarpur and Nalanda.

The project had linked 2257 SHG members to the 62 newly formed Dairy Cooperative Societies (DCS), which procure 4967 litres of milk per day. In this intervention, 1263 SHG members had been linked to 50 nos. of existing Dairy Cooperative Societies (DCS) and these existing DCSs are procuring 2946 litres of milk per day. Altogether, 3520 SHG members pour 7913 litres of milk in the DCSs and had an additional income of Rs. 337/- per month.

MITHILA PAINTING AND SUJANI CLUSTER

Mithila Painting Producers' Group which was formed has submitted the application to the bank for its account opening. The total membership of the artisans increased from 25 to 50 and fresh list of another 80 semi skilled artisans was submitted to AHF for further skill development training. 30 artisans were provided with 50 days of work against the production of 50 wall paper sets for AHF and 125 traditional painting orders from BRLPS. Some members of this group participated in 'Saras

Mela'- organised by the Dept. of RD, GoB, where they sold their products. In Sujani cluster, with the support of AHF one design development workshop was organized in which 30 participants and four new products including two Stoles, one Kurta & one Sari were developed. Apart from that two productions oriented skill up-gradation workshops were organized, specially focusing the youth.

BEEKEEPING & HONEY PRODUCTION

The project had initiated beekeeping in Kurhani block of Muzaffarpur district with support of EDA Rural Systems Pvt. Ltd. So far, 100 SHG households had initiated beekeeping during the litchi season with two bee-hives each. Due to sudden rise in temperature damaging the litchi flowers, only around 75 SHG households could produce 8-10 Kgs. of honey during this litchi season.



JOBS TRAINING PROGRAM (*Aide-et-Action*)

Out of total number of 94 trained students (rural youth) of the 1st batch the Aide-et-Action had provided placement support to 85 students. After job placement support to the 1st batch of candidates, the Aid-et-Action started Community Mobilization Drive (CMD) through which 125 candidates were selected for the second batch of training, out of which, 91 are undergoing regular jobs training at i- Lead centre, Dhamdaha. Among these 21 are female students and 70 are male students belonging to SHG households.

VARDHMAN YARNS

35 candidates from Nalanda and 22 candidates from Madhubani, totalling 57 candidates have joined Vardhman Yarns as 'Trainee' in their Madhya Pradesh plant. The retention of candidate was improved as Vardhman Yarns organised a counselling session for the candidates from JEEVIKA so that candidates could cope with the separation from their homes. Further 98 Candidates were selected, out of which 45 are working.

SOCIAL DEVELOPMENT

HEALTH RISK FUND (HRF)

Health threats have always been a major obstacle for the poor HHs. The micro planning reports show that, a huge number of families live their lives on debts, and many of them took loans for the health purpose from money lenders. Thus to come out of this, HRF had been initiated. For this HRF, each SHG member contributes Rs. 5/- to Rs. 10/- per month that goes to the common fund at VO level for health care emergencies. The member can avail up to Rs. 50,000/- or as per the emergency needs from the HRF savings.

The project has now included Health Risk Fund as a universal program for all VOs of the project. At present across the project, mobilization and facilitation for saving for HRF has been initiated in more than 314 VOs which are successfully utilizing the HRF at their respective VOs. In the first quarter 102 VOs had been given Health Risk Fund from the Project, the total amount of fund is Rs. 51,00,000/- (fifty one lac only). Now 314 VOs have received the HRF fund of Rs. 206.76 Lac and remaining VOs have started HRF initiatives. In addition 112 VOs have been oriented on HRF concept and they have started their first savings.

WOW AND MEDICAL SERVICES ON WHEELS

Women Outreach Workers had been much beneficial in the villages. Now the medical facilities and routine checkups are at their doorstep. With the partnership of Janani WOWs training and Provision of Medical Consultancy Service program has started in Bochaha, Rajnagar & Dhamdaha blocks of Muzaffarpur, Madhubani & Purnia districts respectively.

The mobile Vans with medical expert teams have also been pressed into service at village level for health check up camps, in 14 villages of each of the Rajnagar and Bochaha Blocks. The number of patients per health clinic per day comes around 30 to 40 patients.

All 21 WOWs have been trained to support the community, especially on reproductive health issues. Counselling of the pregnant & lactating mothers is a major responsibility of these women.

HEALTH AND SANITATION

In joint collaboration of BRLPS and UNICEF for promotion of safe sanitation and hygiene practices through SHGs had been started as pilot project in selected blocks of Gaya, Nalanda and Purnia. Under this intervention, the SHG members will have household toilet and adopt safe hygienic sanitation facility and practice safe hygiene behavior.

MoU between UNICEF and BRPLS has been signed. Based on the agreement activity plan had been shared with field team at District level. The project is providing revolving fund to Village Organizations to install sanitary latrines. The project is running Total Sanitation Campaign (TCS) Programme, under which 50 SHG members have received training to construct the toilets, around 300 HH have constructed their toilets with the help of these members.

FOOD SECURITY

Food Security Program includes convergence with the PDS, Community / VO level procurement & convergence with SRI and PVSP Mechanism. One PDS is being run in Shekhwara Cluster of BodhGaya and the District Administration is planning to scale up. The Community Procurement Centre is to enable the rural poor to obtain the commodity on the least price and with the fair weight.

The response from the community regarding the Credit for Food Security Programme has been quite encouraging. Now, demand has started coming up from nearby VOs, in the area where it was piloted. The on time repayment rate of credit for food security is more than 90 percent. As per Guideline of Food Security all BPIUs initiated this activity in around 333 VOs.

VO ACTION PLANS

Based on the frequently discussed agenda issues of VOs, the project has started to facilitate for preparing VO's action plan and accordingly project has identified few proposals of VOs to provide further facilitation, financial and convergence support to VOs. The identified



needs include PDS management cost, one time asset cost or teaching material cost for Balwadi, Rotation money for installation of Sanitary latrine. All these supports will be given under social CIF.

TRIBAL SAFEGUARD

Project has focused for 100% inclusion of the tribal communities in its working villages. Other than this, promotion of community cadre is one area where project tried to involve ST community members. During this period, 22 CMs, 6 VRPs and 34 CRPs were selected from ST category in three blocks of Purnia. Among 2214 ST SHG members 587 are selected as group leaders and 23 are office bearers of the VOs.

SOCIAL SECURITY SCHEMES

The project made efforts to link SHG members with social security (Old age & Widow) pension. As a result around 1700 SHG members have received sanction order for old age and widow pensions and around 700 of them have received pension amount and rest of them have opened their account in nearby post offices. More than 3000 forms had been filled up by the JEEVIKA SHGs members to get these benefits. 314 Members have been benefitted under old age pension scheme in Nalanda and 100 in Khagaria & Purnia. JEEVIKA had also undertaken two programs in Social Security i.e. Indira Gandhi Old Age Pension & Laxmi Bai Widow Pension.

CONVERGENCE WITH MGNREGA

The Project focused on the job card entitlement for its SHG members. In all the project locations, special attention is given on the Job Card. Along with providing job card, other government employment schemes were also accessed to the village community. With the participation of 16 VOs of Bochaha Block in Muzaffarpur, around 1600 members have got wage employment for Social Forestry under MGNREGA.

SIGNATURE LITERACY FOR SHG MEMBERS

The project is striving hard against women illiteracy. Efforts are on to make SHG members

signature literate. Till the end of the year, a total no. of 20689 SHG members have been made signature literate. It amounts to 43% of quarterly growth. For making SHG members in the project area, functional literate, the project has made effort to have tie up with "Akshar Anchal Yojna" a functional literacy programme of GoB.

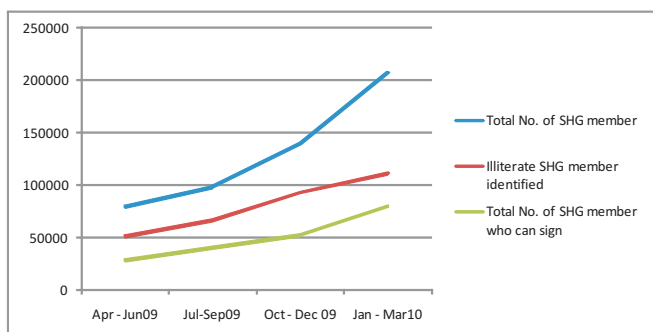
BALWAADI EDUCATION

Baalwadi education is provided to the poor children who are unable to attend the school. JEEVIKA took initiative in providing education for the children. The Saraswati VO of Dobhi block, Gaya has donated a small land to run the Balwaadi in Maraha village & in Prakash VO, 35 children are enrolled and are regular with their studies. 47 children were enrolled in the Balwadi run by Chandani VO in Dhamdaha, Purnia and they are planning to establish Balwaadi in another 3 VOs.

INTERNATIONAL WOMEN'S DAY

Women's empowerment is an important scheme in the project. There has been significant change in approach of the district towards the development of women. In order to keep them awakened empowering program is rolled out. The celebration of International Women's Day-2010 in project outreach districts was an example of the magnitude of women's development through various interventions.

Muzaffarpur took the initiative of rolling out MGNREGA on the occasion, as Nalanda put up "Gram Shakti Mela" as an effort in this direction. Likewise, all 42 blocks celebrated the festivity with zeal with same objective. The end marked with candle-light-procession, where more than 12000 women in different districts took pledge to bring a social transformation. The oath to bring small differences, like making women signature and functional literate, sending girl child to school, not marrying their children before 18 years of age and others were considered to be positive steps for bringing bigger differences.



COMMUNICATION

ACHIEVEMENT ON "BADHATE KADAM"

The Hon'ble Chief Minister, Bihar inaugurated the 2nd phase launching of JEEViKA Project in 26 new blocks on the occasion of birth anniversary of 'Father of the Nation', i.e., 2nd October 2009. A programme 'Badhate Kadam' had been organized on this occasion with active participation of Bankers at Sri Krishna Memorial Hall, Patna in which more than 2000 SHG women members participated. Corporate brochure of the Project and SWI training Manual were also released on this occasion by the Hon'ble CM. The main feature of the launching of the programme was bank linkage of more than 1800 SHGs facilitating them with an amount of nearly Rs. Three crore. Besides, an amount of Rs. 94.97 Lac as food security and health risk fund was also disbursed among eligible VOs.

IEC FOR THE COMMUNITY INSTITUTIONS

To assist the field staff in systematic formation and nurturing of VOs, the VO Community Operation Manual, VO training Flip Chart were finalized, printed and circulated with the content in Hindi, required illustrations and its layout design.



To scale up the SWI - a manual in flip chart format was developed. This manual is very helpful in taking this intervention to 25,000 farmers during the Rabi season. In addition, both print and AV process documentation had been initiated during this Rabi season to use it as a reference of the SWI.

PROJECT BRANDING MATERIALS DEVELOPMENT

The programme organized on 2nd October was branded as *Badhte Kadam* of JEEViKA and promoted at various fronts using media, materials, invitations and spot publicity. A range of decorative backdrops, panels, and flex vinyls were designed depicting project objectives, achievements and vision. During the event, an exhibition was organized, where the pavilions from JEEViKA and partner agencies showcased the achievements and the future plan before the delegates and the community members.

FILMS AND SONGS

20 minutes Corporate Film - *Badhte Kadam* was produced highlighting the initiatives through the voice of the community. The spirit of the film was based on the impacts and outcomes.

The Brand Song - *Badhte Kadam* was written, developed, tuned, recorded and presented in the solidarity event on 2nd October. After being well appreciated, it was decided to roll it out at all levels of the project.

SHOWCASING

The project would be taking part in various fora and events, where it would be showcasing its goal, purpose, outputs, activities and the outcome. To make it systematic, a set of 21 panels with roll up stands were developed and prepared. It has the unique feature of easy carrying and easy installation.

PARTICIPATION IN UTSAV

The project took part in the Nari Shakti Utsav, a seven days event from 10th to 16th February 2010 organized by the Women Development Corporation. Display stall was aimed at publicity, where as product stalls were intended for marketing of the products prepared by women producers groups.

Bihar Divas was celebrated by the Govt. of Bihar





in all districts. JEEViKA units took part in all district level events in the project area. Exclusive stalls were put up in Nalanda and Madhubani, where roll up stands were displayed and the people at large were informed on project processes and approaches through distribution of materials.

SHARING OF THOUGHTS AND MESSAGES

Going beyond the areas of JEEViKA, the project thoughts were displayed and shared through publicity panels, one pagers, films during the state level Swachhata Mahotsav at Bhagalpur in the last week of February, where large number of terrestrial stakeholder were made aware of the project vision and achievements.

Taking the advantage of National Plenary Session of Indian Federation of Working Journalists at Rajgir, a press tour of around 100 journalists from all over the country was conducted at two villages of Nalanda on 21st February. The project messages were also shared with the mass media representatives during the plenary session.

MEDIA RELATION

A strategic media tour of ten senior journalists of eminent national and international daily and news agencies was organized with support from the World Bank on 26th and 27th March. The team was exposed to the field activities in Gaya with briefing sessions at SPMU and DPCU levels. As a result, more than success stories, the changing scenario of the state was highlighted by



many leading news agencies. A specific example is of The Live Mint – Wall Street Journal, which came out with a column: Bihar is daring to dream again.

MATERIALS FOR EVENTS

Keeping in mind, the field team would participate in various publicity fora, on the occasion of International Women's Day, a set of eight display vinyls were prepared for each DPCU on various themes of the project. It was displayed in the event and would be used in different future celebrations at the district level.

The training material for books of records training for SHG i.e.



various formats for practice were prepared for each district in the shape of flex and effectively used during the initial round of trainings and

reusable further.

A twofold flyer of the project was developed and printed with all required informations basically catering to the secondary stakeholders and beyond. It can also be used as an introductory paper at the community level. The field staff were not only supplied with the copies, but also given induction for its strategic dissemination.

FORMAT FOR MICRO PLANNING

The micro-planning formats were standardized and printed in a book form, so that it can be worked out smoothly at the SHG level and can also be kept as a reference. The SHG rating, CIF application form, Receipt and Payment and the Utilization Certificate were also included in the booklet to facilitate the process completely.

MONITORING, LEARNING & EVALUATION

The M & E is able to match the project needs. It had mainly focussed on Management Information System and its rollouts, Processing of Monitoring, IT progress, deployment of new IFTTs, to get the accurate data records regarding the project.

On the whole at state level, the project had been able to achieve more than 90% of the targets that was set in Annual Action Plan for the FY 2009 -10. Out of the 18 old blocks, 12 have achieved more than 85% of the total targets.

MIS

The greatest challenge in rolling out of MIS is of converting the historical data into the real time data, thus to overcome from this situation Technical support had been provided to the field teams for trouble shootings, correction in databases and developing databases for new blocks. There were problems with data entry and the issues of corrupted databases which had been rectified and synchronized from SPMU. The issues related to synchronization of offline and online data, particularly in a situation with limited internet facility, had been finally resolved, and now it can be done faster.



HR MODULE OF THE MIS

The HR / Admin Module of the MIS had been developed. Data in HR-MIS was validated and

found to be more than 90% incorrect. For the sake of editing data and correcting wrong entries, validations had been removed. 19 issues identified (testing by Safal team, PM-HRD) were addressed and resolved within the period. 2 issues are taken up as new requirements. At present it had been targeted that within first fortnight of April 2010 data of at least 1 BPIU, 1 DPCU and SPMU have to be completed for the testing of HR-MIS. For the purpose, Safal team is also helping in validation, correction and entering data in HR-MIS.

EXECUTIVE DASHBOARD

The Executive Dashboard had been designed and finalized with Safal Solution. A State level requirement had been taken from the thematic heads. Suggestions and issues are accordingly incorporated. The Indicators are linked with the Online MIS. Issue related to trend analysis with indicators having two different units is still under research and development. Dashboard developed till date had been tested, presented and installed in CEO's system.

WEBSITE

A website with an enhanced lookout and easy navigation is designed. It has been also floated on the web space. The e-governance framework, UK & US 508 Standard is also taken into consideration. The English version of the website has already been alpha tested and the Hindi version of the website is linked with the same.

TRAININGS & CAPACITY BUILDING FOR COMMUNITY MOBILISERS, COMMUNITY COORDINATORS & DATA ENTRY OPERATORS

It was found that error existed in DIDI sheets at the time of filling the data by CCs and CMs. Training on MIS (DIDI sheet) was provided to new CCs at Bodhgaya. A new format of DIDI sheet was developed and training was given accordingly. Two trainings were organized for CMs on DIDI sheet in all districts. Till date all the

new DEOs in all districts have been trained on MIS by the ITFTs. Now the time has come to maximize the MIS according to the project work, and for this, the training of all DPCU Managers about the importance and use of MIS is planned and would be organized.

AUTOMATED MONITORING SYSTEM

It's quite a challenge to replace the manual MPPR with automated MPPR. For this two issues need to be addressed: (i) Collection of filled DIDI sheet with proper data in a timely manner and (ii) Correction of mismatches in profile and transactional data. For this purpose the project had developed and circulated a road map for collection, validation and error checking in DIDI sheets and its components.

Templates for monitoring partners (PRADAN, COMFED) had been developed and linked online with MIS. The applications got ready to rollout.

DATA ENTRY FOR CRP, CM, CC, BANK DETAILS, PARAPROFESSIONALS, VOs, ETC.

Online data entry for bank details had been completed. At present, entry of bank branch details and modification of groups are under process in offline MIS. Data entry sheets are also distributed to each BPM for collection of data for Community Para-professionals, VOs, and HR-MIS. For this purpose we had developed Data entry sheets and a vendor for data entry in HR-MIS has also been developed.

ITFTS GETS DEPLOYMENT

As per the discussion in MIS review meeting (4th – 6th March 2010) 12 ITFTs were deployed. ITFTs were provided training on synchronization. Now onwards synchronization will be done from the field itself and perfect data can be collected.

MONITORING FRAMEWORK FOR TA PARTNERS

The project had signed partnership agreements with several technical agencies to provide specialized techno-institutional services to community institutions. All of these agreements are output based contracts and to streamline their reporting system and an online monitoring system is being developed.

IT PROGRESS

M&E had to look out for the proper check on the accuracy of data, thus it is necessary to strengthen the IT section. It was important to make up the down level data collections, thus performance test was organised at the State

Unit for the Data Entry Operators, their training need had been assessed. The Community Mobilisers were trained at the Block level by the District field technicians, SAFAL.

An internal IBM blade server is installed, and internet line from BSNL is also subscribed on leased for smooth office functioning. The tally ERP-9 software is also installed in all the older BPIU and DPCU offices, the software is configured, and regular Data Back-up taken in all 18 BPIUs through Team Viewer. The scrutiny of Data Entry Operators to be supplied through outsourced agency, had been undertaken through which 13 no. of DEOs have been placed.

PROCESS MONITORING

The proper time to time presentations and reports are regularly being put up. The Sutra Consultancy Pvt. Ltd. has completed 3 cycles of process monitoring. The report covers quite comprehensively about the targeting process and suggested some improvement over the process. The VO social action committee should take initiative to identify such HHs so as that to bring them under the fold of SHGs. To take this into account an addendum to VO Community Operational Manual is issued.

On the 2nd round of quarterly process monitoring it was found that even in the saturated villages there are still some Poorest of Poor HHs, which are not part of any SHG, for sorting it Monitoring had come up with certain strategies accordingly.

The basis focussed areas to be monitored was on Piloting of participatory self assessment tools for SHGs and Village Organisations, Process of rolling out of formal books of accounts at SHG and VO levels and their maintenance, assessment of Health Risk Fund and Food Security Fund and training process of newly recruited staff, CMs and CRPs.

2ND PHASE OF PROCESS MONITORING

The first phase assignment of the process monitoring has been successfully completed. The TOR for the 2nd phase of the assignment is developed and it has also been sent to the World Bank for approval.

IMPACT ASSESSMENT STUDY

TORs for the impact study of the agricultural interventions carried out by partners have been prepared and it has also been shared with the World Bank for their feedback, comments and subsequent approval.

HUMAN RESOURCE DEVELOPMENT

RECRUITMENT

The annual status of HRD consists of various recruitments, to various posts in the project at the respective places of SPMU, DPCU and BPIU. This was to make the project work much more effective and efficient. The recruitment had taken place on the basis of requirement of man power for the project.

This year recruitment process is taken up with "Srijan Infratech and Development Agency (SIDS), New Delhi" and also through the process of campus recruitment from reputed rural development as well as other technical colleges/institutions like XISS Ranchi, CIMP Patna, KSRM, Bhubneshwar.

The respective recruited candidates joined BRLPS and went through the village immersion after completion of ten days residential induction training cum orientation program conducted at SPMU.

Unit	Position	No. of Post Recruited
SPMU	Project Manager-Staff Learning & Performance Management	1
	Project Manager- Institution Building	1
	Project Associate	4
	Data Administrator	1
	Steno cum P.A	2
DPCU	Manager M & E	3
	Manager Finance	4
	Manager Jobs	5
	Manager Communication	2
	Training Officer	2
BPIU	BPMs	
	Area Coordinator	137
	Community Coordinator	462
Total		624

STAFF PARTICIPATION FOR CAPACITY BUILDING

Time to time exposure visits are carried out in the project so that the staff gets updated.

During the first quarter, Total number of 11 Staff of different levels i.e. SPM – Livelihoods, SPM-M&E, SPM-SD, PM-CB, PM-Livelihoods, PM-SD along with DTC-Khagaria, DTO-Madhubani, BPM-Bochaha, two ACs (1 from Nalanda & 1 from Gaya) attended a five days Management Development Programme (15 June -19 June, 09) on "Enhancing Livelihoods for vulnerable" at IRMA, Anand, Gujrat.

The World Bank had organized a 2 day workshop on procurement process at Bhopal, (M.P. State) Project Manager-Livelihoods, Procurement Specialist, Procurement Officer & Finance Officer participated in the workshop.

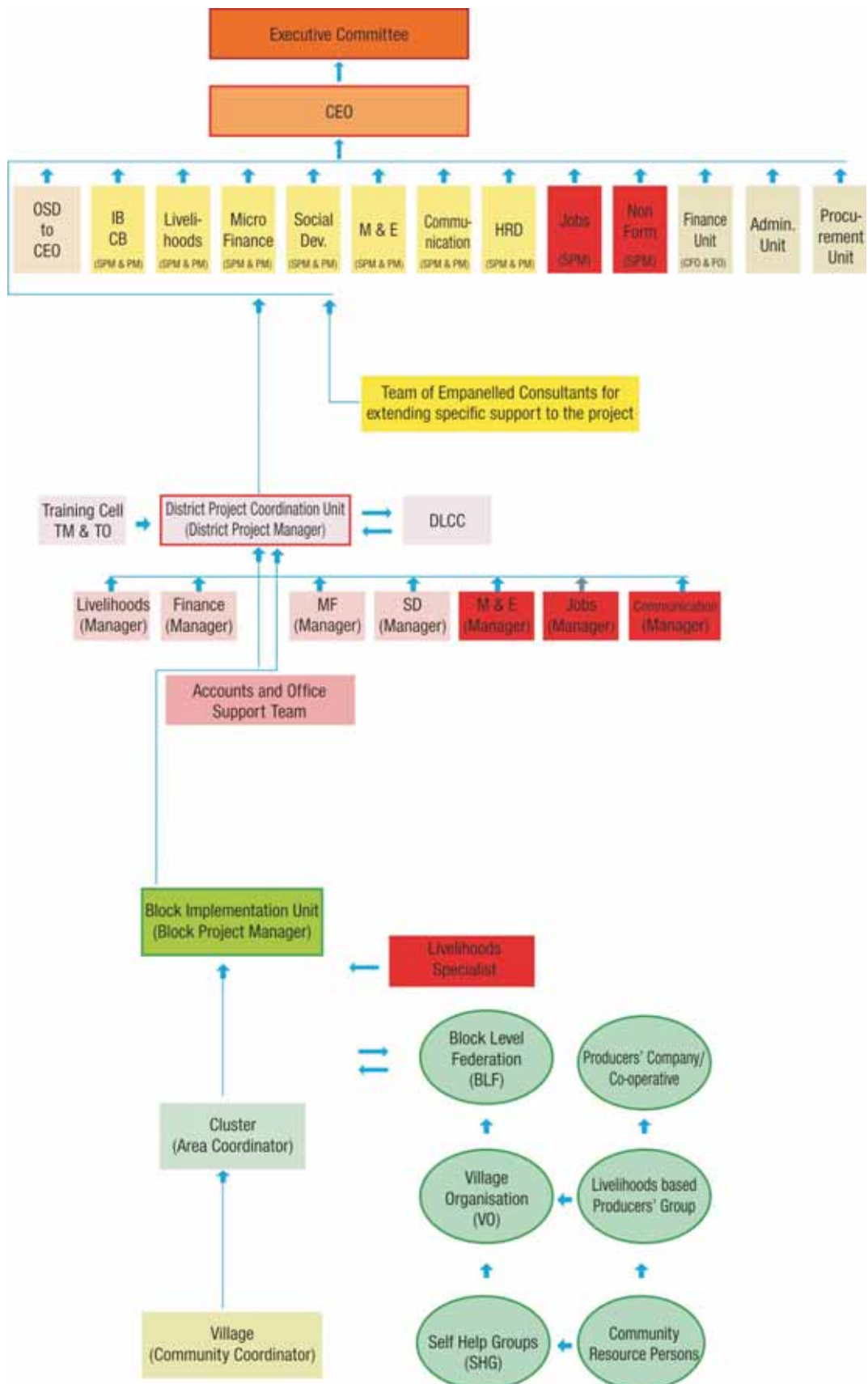
A joint team of BRLPS and AHF visited SEWA, Gujarat, from 16th to 19th April 2009, to learn from their experiences and develop a better understanding of the management aspects of artisan organizations.

During second quarter, an exposure trip for 10 days by a team of 10 members consisting of Chief Finance Officer, Finance Officer, Administrative Officer, Procurement Specialist and Procurement Officer along with two accountants one cashier and 2 Office Assistants was arranged. The team visited Tamilnadu VKP project (17th Aug-20 Aug. 09) and SERP, Andhra Pradesh (21aug.-25 Aug.09) for exposure on system of administration, finance and procurement in these projects.

REVISION OF SALARY

Considering the increasing cost of living and in order to retain quality Human Resource, the salary structure of entire positions of BPIU, DPCU and SPMU underwent revisions two times this year. The revised new salary structures were made effective from June 09 and 1st April 2010 respectively.

REVISED IMPLEMENTATION STRUCTURE



ADMINISTRATION, PROCUREMENT & FINANCE

ADMINISTRATION

NEW BLOCK ESTABLISHMENT

The project activities were scaled up to 26 new blocks and the block in charges of new blocks were asked to find out premises for the block offices.

RTI & GRIEVANCE CELL MADE FUNCTIONAL

The RTI & Grievance Cell had been made functional by forming Committees at different levels. Regular meeting minutes and cases are being received by the Nodal Unit and proper action is being taken.

ORGANIZING GENERAL BODY & EXECUTIVE COMMITTEE MEETING

4th Annual General Body and 19th Executive Committee Meetings were convened on 30th October 2009.

General Body approved the Annual Action Plan and the Budget of the Project for the year 2009-10 and considered and adopted the Annual Report and Audited Financial statement of the Society for the period of 2008-09. An important Decision taken in the 19th Executive Committee Meeting was, Approval for increasing the amount of ICF from Rs. 20000/SHG to Rs 50000/SHG.

OFFICE ADMINISTRATION

The BRLP expanded its operation in 26 new blocks. The 6 DPCU offices, which were earlier working along with one of the pilot blocks of that district were separated and shifted to District Headquarters. The necessary infrastructure were supplied and provision was made for telephone and internet connectivity.

Under RTI Act-2005, DPMs at DPCUs are nominated as Public Information Officers (PIO) of BRLPS at their respective Project Districts. Grievance Redressal Cell had been reorganized and its business process had been established

PROCUREMENT

COMMUNITY PROCUREMENT MANUAL

Keeping community into the consideration Community Procurement Manual is developed in Hindi version for VO/SHG/BLF for easy facilitation. The manual was sent to the World Bank for their feedback and comments. After incorporating suggestions received from different officials and World Bank it was finally circulated to all BPIUs for smooth conduct of procurement process. Moreover, a community poster on procurement is designed & developed, which is made available to all VOs.

POST PROCUREMENT REVIEW

Post procurement was timely reviewed for the period July 08 to June 09 which had been completed by the World Bank. A Mumbai based organization named Global Procurement Company Limited (GPCL) visited the project. No major deviation/defect was reported.

SELECTION OF STATUARY & AUDITOR

Selection of Statutory Auditor for the year 2008-09 is complete and agreement signed. M/s. U. S. Saha, CA was selected for the statutory audit of BRLPS for the financial year 2008-09.

The procurement process for the selection of internal audit for the FY 2009-10 has been initiated. The RFP was sent to the six short listed firms. This time QCBS method instead of CBO, procurement is being followed for the selection of Internal Auditor, so that a technically more qualified agency gets due weightage.

Advertisements were published in newspaper for the procurement of SHG books of accounts and other group establishment material, flip charts and other training materials for new blocks. NCB documents for procurement of furniture and fixtures for new BPIUs and DPCUs were also prepared and advertised in local and national newspapers.



In response to our advertisement, 21 firms each for FMTSC and Statutory Auditor and 55 for Internal Auditor submitted their expression of interest. The short listing process of consultant agency was completed and RFP of FMTSC and Statutory Audit was sent to all short listed firms. TOR of Internal Audit as well as shot listing is processed and likely to be finalized.

ALLOTMENT OF FURNITURE & FIXTURES FOR NEW BLOCKS

50% furniture and fixtures were placed in new blocks. Desktops were also hired for the new blocks for the proper / accurate working. Along with this, printers were also procured for the new blocks. At the same time, all the DPCUs are provided with one big photocopier each.

As per procurement plan for the year 2009-10, more than 70% procurement was completed.

SELECTION OF INDIVIDUAL CONSULTANTS

Till date 4 Individual Consultants in Livelihoods (Dairy), 4 in Micro Finance and 1 in IB&CB have been selected and working with the project.

RENEWING OF CONTRACT PARTNERS & NEW PARTNERING WITH LIVELIHOODS AGENCIES.

By the end of the year, contracts were signed with SAKHI for fisheries intervention, ASA for SRI&PVSP intervention and PRADAN for SRI. Contracts with JANANI, SIDS and Aid-et-Action have also been extended till May-June 2010 with same term & condition, without increase in cost.

RENEWAL OF EMPLOYEES INSURANCE POLICY

The insurance policy coverage was provided to the employees. Insurance coverage under medi-claim and accidental policy with National Insurance Co. had been extended for further period of one year with incorporation of new recruited staff.

This year, spouse and two children of employees had also been covered under medi-claim facilities on same amount of premium.

Sl.	Components	Expenditure 1st Qtr. (Rs. in Crore)	Expenditure 2nd Qtr. (Rs. in Crore)	Expenditure 3rd Qtr. (Rs. in Crore)	Expenditure 4th Qtr. (Rs. in Crore)	Total Expenditure 2009-10 (Rs. in Crore)
1	Community Institution Development (CID)	1.34	1.74	2.85	7.41	13.34
2	Community Investment Fund (CIF)	1.98	1.89	12.02	47.58	63.47
3	Special Technical Assistance Fund	0.004	0.52	-0.025	0.78	1.279
4	Project Management	0.75	1.29	1.16	2.08	5.28
Gross Total		4.074	5.44	16.01	57.85	83.369

FINANCE

REPORTING

Consolidation of accounts of the project with preparation of balance sheet for each BPIU had been completed. IUFRR for the period of October to December 09 had been sent to the World Bank and CAA & A.

INTERNAL & STATUTORY AUDIT

The Internal auditor submitted the report for the period of 1st quarter, FY - 2009-2010, which is being reviewed and would be complied soon. Compliance of Statutory audit report was also submitted.

Statutory Audit for the period of 2008-09 was completed and audit report was sent to the World Bank.

FINANCIAL CAPACITY BUILDING

Team view software connectivity had been installed at BPIU offices, which helps in resolving the accounting problems of BPIU or any kind of troubleshooting. Two days training on financial accounting, statutory compliance, and payroll was given to old accountants. A training programme on tally ERP-9 was organised for all accountants and System Analyst by Tally Company. Orientation programme on financial management system of the project had been given to newly recruited BPMs and other officers.

The Financial Rules of the society was prepared and circulated to all concerned for feedback and comments. Subsequently, training was imparted to all BPMs.

FINANCIAL PROGRESS AT A GLANCE

Annexure - I

PROGRESS AT GLANCE UP TO MARCH 2010

HEADS	Total Achievement till 31st March - 10						
	Gaya	Nalanda	Muzaffarpur	Madhubani	Purnia	Khagaria	STATE
INSTITUTION BUILDING							
No of revenue villages entered	546	200	282	161	159	102	1450
Total No. of households in the entered villages	94920	66298	83152	95145	80903	78367	498785
No. of target HHs identified	73117	25550	55101	49417	43752	43208	290145
No of village saturated	227	136	135	41	53	26	618
SHG FORMED							
No. of SHG promoted by BRLPS	4764	2838	3167	2716	3262	2428	19175
Total mem in the SHG promoted by BRLPS (No. of poor mobilised into SHGs)	60557	32805	27523	32572	25776	27212	206445
% of HH covered against the Targeted HH	82.8	128.4	50	66	58.9	63	71.2
SAVING							
Total Cumulative Amount mobilized by the Group	38989042	6959844	34273600	13347593	43547417	15739713	152857209
Total Cumulative Amount Mobilised per Group	8184	2452	10822	4914	13350	6483	7972
Total Cumulative Amount Mobilised per Member	644	212	1245	410	1689	578	740
INTERLOANING							
Total Cumulative number of loan	24007	30147	34965	55137	0	12267	156523
Total Cumulative amount inter-loaned	65236436	72093385	54995993	38895908	55529155	23485033	310235910
MICRO PLAN							
No of Micro Plan Completed – 1 st Round	2952	1916	2217	1946	2222	1654	12907
No of Micro Plan Completed – 2 nd Round	0	359	144	315	0	0	818
INITIAL CAPITALIZATION FUND							
Amount Disbursed under ICF	118527300	84526700	90250080	76461800	81636000	70876900	522278780
No. of Groups received ICF	2918	1706	1842	1095	1679	1477	10717
Avg. Amount Loaned per SHG	40619	49547	48996	69828	48622	47987	48734
Amount of UC recd by BPIU	25667800	0	21679500	0	0	0	47347300
BANK ACCOUNT & LINKAGES							
No. of SHGs having Bank A/C	3399	2093	2336	2027	2335	1704	13894
No of SHG 3 months old but not having Bank Account	233	558	99	132	72	288	1382
% Bank Account opened against the SHG Formed	71	74	74	75	72	70	72
No. of total Groups Credit Linked with Banks	945	661	568	575	604	344	3697
Amount Loaned by Banks to SHG (in Rs. 0.00)	16598000	13912900	10527850	10794491	10677900	7521000	70032141
Avg. Amount Loaned by Banks per SHG	17564	21048	18535	18773	17679	21863	18943
COMMUNITY MOBILISERS							
Number of Book Keepers/CM identified	601	264	373	560	309	348	2455
Number of Book Keepers/CM trained	436	237	335	341	240	269	1858
No. of SHGs being managed by CM partly	2546	1555	2626	2273	2011	1544	12555
No. of SHG / Trained CM	6	7	8	7	8	6	6.8
VILLAGE ORGANISATION							
No. of Village Organisation Formed	162	94	129	103	97	66	651
No. of SHG part of Village organisation	1739	916	1322	987	1118	629	6711
Total individual members of VO	19999	10462	14538	12322	13403	8722	79446
Total Share Capital mobilised	172040	58020	15160	82490	149880	62800	540390
Total membership fee mobilised	167345	35440	37330	180430	137570	60420	618535
No of VO Having Bank Account	123	80	111	74	76	45	509
SOCIAL DEVELOPMENT INITIATIVES							
Total no of illiterate SHG members identified	27029	13666	21072	14791	15693	19090	111341
Total No of SHG members who can sign-	14185	7390	15840	12445	17494	12589	79943
No. of SHGs decided on Non negotiable Norms	2377	1215	1266	881	1146	567	7452
No. of VOs developed action plan on any social issues and got it implemented.	31	0	2	60	0	3	96



HUMAN RESOURCE STATUS

Sl	Positions	Required No.	Status till 31 st Dec. 09	Progress during the quarter		Status till 31 st Mar. 10
				Joining of staff	Staff Left	
State Project Management Unit						
1	CEO	1	1	-	-	1
2	OSD to CEO	1	1	-	-	1
3	CFO	1	1	-	-	1
4	AO	1	1	-	-	1
5	SPM	7	7	-	-	7
6	Procurement Specialist	1	1	-	-	1
7	Finance Officer	1	1	-	-	1
8	Project Manager	12	8	-	-	8
9	Procurement Officer	1	1	-	-	1
10	System Analyst	2	2	-	-	2
11	Data Administrator	2	1	-	-	1
12	DTP Operator cum Designer	1	1	-	-	1
13	Accountant	5	5	-	-	5
14	Office Assistant	6	6	-	-	6
15	Cashier	1	1	-	-	1
16	Procurement Assistant	1	1	-	-	1
17	PA cum Steno	2	1	-	1	0
		46	40	-	1	39
The manpower status remained decreased from 87% to 85% during the quarter						
District Project Management Unit						
1	District Project Manager	6	3	-	-	3
2	Training Manager	6	4	-	-	4
3	Manager Livelihoods	6	6	-	-	6
4	Manager Social Development	6	6	-	-	6
5	Manager Microfinance	6	5	1	-	6
6	Finance Manger	6	1	-	-	1
7	Training Officer	18	14	-	1	13
8	Accountant	6	6	-	-	6
9	Office Assistant	6	6	-	-	6
	Total	66	51	1	1	51
Highlights: The Manpower strength remained 77% during the quarter						
Block Project Management Unit						
1	Block Project Manager	44	34	2	-	36
2	Area Coordinator	150	133	3	1	136
3	Accountant	44	19	1	1	19
4	Office Assistant	44	17	-	-	17
5	Community Coordinator	660	518	77	10	595
	Total	942	721	83	12	803
The manpower status reached up to 85% from 76% during the quarter.						





AUDITORS' REPORT

To the members of Bihar Rural Livelihoods Promotion Society

We have audited the accompanying Balance Sheet of Bihar Rural Livelihoods Promotion Society (BRLPS) as at March 31, 2010, the Income and Expenditure Account and Receipts and Payments Account for the year ended on that date all of which have been signed under reference to this report. These financial statements are the responsibility of the Management of the Society. Our responsibility is to express an opinion on these financial statements on our audit.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

It is the policy of the enterprise to prepare its financial statements on the cash receipts and disbursements basis. On this basis income and the related assets are recognised when received rather than when earned, and expenses are recognized when paid rather than when the obligation is incurred.

Based on our audit, we report that:

- 1) We have obtained all the information and explanations which, to the best of our knowledge and belief were necessary for the purposes of our audit.
- 2) In our opinion proper books of account, as required by law, have been maintained by the society so far as appears from our examination of those books.
- 3) The financial statements dealt with by this report are in agreement with the books of account.
- 4) In our opinion, and to the best of our information and according to the explanations given to us the said financial statements give a true and fair view
 - i) in the case of Balance Sheet, the assets and liabilities arising from cash transactions of the Society as at March 31, 2010 and,

Mookherjee Biswas & Pathak

ii) in the case of Income and Expenditure Account of the income earned and expenditure incurred by the Society on receipts and disbursements basis during the year ended on that date and,

iii) in the case of Receipts and Payments Account, of the Receipts and Payments of the Society during the year ended on that date.

For Mookherjee Biswas & Pathak
Chartered Accountants
Firm Registration No 301138E

(K Dutta)
Partner
Membership No 053790



August 16, 2010
Patna





Mookherjee Biswas & Pathak
Chartered Accountants

AUDIT REPORT

To Bihar Rural Livelihoods Promotion Society

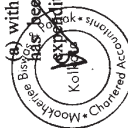
We have audited the accompanying Balance Sheet of Bihar Rural Livelihoods Promotion Project (BRLP) as at March 31, 2010, the Income and Expenditure Account and Receipts and Payments Account for the year ended on that date and also the Reconciliation of claims to total applications of funds for the year ended 31st March 2010 (collectively referred to as the "financial statements") under World Bank Loan No. 4323-O/IN. These financial statements are the responsibility of the Management of the project. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Auditing and Assurance Standards issued by the Institute of Chartered Accountants of India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, and to the best of our information and according to the explanations given to us the said Balance Sheet, Income and Expenditure Account and Receipts and Payments Account read in conjunction with Notes and Schedules 1 to 15 annexed thereto, give a true and fair view

- i) in the case of Balance Sheet, of the state of affairs of the Project as at March 31, 2010 and,
 - ii) in the case of Income and Expenditure Account, the Income and Expenditure of the Project for the year ended on that date, and
 - iii) in the case of Receipts and Payments Accounts, of the Receipts and Payments of the Project for the year ended on that date
- B) Further, in our opinion, and to the best of our information and according to the explanations given to us we state that we are satisfied that the procurement procedure prescribed in the procurement manual under BRLP has been followed.
- C) We further state that,

(a) with respect to Interim Financial Reports (IFRs) adequate supporting documentation has been maintained to support claims to the World Bank for reimbursements of expenditures incurred; and



5 & 6 Fancy Lane, Kolkata-700001

Phone : 2248 1733, 2243 8542, 2242 1789, Fax : (033) 2248 0080, Website : www.mbpkoi.com, E-mail : mbpkoi@vsnl.net

Mookherjee Biswas & Pathak

(b) these expenditures are eligible for financing under the Loan/Credit Agreement No 4323-O/IN

(c) the IFRs submitted and procedure and internal controls involved in their preparation can be relied upon to support the withdrawals.

For Mookherjee Biswas & Pathak
Chartered Accountants
Firm Registration No 301138E

(K Dutta)
Partner
Membership No 053790



**BIHAR RURAL LIVELIHOODS PROMOTION SOCIETY
BALANCE SHEET AS AT 31 ST MARCH 2010**

Capital / Liabilities	Schedule No	As at 31st March 2010	As at 31st March 2009	Assets	Schedule No	As at 31st March 2010	As at 31st March 2009
		Rs	Rs			Rs	Rs
Capital fund	1	18,518,912.75	11,657,229.00	Fixed Assets	5	18,518,912.75	11,657,229.00
General fund	2	227,057,604.64	131,600,012.95	Current Assets , Loans & Advances			
Loans	3	7,277.00	7,277.00		Current Assets		
Current Liabilities	4	1,011,099.00	762,044.00	Cash in Hand	6	461,426.90	128,150.75
				Cash at Bank	7	203,751,325.99	112,889,090.62
				Funds in transit	8	4,700,000.00	5,360,003.00
						208,912,752.89	118,377,244.37
				Loan & Advances	9	19,163,227.75	13,992,089.58
Total		246,594,893.39	144,026,562.95	Total		246,594,893.39	144,026,562.95

Significant Accounting Policies & Notes on Accounts

15

In terms of our report of even date

For and on behalf of
Mookherjee Biswas & Pathak
Chartered Accountants
Firm Registration No: 301138E

K. Dutta
Partner
Membership No. 53790

Place : Patna
Date : 16th August, 2010



For and on behalf of
Bihar Rural Livelihoods Promotion Society

Arvind Kumar Chaudhary, IAS
(Project Director-cum- Chief Executive Officer)



Subodh Ram
Subodh Ram
(Chief Finance Officer)

**BIHAR RURAL LIVELIHOODS PROMOTION SOCIETY
INCOME & EXPENDITURE FOR THE YEAR ENDED 31ST MARCH 2010**

Expenditure	Schedule No	For the year ended 31.03.10	For the year ended 31.03.09	Income	Schedule No	For the year ended 31.03.10	For the year ended 31.03.09
		Rs	Rs			Rs	Rs
Expenditure on Main Project				Fund Received			
Community institution Development	10	130,476,655.06	35,645,532.17	To the extent utilized during the year		815,148,040.81	88,560,029.60
Community investment fund	11	634,685,798.00	19,051,484.00	Less: Expenditure in Fixed Assets transferred to capital Fund Account	5	6,861,683.75	4,917,843.00
Project Management Expenses	12	48,872,390.50	22,673,045.00	Miscellaneous Income		822,009,724.56	83,642,186.60
Special Technical Assistance fund		12,794,681.00	8,125,737.00	Bank Interest	13	4,720,520.00	1,833,079.57
		826,829,524.56	85,495,798.17	Miscellaneous income	14	99,280.00	20,532.00
Fixed Assets Purchased		6,861,683.75	4,917,843.00				
Total Expenditure		833,691,208.31	90,413,641.17				
Less : Fixed Assets transferred		6,861,683.75	4,917,843.00				
Total		826,829,524.56	85,495,798.17	Total		826,829,524.56	85,495,798.17

Significant Accounting Policies & Notes on Accounts

15

In terms of our report of even date

For and on behalf of
Mookherjee Biswas & Pathak
Chartered Accountants
Firm Registration No: 301138E

K. Dutta
Partner
Membership No. 53790

Place : Patna
Date : 16th August, 2010



For and on behalf of
Bihar Rural Livelihoods Promotion Society

Arvind Kumar Chaudhary, IAS
(Project Director-cum- Chief Executive Officer)



Subodh Ram
Subodh Ram
(Chief Finance Officer)



BIHAR RURAL LIVELIHOODS PROMOTION SOCIETY
RECEIPTS AND PAYMENT ACCOUNTS FOR THE YEAR ENDED 31st MARCH 2010

Receipts		Schedule No	For the year ended 31.03.10	For the year ended 31.03.09	Payments		Schedule No	For the year ended 31.03.10	For the year ended 31.03.09
			Rs	Rs				Rs	Rs
Opening Balance					Main Project Expenditure				
Cash in hand	6		128,150.75	12,518,753.50	Community Institution Development	10	130,476,655.06	35,645,532.17	
Cash at Bank	7		112,889,090.62	76,234.00	Community Investment fund	11	634,685,798.00	19,051,484.00	
Fund in transit	8		5,360,003.00	-	Project Management Expenses	12	48,872,390.50	22,673,045.00	
Loans & Advances	9		13,992,089.58	1,399,746.05	Special Technical Assistance fund		12,794,681.00	8,125,737.00	
			132,369,333.95	13,994,733.55	Fixed Assets	5	6,861,683.75	4,917,843.00	
Fund Received from Government of Bihar From UNICEF			924,000,000.00	206,462,000.00			833,691,208.31	90,413,641.17	
			329,000.00						
Other Income					Opening Liabilities	4	762,044.00	296,691.00	
Bank Interest	13		4,720,520.00	1,833,079.57					
Miscellaneous Income	14		99,280.00	20,532.00					
			4,819,800.00	1,853,611.57	Closing balance				
Closing Liabilities	4		1,011,099.00	769,321.00	Cash in hand	6	461,426.90	128,150.75	
					Cash at Bank	7	203,751,325.99	112,889,090.62	
					Fund in transit	8	4,700,000.00	5,360,003.00	
					Loans & Advances	9	19,163,227.75	13,992,089.58	
							228,075,980.64	132,369,333.95	
			1,062,529,232.95	223,079,666.12			1,062,529,232.95	223,079,666.12	

Significant Accounting Policies & Notes on Accounts

15

In terms of our report of even date

For and on behalf of
Mookherjee Biswas & Pathak
Chartered Accountants
Firm Registration No: 301138E

K. Dutta
Partner
Membership No. 53790
Place : Patna
Date : 16th August, 2010



Arvind Kumar Chaudhary, IAS
(Project Director-cum- Chief Executive Officer)

For and on behalf of
Bihar Rural Livelihoods Promotion Society



Subodh Ram
(Chief Finance Officer)

BIHAR RURAL LIVELIHOODS PROMOTION SOCIETY
Schedules to the Balance Sheet

Schedule: 1

Capital Fund	As at 31st March 2010	As at 31st March 2009
	Rs	Rs
Opening Balance	11,657,229.00	6,739,386.00
Add Transferred during the year being Capital Expenditure in nature	6,861,683.75	4,917,843.00
Closing balance	18,518,912.75	11,657,229.00

Schedule: 2

General Fund	As at 31st March 2010	As at 31st March 2009
	Rs	Rs
Opening balance	131,600,012.95	13,698,042.55
Fund from State Government for the project	924,000,000.00	206,462,000.00
Fund received from UNICEF	329,000.00	
Less : Expenditure incurred during the year	(822,009,724.56)	(83,642,186.60)
Less : Expenditure on Fixed Assets transferred to Capital Fund	(6,861,683.75)	(4,917,843.00)
Closing balance	227,057,604.64	131,600,012.95



BIHAR RURAL LIVELIHOODS PROMOTION SOCIETY
Schedules to the Balance Sheet

Schedule: 3

Loans

PARTICULARS	As at 31st March	As at 31st March
	2010	2009
BSWDC	7,277.00	7,277.00
Total	7,277.00	7,277.00

Schedule: 4

CURRENT LIABILITIES

PARTICULARS	As at 31st March	As at 31st March
	2010	2009
SPMU		650,823.00
Sundry Creditors	65,126.00	1,430.00
Duties & Taxes	708.00	-
Security Deposit	83,848.00	376,657.00
Retention Money	75,868.00	169,873.00
Performance Security	255,205.00	100,000.00
Salary deduction	67,108.00	2,863.00
Insurance Premium	7,561.00	-
(A)	555,424.00	650,823.00

(A)

BPLU	10,000.00	
Khagaria	9,046.00	
B. Kothi	8,166.00	
Baranikhi	9,049.00	
Dhanua		
Musahiri		
Boochaha	687.00	
Meenapur	1,289.00	
Harnaut	256.00	
Rajgir	7,773.00	
Biharsharif	6,472.00	931.00
Ruhai	4,557.00	
Nagmausa	5,035.00	
Booh gaya	213.00	
Scorghati	783.00	25,668.00
Kharasaria	6,590.00	5,000.00
Doohi	24,177.00	
Aunas	8,738.00	22,040.00
Mampur	10,785.00	
Wazirgang	315.00	
Tankruppa	8,150.00	
Madhubani (Raj nagar)	7,092.00	
Benipati	6,294.00	1,221.00
Khuzauli	492.00	15,100.00
Jainagar	5,875.00	5,000.00
Jehanpur	6,941.00	
Lakhaur	603.00	
Pandaul	603.00	
(B)	119,393.00	111,231.00

(B)

DPCU		
DPCU Madhubani	21,104.00	
DPCU Gaya	148,771.00	
DPCU Muzaffarpur	34,317.00	
DPCU Purnea	107,248.00	
DPCU Nalanda	24,842.00	
(C)	336,282.00	
Total (A+B+C)	1,011,899.00	762,054.00

Total (A+B+C)



BIHAR RURAL LIVELIHOODS PROMOTION SOCIETY
Schedules to the Balance Sheet

Schedule 5
Fixed Assets

PARTICULARS

PARTICULARS	BALANCE AS ON 1-4-2009	ADDITION DURING THE YEAR	BALANCE AS ON 31.3.2010
	Airconditioner	704,145.00	
Computer	811,194.00	107,070.50	918,264.50
Laptops	615,240.00		615,240.00
Fax	51,968.00		180,433.00
Furniture	3,528,179.00	128,465.00	3,656,644.00
Mobile	59,800.00	2,248,589.50	2,308,389.50
Intercom	112,470.00	16,100.00	128,570.00
Vehicle	1,581,106.00	2,845.00	1,583,951.00
Photocopier	146,640.00		146,640.00
Printer	61,276.00	764,427.00	825,703.00
Software	71,587.00	518,760.00	590,347.00
Other office Equipment	1,921,599.00	421,261.00	2,342,860.00
Misc. Electronic Installations	85,637.00	21,329.75	106,966.75
LCD Projector	496,379.00	80,548.00	576,927.00
LCD TV	111,523.00		111,523.00
Digital Camera	72,800.00	341,937.00	414,737.00
UPS/Inverter	611,733.00	4,800.00	616,533.00
Scanner	6,490.00	190,878.00	197,368.00
Generator(MP)	110,504.00		110,504.00
Computer Accessories	2,905.00	379,092.00	381,997.00
Upgrading of Computer System /O.Equipment	475,904.00	246,060.00	721,964.00
Cycle(MP)	5,250.00		5,250.00
Laptops Adaptor	12,900.00	6,000.00	18,900.00
Fan	-	65,867.00	65,867.00
Sign Board	-	57,622.00	57,622.00
Office Refurnishing	-	1,234,776.00	1,234,776.00
Gas cylinder	-	2,100.00	2,100.00
Total	11,657,229.00	6,861,683.75	18,518,912.75





BIHAR RURAL LIVELIHOODS PROMOTION SOCIETY
Schedules to the Balance Sheet

Schedule-6
Cash in hand

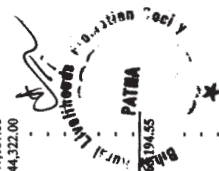
PARTICULARS	As at 31st March 2010		As at 31st March 2009	
	Rs	Rs	Rs	Rs
SPMU	32,769.55	28,705.55	32,769.55	28,705.55
(A)				
BPTU				
Dhanbha	1,321.00	10,567.85		
B. Kothi	30.00	0.50		
Banmankhi	22,584.35	1,098.35		
Kahagaria	4,567.00	6,458.00		
Alauli	233.00	4,668.00		
Chhatapur	3,425.00	-		
Kumarkhand	1,792.00	-		
Benipatti	5,782.00	3,181.00		
Khazauli	38,802.00	1,563.00		
Raj nagar	3,002.00	1,409.00		
Jainagar	913.00	-		
Pandaul	3,525.00	-		
Boohaha	22,511.00	10,707.00		
Menapur	41,094.00	8,706.00		
Mushari	9,182.00	25,093.00		
Sakra	25,732.00	-		
Saraiya	13,353.00	-		
Muraul	21,211.00	-		
Kudhni	4,536.00	-		
Rajgir	5,699.00	458.00		
Sarnera	3,342.00	3,620.00		
Hanaut	12,238.00	6,376.00		
Biharsharif	6,899.00	-		
Negamausa	679.00	-		
Rahui	6,858.00	-		
Ashawan	2,906.00	-		
Booth gaya	4,787.00	12,733.00		
Dobhi	643.00	523.00		
Serghati	7,717.00	-		
Khizersarai	12,479.50	2,283.50		
Amas	865.00	-		
Atri	16,092.00	-		
Wazirang	19,790.00	-		
Gurua	12,483.00	-		
Tankuppa	8,669.50	-		
Benechatti	6,959.00	-		
Manpur	26,358.00	-		
(B)	379,079.35	99,445.20		
DPCU				
Purnia(DPCU)	13,438.00	-		
Khagaria(DPCU)	13,629.00	-		
Gaya(DPCU)	807.00	-		
Nalanda(DPCU)	1,365.00	-		
Muzaffarpur(DPCU)	20,339.00	-		
(C)	49,578.00	-		
Total (A+B+C)	461,426.90	128,150.75		



BIHAR RURAL LIVELIHOODS PROMOTION SOCIETY
Schedules to the Balance Sheet

Schedule-7
Cash at Banks

PARTICULARS	As at 31st March 2010		As at 31st March 2009	
	Rs	Rs	Rs	Rs
SPMU	33,266.00	32,229.00	33,266.00	32,229.00
Corporation bank(HO)	2,065,714.00	10,546,330.00	2,065,714.00	10,546,330.00
Central bank of India(HO)	3,223,358.07	10,651,063.07	3,223,358.07	10,651,063.07
Canara bank (HO)	1,084,336.00	39,746,364.00	1,084,336.00	39,746,364.00
SBI (HO)	5,358,831.00	26,853,908.00	5,358,831.00	26,853,908.00
Punjab National Bank	266,800.00	-	266,800.00	-
Madhya Bihar Gramin Bank	941,932.00	-	941,932.00	-
Union Bank of India	12,974,237.07	87,823,896.87	12,974,237.07	87,823,896.87
(A)				
BPTU				
Dhanbha	5,055,516.40	403,836.20	5,055,516.40	403,836.20
B. Kothi	5,517,340.00	408,342.00	5,517,340.00	408,342.00
Amour	2,368,135.00	-	2,368,135.00	-
Bisti	730,871.00	-	730,871.00	-
Banmankhi	1,892,957.00	548,161.00	1,892,957.00	548,161.00
Bhawanipur	1,830,211.00	-	1,830,211.00	-
Rupauli	4,654,024.00	-	4,654,024.00	-
Kahagaria	13,692,092.80	-	13,692,092.80	-
Chautham	3,737,181.00	-	3,737,181.00	-
Alauli	12,553,440.00	3,703,205.00	12,553,440.00	3,703,205.00
Chhatapur	2,105,243.00	3,205,647.00	2,105,243.00	3,205,647.00
Kumarkhand	2,942,975.00	-	2,942,975.00	-
Benipatti	5,304,948.05	445,137.05	5,304,948.05	445,137.05
Khazauli	5,819,139.00	1,567,494.00	5,819,139.00	1,567,494.00
Raj nagar	6,272,908.00	350,156.00	6,272,908.00	350,156.00
Jainagar	510,687.00	-	510,687.00	-
Jhaujhapur	3,400,699.00	-	3,400,699.00	-
Lakhnaur	4,392,789.00	-	4,392,789.00	-
Pandaul	1,753,776.00	-	1,753,776.00	-
Boohaha	19,915,408.00	-	19,915,408.00	-
Menapur	579,888.50	1,844,294.00	579,888.50	1,844,294.00
Mushari	8,438,307.00	1,682,378.00	8,438,307.00	1,682,378.00
Sakra	326,309.00	2,369,827.00	326,309.00	2,369,827.00
Saraiya	2,287,760.00	-	2,287,760.00	-
Muraul	2,208,871.00	-	2,208,871.00	-
Kudhni	4,098,857.00	-	4,098,857.00	-
Rajgir	398,666.00	660,099.00	398,666.00	660,099.00
Sarnera	6,134,601.00	1,827,367.00	6,134,601.00	1,827,367.00
Hanaut	9,267,545.00	1,156,383.00	9,267,545.00	1,156,383.00
Biharsharif	8,743,220.00	-	8,743,220.00	-
Negamausa	4,914,339.00	-	4,914,339.00	-
Rahui	9,947,136.00	-	9,947,136.00	-
Ashawan	184,865.00	-	184,865.00	-
Booth gaya	2,715,912.30	1,538,799.30	2,715,912.30	1,538,799.30
Dobhi	3,722,549.00	1,512,620.00	3,722,549.00	1,512,620.00
Serghati	2,969,545.00	1,247,167.00	2,969,545.00	1,247,167.00
Khizersarai	601,198.00	544,322.00	601,198.00	544,322.00
Amas	464,836.00	-	464,836.00	-
Atri	2,489,694.00	-	2,489,694.00	-
Wazirang	2,818,859.37	-	2,818,859.37	-
Gurua	2,357,273.00	-	2,357,273.00	-
Tankuppa	399,449.00	-	399,449.00	-
Benechatti	907,980.00	-	907,980.00	-
Manpur	2,246,719.50	-	2,246,719.50	-
(B)	183,676,739.92	25,068,094.35	183,676,739.92	25,068,094.35
Bank balance at DPCU				
Purnia(DPCU)	1,066,504.00	-	1,066,504.00	-
Khagaria(DPCU)	1,721,844.00	-	1,721,844.00	-
Mahubani(DPCU)	499,230.00	-	499,230.00	-
Gaya(DPCU)	334,165.00	-	334,165.00	-
Nalanda(DPCU)	3,393,238.00	-	3,393,238.00	-
Muzaffarpur(DPCU)	83,348.00	-	83,348.00	-
(C)	7,100,349.00	-	7,100,349.00	-
Total (A+B+C)	268,751,325.99	112,889,690.62	268,751,325.99	112,889,690.62





BIHAR RURAL LIVELIHOODS PROMOTION SOCIETY
Schedules to the Balance Sheet

Schedule 9

Loans and Advances

BIHAR RURAL LIVELIHOODS PROMOTION SOCIETY
Schedules to the Balance Sheet

Schedule-8

Funds in Transit

PARTICULARS

	As at 31st March 2010	As at 31st March 2009
	Rs	Rs
DPIU		
Bhawanipur	700,000.00	-
Amas	1,500,000.00	-
Tankuppa	2,500,000.00	-
Dhandaaha	-	978,000.00
B. Kothi	-	1,710,000.00
Banmankhi	-	1,283,500.00
Khizirsarai	-	300,000.00
Benipatti	-	25,103.00
Jaynagar	-	1,063,400.00
Total	4,700,000.00	5,360,003.00



PARTICULARS	As at 31st March 2010	As at 31st March 2009
	Rs	Rs
BPTU		
Dhandaaha	217,684.00	270,518.00
B. Kothi	102,472.50	112,169.00
Amour	110,872.00	-
Baizi	18,411.00	-
Banmankhi	88,701.00	77,359.00
Bhawanipur	47,210.00	-
Rupeali	26,209.00	-
Khagaria	105,089.00	48,313.25
Chautham	12,201.00	-
Alauli	32,313.00	32,600.00
Chhatrapur	70,146.00	-
Kumarkhand	22,177.00	-
Benipatti	79,753.00	116,806.00
Khazauli	55,154.00	53,412.00
Raj nagar	50,306.00	130,331.00
Jainagar	69,869.00	-
Jhaujharpur	34,650.00	-
Lakhaur	41,549.00	-
Pandauli	19,314.00	-
Bochaha	309,759.00	126,728.00
Meenapur	132,947.00	8,181.00
Mushari	166,971.00	46,210.00
Sakra	42,721.00	-
Saraya	74,814.00	-
Mirauli	62,302.00	-
Kurhani	49,364.00	-
Rajgir	63,052.00	49,123.00
Sarmera	71,344.00	46,285.00
Henaat	260,564.00	70,698.00
Biharsharif	95,750.00	-
Nagarnausa	21,116.00	-
Rahul	29,033.00	-
Ashawan	22,996.00	-
Both gaya	65,230.00	136,628.83
Dobhi	106,949.00	26,914.00
Sergathi	82,163.00	21,214.00
Khizersarai	170,495.00	54,560.00
Amas	24,848.00	-
Atri	42,470.00	-
Wazirgang	1,120.00	-
Gurua	48,741.00	-
Tankuppa	54,586.00	-
Barachhatti	38,816.00	-
Maupur	35,942.00	-
	3,276,375.50	1,428,650.08
(A)		
DPCU		
Purnia(DPCU)	140,586.00	-
Khagaria(DPCU)	223,871.00	-
Madhubani(DPCU)	232,681.00	-
Gaya(DPCU)	249,401.00	-
Nalanda(DPCU)	303,488.00	-
Muzaffarpur(DPCU)	259,304.00	-
	1,409,331.00	
(B)		
SPMU (C)	14,475,523.25	12,564,039.50
Total (A+B+C)	19,163,227.75	13,992,689.58





BIHAR RURAL LIVELIHOODS PROMOTION SOCIETY
Schedules to the Income & Expenditure Account and Receipts & Payments Account

Schedule-10

Community Institutional Development Fund

PARTICULARS	For the year ended 31st March 2009	
	March 2010	March 2009
BFIU	5,788,990.65	2,670,334.90
Dharmda	3,020,122.00	959,256.50
B. Kothi	729,230.00	-
Anour	579,646.50	-
Bisai	3,269,231.00	1,281,768.65
Bhawanipur	721,807.50	-
Khazuli	4,116,128.95	1,988,780.75
Chaurhan	86,649.50	-
Alauli	3,782,286.00	1,100,481.00
Chhatapur	876,321.50	-
Kamatkhund	684,801.50	-
Benipatti	3,831,084.00	1,073,233.00
Khazuli	2,984,638.00	1,010,274.00
Raj nagar	5,962,657.00	2,457,339.00
Jainagar	604,992.50	-
Jangharpur	463,775.50	-
Lakhaur	589,776.50	-
Pandaul	506,522.50	-
Boobaha	5,385,739.00	2,573,364.00
Meenapur	3,124,761.50	756,100.00
Mishari	4,317,970.00	2,039,403.00
Sakra	554,334.50	-
Meeraya	695,739.50	-
Kurhani	705,272.50	-
Kurhani	3,525,441.00	1,384,245.00
Rajgir	2,703,267.00	817,844.00
Harnat	4,840,265.00	2,064,788.00
Biharsharif	673,248.50	-
Nagarmanas	482,857.50	-
Rahui	687,307.50	-
Noorani / Aulaha	485,181.50	-
Booth gya	7,249,201.83	4,928,006.57
Dobhi	4,173,691.00	1,559,619.00
Serghati	3,503,095.00	1,111,464.00
Khuzasani	4,007,531.00	977,387.50
Anus	721,899.50	-
Ati	600,448.50	-
Wazirang	724,417.13	-
Gurus	404,343.50	-
Tankuppa	521,033.00	-
Barachahi	56,649.50	-
Manpur	634,238.50	-
	91,689,233.06	30,764,793.87
(A)		
DPCU	1,742,119.50	-
Pennis(DPCU)	1,003,923.50	-
Khagaria(DPCU)	1,806,150.00	-
Madhubani(DPCU)	4,302,568.00	-
Gaya(DPCU)	2,411,023.00	-
Nalanda(DPCU)	1,914,401.00	-
Muzaffarpur(DPCU)	13,180,189.00	-
(B)		
SPMU	25,607,243.00	4,880,733.30
	25,607,243.00	4,880,733.30
(C)		
Total (A+B+C)	136,776,665.66	35,545,527.17



BIHAR RURAL LIVELIHOODS PROMOTION SOCIETY
Schedules to the Income & Expenditure Account and Receipts & Payments Account

Schedule-11

Community Investment Fund

PARTICULARS	For the year ended 31st March 2009	
	March 2010	March 2009
BFIU	36,387,388.00	1,863,500.00
Dharmda	23,689,569.00	740,000.00
Anour	4,200,000.00	-
Bisai	7,497,625.00	-
Bhawanipur	26,923,485.00	766,500.00
Khazuli	3,050,000.00	-
Chaurhan	33,587,241.00	418,600.00
Alauli	35,343,411.00	742,000.00
Chhatapur	3,300,000.00	-
Kamatkhund	3,250,000.00	-
Benipatti	24,093,589.00	923,000.00
Khazuli	19,353,219.00	397,000.00
Raj nagar	31,221,656.00	1,340,080.00
Jainagar	4,327,800.00	-
Jangharpur	4,064,000.00	-
Lakhaur	6,873,000.00	-
Pandaul	4,340,500.00	-
Boobaha	37,486,500.00	2,363,000.00
Meenapur	19,052,875.00	33,000.00
Mishari	31,391,000.00	669,500.00
Sakra	4,300,000.00	-
Saraiya	5,900,000.00	-
Murali	3,900,000.00	-
Kurhani	7,924,500.00	-
Rajgir	30,029,354.00	1,940,000.00
Samera	28,150,364.00	657,000.00
Harnat	34,288,500.00	1,960,000.00
Biharsharif	800,000.00	-
Nagarmanas	3,450,000.00	-
Rahui	5,250,000.00	-
Booth gya	37,489,137.00	867,250.00
Dobhi	35,832,259.00	704,400.00
* Serghati	24,814,263.00	1,188,900.00
Khuzasani	19,669,262.00	778,500.00
Anus	3,761,700.00	-
Ati	2,850,000.00	-
Wazirang	2,400,000.00	-
Gurus	7,449,500.00	-
Tankuppa	3,450,000.00	-
Barachahi	2,978,000.00	-
Manpur	3,543,500.00	-
(A)	633,943,397.00	18,532,230.00
SPMU	742,401.00	699,254.00
(B)	742,401.00	699,254.00
Total (A+B)	634,685,798.00	19,051,484.00





BIHAR RURAL LIVELIHOODS PROMOTION SOCIETY
Schedules to the Income & Expenditure Account and Receipts & Payments Account

Schedule-13

Bank Interest

PARTICULARS	For the year ended 31st March 2009	
	Rs	Rs
Dhansidha	48,274.00	
S. Kothi	64,334.00	
Ameer	23.00	
Bansi	20.00	
Bhainsabhi	97,226.00	
Bhainsarpur	31.00	
Bijpur	170,017.00	
Chhapra	1,000.00	
Chhapri	63,481.00	
Chhapri	93,481.00	
Chhapri	53,360.00	
Chhapri	111,467.00	
Chhapri	103,559.00	
Chhapri	133,516.00	
Chhapri	4,261.00	
Chhapri	3.00	
Chhapri	10,539.00	
Chhapri	48,677.00	
Chhapri	134,956.00	
Chhapri	17,564.00	
Chhapri	7,013.00	
Chhapri	120,106.00	
Chhapri	129,073.00	
Chhapri	91,871.00	
Chhapri	118,681.00	
Chhapri	286.00	
Chhapri	269.00	
Chhapri	469.00	
Chhapri	273.00	
Total	1,678,734.98	

(A)

DPCU

Purnia(DPCU)

Khagaria(DPCU)

Gaya(DPCU)

Muzaffarpur(DPCU)

SPMU

Total (A+B+C)

1,833,097.57

1,833,097.57

1,833,097.57

Schedule-14

Microfinance Income

PARTICULARS

SPMU

DPCU & BFTU

Ameer

Bansi

Bhainsabhi

Bhainsarpur

Bijpur

Chhapra

Chhapri

Chhapri

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BIHAR RURAL LIVELIHOODS PROMOTION SOCIETY
Schedules to the Income & Expenditure Account and Receipts & Payments Account

Schedule-12

Project Management Cost

PARTICULARS	For the year ended 31st March 2009	
	Rs	Rs
DPCU	517,620.50	
DPCU MADHUBANI	575,892.00	
DPCU PURNIA	299,902.50	
DPCU NALANDA	1,492,570.00	
DPCU KHAGARIA	754,445.50	
DPCU GAYA	533,212.50	
DPCU MUZAFFARPUR	4,173,043.00	
Total (A)	44,698,747.50	22,673,045.00
Total (A+B)	44,698,747.50	22,673,045.00

(A)

(B)

Total (A+B)

48,872,390.50

22,673,045.00

22,673,045.00





BIHAR RURAL LIVELIHOODS PROMOTION SOCIETY

Schedule-15

Significant Accounting Policies and Notes on Accounts

1. Overview of the organisation

The Society is a non-profit organisation registered under the Societies Registration Act, 1860 and is promoted by the Government of Bihar to address rural poverty in the state of Bihar in joint collaboration with the World Bank. The project aims to enhance social and economic empowerment of rural poor, especially women, by creating Self Managed Community Institutions.

2. Basis of Preparation of Financial Statements

The Financial Statements have been maintained on double entry system adopting cash basis of accounting. Financial Statements are prepared in accordance with the Generally Accepted Accounting Principles including Accounting Standards followed in India to the extent applicable.

Preparation of the financial statements are in conformity with the Generally Accepted Accounting Principles requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities on the date of financial statements and reported amount of revenues and expenses for the year. Estimates are based on assumptions that management believes are reasonable under the circumstances.

3. Fixed Assets and Depreciation

Fixed Assets acquired have been valued at cost including all direct costs i.e., purchase price, transportation expenses, installation charges and other expenditure incurred for bringing the fixed assets in working condition, including expenditure incurred prior to its first use. Memorandum records are maintained to exercise physical control over the assets.

No depreciation has been charged on the fixed assets in the financial statements.

4. Revenue Recognition

Grant received from State Government has been recognized as income to the extent of the revenue expenditure made during the year and the unutilized balance is shown as a part of the general fund. For expenditure incurred on Fixed Assets, a corresponding amount has been transferred to the Capital Fund.

Interest earned on deposits from bank during the project period is treated as project fund and accounted on receipt.

5. Valuation of Stocks

Materials and office supplies acquired for the program are charged as expenditure at the time of payment. Memorandum Stock Register is maintained to control over the store item.



BIHAR RURAL LIVELIHOODS PROMOTION SOCIETY

6. Expenditure Incurred by Technical Service Agencies and Support Organizations

MOUs/Agreements have been entered with the Technical Service Agencies and Support Organizations. Payments against output based contracts are charged to expenditure on completion of predetermined milestones. Expenditure against input based contracts are recognized on receipt and approval of necessary reports/supporting documents.

7. Accounting of Fund Disbursed to SHGs

Funds released to Self Help Groups (SHGs) under Community Investment Fund (CIF) are charged to the Income & Expenditure Account by the Society. As per Project Implementation Plan the said disbursed amount will be considered as loan. Moreover, SHGs will return the said amount to the VOs / BLFs and no transaction will be held between SHGs and the Society at the time of refund of loan and rotation. Hence, the Society has charged the amount under Income & Expenditure during the year of disbursement.

8. Grants Received during the year

The Society has received an amount of Rs 92, 40, 00,000/- from Government of Bihar as grant towards promotion of rural livelihoods through formation of self help groups of poor women and also has received Rs 3,29,000/- from UNICEF towards improvement in sanitation conditions in rural areas.

Previous year's figures have been regrouped where necessary to conform to this year's classifications.

For Mookherjee Biswas & Pathak Chartered Accountants
Firm Registration Number 301138E

(Signature)
(K Dutta)
Partner
Membership No: 53790

(Signature)
16/8/2010
Subodh Ram
Chief Finance Officer



Patna, August 16, 2010



BIHAR RURAL LIVELIHOODS PROMOTION SOCIETY

Reconciliation of claims to total applications of funds for the year ended 31st March 2010

Particulars	Rs in Million	Rs in Million
Expenditure as per Audited Financial statement 2009-10		833.69
Less: Statement of Expenditure sent to World Bank		
1st Quarter (Ref no 140/08/1177/19 dated 28.08.09)	40.77	
2nd Quarter (Ref no 140/08/2474/09 dated 28.12.09)	54.43	
3rd Quarter (Ref no 140/08/3050/10 dated 26.02.10)	160.08	
4th Quarter (Ref no 140/08/2474/19 dated 28.12.09)	578.26	
Difference		833.54
		0.15

Reconciliation of the difference

Expenditure booked for lower amount in the following cases

- 1) Community Investment Fund- Khazauli Block
- 2) Community Institutional Development- Jainagar Block

0.146	0.15
0.002	

90% of total expenditure is eligible for reimbursement from World Bank

In terms of our report of even date

For and on behalf of
Mookherjee Biswas & Pathak
Chartered Accountants
Firm Registration No: 301138E



K. Das
Partner
Membership No. 53790
Place : Patna
Date : 16th August, 2010

For and on behalf of
Bihar Rural Livelihoods Promotions Society

Arvind Kumar Chaudhary, IAS
(Project Director-cum-Chief Executive Officer)

Subodh Kumar
(Chief Finance Officer)



16th August, 2010

Project Management,
Bihar Rural Livelihoods Promotion Society
Vidyut Bhavan, Annexe II, 1st Floor
Bailey Road, Jawaharlal Nehru Marg
Patna 800001

Dear Sirs,

Management Letter

Audit for the year ended 31st March 2010

We have conducted the audit of the financial statements of Bihar Rural Livelihoods Promotion Society (BRLPS) as at 31st March 2010. We familiarized ourselves with project documents, the internal guidelines and circulars applicable during this period under review. We also reviewed the business of the project and evaluated the accounting systems and related controls of the project in order to plan and perform our audit.

Our audit was conducted in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

The responsibility of the management, inter alia, includes the maintenance of adequate accounting records and internal controls for safeguarding of the assets of the company and for the preventing and detecting fraud or other irregularities.

In terms of "Standards on Auditing SA 265", "Communicating deficiencies in internal control to those charged with governance and management" issued by the Institute of Chartered Accountants of India, the purpose of this letter is to communicate appropriately with those charged with governance and management deficiencies in internal control that we have identified during our audit and that in our professional judgment, are of sufficient importance and merit their respective attentions.





Our observations are as follows:

1. Matters having a significant impact on the implementation of the project

Bank Reconciliation Statements

We observed in a large number of cases where Bank Reconciliation Statements have not been prepared as on 31st March 2010 till the time of our visit in July 2010. As Bank Reconciliation Statements are necessary for ensuring accuracy of the financial statements prepared, timely preparation of it should be ensured.

The management should ensure that the bank reconciliations are done on a monthly basis to exercise effective control over its financial transactions.

Cash Verification

We have verified cash in locations during our field visits. Physical cash did not tally with the books at Sakra BPIU, Muzaffarpur District. The physical cash balance found was Rs 19500 against a book balance of Rs 7790.00 on 8th July, 2010.

The Internal Auditors have also in their reports have pointed out that in a number of cases the physical cash did not tally with the book balance. A few specific verification references where the cash did not tally are :

- Benipatti BPIU- Cash Verification Date-08/10/2009
 - Mushahari BPIU- Cash Verification Date - 14/01/10
 - Rajnagar BPIU- Cash Verification Date - 13/01/10
- The management should exercise greater vigil on control over cash.

Community Investment Fund (CIF)

We have verified more than 20% of the total CIF advance given to SHGs/ VOs. Our observations are as follows:

Delay in handing over CIF Cheques to SHGs/VOs

During the course of our audit we have come across instances where there have been inordinate delays in handing over the cheques to the respective SHGs/VOs

Block: Mushari, Muzaffarpur

Cheque Issue Date	Chq. No.	Name of VO/SHG	A/C Name	Amount (Rs.)	Cheque Received Date	Date of Sanction of Loan	Name of Bank
23/12/09	9341	Chameli Jeevika,SHG	ICF	30000	12/3/2010	23/12/2009	CBI, Mithanpura Branch, 570
23/12/09	9345	Champa Jeevika,SHG	ICF	30000	12/3/2010	23/12/2009	
23/12/09	9347	Gulab Jeevika,SHG	ICF	30000	12/3/2010	23/12/2009	
23/12/09	9351	Durga Jeevika,SHG	ICF	30000	12/3/2010	23/12/2009	
23/12/09	9352	Maa Bhagwati, Jeevika, SHG	ICF	30000	12/3/2010	23/12/2009	
23/12/09	9353	Vishnu Jeevika, SHG	ICF	30000	12/3/2010	23/12/2009	PNB,Bela Branch
21/12/09	865602	Prakash Jeevika, VO	ICF	319500	12/3/2010	11/12/2009	
21/12/09	865604	Ied Jeevika,SHG	ICF	30000	12/3/2010	11/12/2009	

Non receipt of Utilization Certificate

During the course of our audit we came across instances where the Utilization certificates in respect of the CIF loans were not received even after five months of the disbursement of the loans.

Unit	SHG name	Amount (Rs.)	Date of Disbursement of Loan	Serial No. in CIF Register	Cheque No.	Date of Verification
Dhanda BPIU	Parwati	50000.00	10.1.2010	377	893476	2.07.2010
Dhanda BPIU	Mahadevi	30000.00	10.1.2010	394	896432	2.07.2010
Dhanda BPIU	Bairang	30000.00	10.1.2010	396	896455	2.07.2010
Dhanda BPIU	Komal	50000.00	23.1.2010	419	801051	2.07.2010
Dhanda BPIU	Adi Shakti	50000.00	23.1.2010	420	801052	2.07.2010
Dhanda BPIU	Ram	50000.00	23.1.2010	421	801054	2.07.2010
Dhanda BPIU	Arman	50000.00	12.3.2010	545	801080	2.07.2010
Dhanda BPIU	Shiv	50000.00	12.3.2010	563	801096	2.07.2010
Pandauli BPIU	Bairang	50000.00	27.3.2010	22	581241	16.07.2010
Pandauli BPIU	Anjali	50000.00	27.3.2010	38	581243	16.07.2010
Pandauli BPIU	Dulhan	50000.00	27.3.2010	20	581241	16.07.2010
Pandauli BPIU	Dharamaj	43,000.00	27.3.2010	46	011111	16.07.2010
Pandauli BPIU	Bairangbali	50,000.00	27.3.2010	43	011112	16.07.2010

Internal Audit

The Society has appointed a firm of Chartered Accountants as its internal auditor. Till the date of our audit, we the society has received internal audit reports for three quarters ending on June,09,September, 09 and December,09. Although, the management initiates corrective actions based on the observations of the internal auditor, we feel there is a scope of improvement in the monitoring process.





Mookherjee Biswas & Pathak

Mookherjee Biswas & Pathak

Funds received for other projects

The Society has, during the year under review, received Rs 3,29,000/- from UNICEF for towards improvement in sanitation conditions in rural areas. Utilization of funds received from UNICEF has not been separately accounted for. We are given to understand that during the current year the Society has received/will receive funds from multiple agencies. It is necessary that bank society accounts for these funds and its utilization separately and through designated bank accounts.

2. Opportunities for strengthening financial management records, systems and controls together with recommendations for improvement.

Bank Confirmation

In terms of Section 7.2.3 of the Financial Manual of the Project bank confirmations of balances are to be obtained on a quarterly basis.

The project does not have a system of obtaining of bank confirmation from the banks.

State cheques

We have come across instances where cheques were issued but have not been encashed within the validity periods of the cheques. These amounts should have been reversed in the books of account

Unit	Party	Cheque No	Cheque Date	Amount (Rs)
Banmankhi,BPIU	Puja,SHG	83727	28/7/2009	20,000/-
Harnaout,BPIU	Parmilla Devi	10065	23/9/2009	750/-
Harnaout,BPIU	Seema Kumari	9651	23/9/2009	850/-

Advances

Section 7.2.1 of the financial manual of the project specifies that that there shall be monthly monitoring of advances to ensure financial discipline and to avoid blockage of funds for a long duration. No age wise analysis of the outstanding loans were made during the year. Also, during the course of our audit we have come across cases where advances made are settled after long delays/have not been settled yet. The cases which came to our notice during the course of our audit are as follows:

Unit	Vendor	Advance details	Settlement details	Purpose	Remarks
State Unit	SERP AP	Opening balance as on 1.4.2009 Rs 66.74 Lakhs	Closing Balance as on 31.3.2010 of Rs 59.40 Lakhs	Training	Substantial advance is lying unadjusted as on 31.3.2010.
State Unit	Safal solutions	Rs 4.04 Lakhs is pending since 19.10.2009	Not Yet	Software	Substantial advances unadjusted for long.
State Unit	Comfed	Rs 69.12 Lakhs outstanding since 29 th January 2010	Not Yet		Substantial advances unadjusted for long. No details are available for the items procured and date of receipt of such materials
Bochaha,BPIU	Advances to External CRP	21,000/- paid in 2008-09	Not yet	Training	Amount paid to SERP. This is over and above the amount lying in the State unit.
Bochaha,BPIU	Internal CRP	40,500/-	Not yet	Training	Rs 36,000/- lying since 1.4.2009. Should have been charged off.
Bochaha,BPIU	Raj Kumar Yadav	42,047/-	Not yet		Lying outstanding since June 2009
Bochaha,BPIU	Woman's day Purchase Committee	43,000/-			The expenses have been incurred on 8 th March,2010. should have been charged off.
Bochaha,BPIU	Suman Kumar(CC)	Balance Outstanding as on 31.3.2010 - Rs 11,150			Continues to hold substantial advance throughout the year.
Bochaha,BPIU	Raj , Kumar Yadav(CC)	Balance Outstanding as on 31.3.2010- Rs 42,047			Continues to hold substantial advance throughout the year
Bochaha,BPIU	Amaresh Kumar(CC)	Balance Outstanding as on 31.3.2010-Rs 8560/-			Continues to hold substantial advance throughout the year
Bochaha,BPIU	Sant Kumar(AC)	Balance Outstanding as on 31.3.2010-Rs 19494			Continues to hold substantial advance throughout the year





Mookherjee Biswas & Pathak

Unit	Vendor	Advance details	Settlement details	Purpose	Remarks
Mushahari,BPIU	External CRP	Opening balance as on 1.4.2010 is Rs 35,500/-	Closing Balance of Rs 26,500/- after adjustment of Rs 24,000/- during the year.		
Mushahari,BPIU	Sandeep Kumar	Advance of Rs 17,500/- unadjusted against Vehicle Loan and Rs 10,294 unadjusted against Exposure Visit Advance.	The employee has been terminated in November 2009		Should have been written off in the accounts.
Harnaut,BPIU	K Ganmu	Advance of Rs5000/- lying unadjusted since 13 th August, 2008 further advance of Rs 5,000/- given during 2008-09.			Should have been written off/expensed in the accounts
Rajgir,BPIU	External CRP	Rs 6259/- is outstanding since 1.4.2009			Should have been written off/expensed in the accounts

We feel, the management should exercise greater control over the advances and ensure stricter compliance.

Statutory Payments

Value Added Tax Deducted from the bills of the suppliers has not been deducted properly or has not been deposited within the due dates. The cases which came to our notice during the course of our audit are as follows:

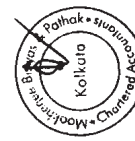
Unit	Details	VAT Amount (Rs)	Remarks
Bihar BPIU	Voucher P-35 dated 18.02.10 (Bill Amount Rs 6052)	233.00	Not deducted
Bihar BPIU	Deductions for March 2010	2667.00	Delayed deposit



Mookherjee Biswas & Pathak

Unit	Details	VAT Amount (Rs)	Remarks
Harnaut, BPIU	Deductions for September 09	4732.00	Not deposited till July, 2010
Rahui, BPIU	Paid to Shankar Prasad Hotel Tathagat	6146.00	Delayed Deposit
Nalanda,DPCU	Shankar Prasad	3,375.00	Delayed Deposit
Nalanda,DPCU	Shankar Prasad	3,879.00	Delayed Deposit
Nalanda,DPCU	Bihar State Tourism Development corporation Ltd	2,863.00	Delayed Deposit
Nalanda,DPCU	Shankar Prasad	656.00	Delayed Deposit
Nalanda,DPCU	Shankar Prasad	781.00	Delayed Deposit
Nalanda,DPCU	Bihar State Tourism Development corporation Ltd	6,969.00	Delayed Deposit
Nalanda,DPCU	Shankar Prasad	4884.00	Delayed Deposit
Nalanda,DPCU	Shankar Prasad	4462.00	Delayed Deposit
Khagaria,BPIU	VAT for the month of September 2010	1221.00	Delayed Deposit
Khagaria,BPIU	VAT for the month of October, 2010	2117.00	Delayed Deposit
Khagaria,DPCU	VAT for the month of October, 2010	722.00	Delayed Deposit
Khagaria,DPCU	VAT for the month of November, 2010	6063.00	Delayed Deposit
Khagaria,DPCU	VAT for the month of December, 2010	7789.00	Delayed Deposit
Khizersari,BPIU	VAT for the months of Jan -March 2010	21430.00	Delayed Deposit
Bodhgaya, BPIU	VAT for the month of October 2010	24891.00	Delayed Deposit
Bodhgaya, BPIU	VAT for the month of January, 2010	10219.00	Delayed Deposit
Sherghati, BPIU	VAT for Dec 2009	7800.00	Delayed deposit
Sherghati, BPIU	VAT for Jan 2010	5835.00	Delayed deposit
Sherghati, BPIU	VAT for Feb 2010	1710.00	Delayed deposit
Sherghati, BPIU	VAT for Mar 2010	4995.00	Delayed deposit
Gaya, DPCU	Free India Electricals	1620.00	Delayed Deposit in May, 2010
Gaya, DPCU	Sneh Point Restaurant	2356.00	Delayed Deposit May 2010
Gaya, DPCU	Hotel Uruvela international	28394.00	Delayed deposit in May 2010.

Income Tax Deducted at Source from the bills of the vendors/service providers has not been deducted properly or has not been deposited within the due dates. The cases which came to our notice during the course of our audit are as follows:

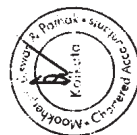


Breach of Financial Authority

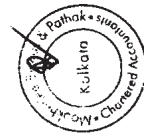
In terms of the "Devolution of Financial and Administrative Authority to BPIU" vide office order number BRLPS/Am Power/01/06/2038/09 dated 26/11/09, financial powers have been delegated to officials. However we have come across instances where such powers have been breached by the officials in violation of the powers entrusted to them. The cases which came to our notice during the course of our audit are as follows:

Office	Date of Deduction	Tax Amount (Rs)	Date of deposit	Remarks
Purnea, DPCU	03/02/10	12676.00	07/04/10	Delay in deposit
Purnea, DPCU	03/02/10	13028.00	07/04/10	Delay in deposit
Purnea, DPCU	31/01/10	2165.00	07/04/10	Delay in deposit
Purnea, DPCU	28/02/10	2165.00	07/04/10	Delay in deposit
Bochaha, BPIU	Seva Sadan Bills			Total amount paid during the year Rs 67385/- No deduction of TDS
Mushahari, BPIU	Amount Paid to Seva Sadan amounting to Rs 21650/- on 26/02/2010			No tax deducted at source.
Mushahari, BPIU	Amount Paid to Seva Sadan amounting to Rs 33150/- on 25/02/2010			No tax deducted at source.
Mushahari, BPIU	Amount Paid to Seva Sadan amounting to Rs 28585/- on 28/01/2010			No tax deducted at source.
Mushahari, BPIU	Amount Paid to Seva Sadan amounting to Rs 28050/- on 31/01/2010			No tax deducted at source.
Mushahari, BPIU	Amount Paid to Chandralok amounting to Rs 50,000/- on 08/04/2010			No tax deducted at source.
Mushahari, BPIU	Amount Paid to Chandralok amounting to Rs 33329/- on 13/10/2009			No tax deducted at source.
Mushahari, BPIU	Amount Paid to Chandralok amounting to Rs 26800/- on 23/07/2009			No tax deducted at source.
Bihar Sharif, BPIU	March 2010	1650.00	17/04/10	Delay in deposit
Bihar Sharif, BPIU	March 2010	240.00	17/04/10	Delay in deposit
Nagarnausa, BPIU	23/02/2010	213.00	10/7/2010	Delay in deposit
Rahui, BPIU	March 2010	600.00	26/04/2010	Delay in deposit
Rahui, BPIU	March 2010	1768.00	26/04/2010	Delay in deposit
Rajgir, BPIU	18/1/2010	405.00	07/02/2010	Delay in deposit
Rajgir, BPIU	23/1/2010	553.00	07/02/2010	Delay in deposit
Rajgir, BPIU	23/01/2010	3348.00	07/02/2010	Delay in deposit

The management should exercise greater control in ensuring the statutory payments are made in time.



Unit	Nature of expenses	Approved by	Amount of Expenses(Rs)	Approving Authority's Financial Power(Rs)	Remarks
Amour, BPIU	Other Office Expenses- March 10	BPM	5,351	3000	Approval of DPM not obtained
Amour, BPIU	Office equipment F&F-Nov 09	BPM	9,108	5000	Approval of DPM not obtained
Rajnagar, BPIU	Office maintenance expenses- March 10	BPM	6,064	3000	Approval of DPM not obtained
Rajnagar, BPIU	Other Office Expenses- January 10	BPM	11,175	3000	Approval of DPM not obtained
Bodhgaya, BPIU	disbursement to Khushi Jeevika Mahila Gram Sangathan on 24.2.2010	BPM	6,89,000	5,00,000	The BPM is authorized to issue cheques amounting to Rs 5,00,000/- To keep the amount within that limit, two cheques were issued one for Rs 5,00,000/- and the other for Rs 1,89,000/-.
Bodhgaya, BPIU	CIF disbursement to Puja Jeevika Mahila Gram Sangathan	BPM	5,93,000	5,00,000	The BPM is authorized to issue cheques amounting to Rs 5,00,000/- To keep the amount within that limit, two cheques were issued one for Rs 5,00,000/- and the other for Rs 93,000/-.





Mookherjee Biswas & Pathak

6. Status of prior audit recommendations

The status of recommendation suggested by the statutory auditor in its management letter dated 29th August 2009.

Recommendations	Paragraph reference	Present Status
Physical verification of cash should be done on periodic intervals	Paragraph 1(g)	We have not seen any evidence of physical verification of cash being conducted by the management. The internal auditors, during their visits have conducted physical verification of cash and have pointed out some discrepancies but no action seems to have been initiated by the management. Refer paragraph 2 above.
Non maintenance of proper assets register	Paragraph 2a	As stated in paragraph 3 above, maintenance of the fixed assets register at the BPIU and DPCO level needs improvement.
Manual Cash book and the tally records have not been updated on a regular basis	Paragraph 2 c	We have come across instances where cashbooks both manual and in tally were found not updated.
Confirmation of year end balances of loans, liabilities and deposits	Paragraph 2 e	The Society does not have a system of obtaining confirmation of the year end balances.
Non deduction and delay in deposit of year end balances.	Paragraph 2 f	We have come across several cases of non deduction and late deposit of TDS and VAT liabilities as discussed in paragraph 2 above.
Unadjusted advances	Paragraph 2 g	We have come across several instances of non adjustment of old advances. Refer paragraph 2 above.

The matters contained in this Management Letter are intended solely for the information of project management, for such timely consideration and action as project management may deem appropriate. They have all been considered by us in formulating the audit opinion expressed on the project financial statements in our audit report dated 16th August, 2010 and they do not alter the opinion expressed in that audit report.

We wish to take this opportunity to thank Project Management for the courtesies and cooperation extended to our auditors.

For Mookherjee Biswas & Pathak
Chartered Accountants



(Signature)
(K Dutta)
Partner

Patna

Mookherjee Biswas & Pathak

The violation of the financial powers defies the spirit of devolution of financial powers and should be strictly complied with.

3. Status of maintenance of project books and records

Fixed Assets

In terms of Section 7.2.2. of the financial manual of the project, the assets of the Company are to be codified and physically verified at least once in a year.

We have not been able to verify any evidence of physical verification of the assets.

The Fixed Registers are not maintained properly in the following block/district Offices

Unit	District
Baisi BPIU	Purnea
Bankmankhi BPIU	Purnea
Kothi BPIU	Purnea
Bochaha BPIU	Muzaffarpur
Kurtani BPIU	Muzaffarpur
Meenapur BPIU	Muzaffarpur
Mushahar BPIU	Muzaffarpur
Saraiya BPIU	Muzaffarpur
Jainagar BPIU	Madhubani
Lakhnaur BPIU	Madhubani
Rajnagar BPIU	Madhubani
Nagarnausa BPIU	Nalanda
Nalanda DPCU	Nalanda

One Sony camera Model DSC 5700 was found short during our physical verification at block Khagaria on 1.7.2010. No FIR was lodged till 1.8.2010 neither any official intimation was made to the State unit for lodging claim with the Insurance Company.

The management should exercise greater effective control on its fixed assets.

4. Accuracy of project financial statements

None

5. Compliance with the prescribed procurement procedures

During the course of our audit we have not come across instances where the prescribed procurement procedures have not been complied with.



Annexure - IV

ABSTRACT OF ANNUAL BUDGET 2010-2011

Sl.	Component	Rs. In Crore					% of Budget	% as per WB
		Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total		
1	Community Institution Development	26.74	27.27	29.13	29.42	112.56	31.74	25
2	Community Investment Fund	53.18	49.09	56.62	50.07	208.96	58.93	57
3	Special Technical Assistance Fund	4.05	4.3	3.56	3.43	15.35	4.33	8
4	Project Management Cost	5.27	4.11	4.37	3.97	17.73	5	10
	Grand Total	89.24	84.77	93.68	86.89	354.60	100	100

JEEViKA

Bihar Rural Livelihoods Promotion Society (BRLPS)

Vidyut Bhawan, Annexe - 2, Bailey Road, Patna - 21

Phone : +91-612-2504980

Fax : +91-612-2504960

email : info@brlp.in

Website : www.brlp.in

Bihar Rural Livelihoods Project

Design by - Priya Priyadarshi, BRLPS

