



# JEEVIKA

An Initiative of Government of Bihar for Poverty Alleviation

## Bihar Rural Livelihoods Promotion Society State Rural Livelihoods Mission, Bihar



बिहार सरकार

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### Office-Order

#### (For Capitalization of Community Institutions and making them Sustainable)

BRLPS (Jeevika) has facilitated formation of large number of Community Institutions (SHGs and their higher level federations) to act as conduit for promotion of livelihoods opportunities and their diversification at the household level. It becomes important that timely capitalization is ensured to the community institutions both from the project and the mainstream financial institution. At the same time, **due deliberation is required with community institutions to facilitate its judicious utilization and aid the process of timely repayment.**

BRLPS (Jeevika) has laid down some guidelines and strategies in the past which has given significant result. The time has come to **reiterate those strategies** and ensure its implementation in stipulated time frame to yield positive results and create due milestones.

Based on the above facts and the need to achieve significant number around savings account opening, credit linkage, repayment, insurance and other aspects related to Financial Inclusion, following strategies needs to be rolled out **with immediate effect and in letter and spirit:**

- a) BRLPS (Jeevika) has witnessed significant rise in the disbursement from banks in FY 2017-18. It has also been realized that there is a need to continue with the trend of disbursement in the FY 2018-19 also. The concept of **“Help Desk Strategy”** has played an important role in the whole endeavor. All DPCUs and BPIUs are directed to nominate one person to support the disbursement process on regular basis. Both the DPCU and BPIU are directed to keep the record on daily basis and report the state on weekly basis. DPCUs will report to the SPMU on **weekly basis**. From **20<sup>th</sup> August 2018**, the report needs to be sent to **CEO, BRLPS (Every Monday)** with a copy to PC-FI, all SPMs, district mentors and Help Desk team at SPMU. **There has been no change in the composition of “Help Desk Team” at SPMU. PC-FI has been delegated with responsibility to make reporting on daily basis in case required.**

- b) Each DPM will share the name, designation, mobile number and email id of persons who will be supporting the “Help Desk” both at DPCU level and BPIU level. The names of such persons need to be sent to CEO, BRLPS with copy to PC-FI, all district mentors, SPMs and Help Desk Team at SPMU level. The names need to be shared **latest by 16<sup>th</sup> August 2018**. The “Help Desk Team” will start functioning latest by **18<sup>th</sup> August 2018**. However, DPCUs can start before as well.
- c) Besides disbursement, “Help Desk” will also work to facilitate follow up **on document preparation, repayment, risk mitigation, digitization, Aadhar updating etc.** PC-FI is delegated with responsibility to add more agenda in case required.
- d) This is going to be very engaging exercise and thus all the nodal persons who are managing the Help Desk need to be provided with additional amount of Rs.250/month for the whole year of FY 2018-19 from 1<sup>st</sup> September 2018. This will help in interaction with community members, cadres, bankers outside the CUG network etc. Related DPM and BPM to ensure that the additional amount is released to them without any hassle. **It has come to the cognizance of SPMU that some of the districts have not made payment to related persons in FY 2017-18 for the reasons which are not very explicit.** It is to be realized that the whole endeavor taken by Help Desk Team has helped in disbursement of more than **Rs. 2500 Crores** in FY 2017-18. **All districts are directed to ensure that any due is paid to the related persons for FY 2017-18 as well as per the stipulation laid down.** It will be reviewed accordingly.
- e) The project has kept an ambitious target of facilitating more than **2.50 Lakh SHGs each for their saving account opening and credit linkages**. It is a very ambitious target and will also stand in good stead for capitalization from project as it is closely linked with opening of saving account. It is important that due knowledge is transferred to the community members as well for preparation of documents. It becomes inevitable that the strength of **“CRP Concept”** is **integrated in the Financial Inclusion gamut** as well.
- f) Each of the BPIU to be allowed to work on the principle of **FI-CRP** for preparation of documents related to savings account opening and credit linkage. **FI-CRP** will



comprise of existing Community Mobilizer/Book Keeper/Master Book Keeper/Bank Mitra /**identified members of the SHG who can be trained for preparation of related documents**. All these members have to be well trained and skilled to facilitate preparation of **error free documents**. Each BPIU can identify **maximum of 30 people** for the purpose of document preparation. However, each BPIU is directed to at first identify and work with maximum **24 FI-CRP**. **PC-FI may be delegated with the responsibility** to approve utilization of services of more number of **FI-CRP** beyond 24 in number in case any BPIU needs. All the BPIUs are advised to start the work in progressive way and can initiate the work of document preparation with less number of **FI-CRPs** as well.

- g) They (**FI-CRP**) can be allocated work to work in pair of **2 people or individually** as per the decision of the BPM/BPIU. It is essential that grading of knowledge of the identified person is done after training/orientation. **Only such FI-CRPs** will be supporting community institutions **that have fared well** and have become proficient in **preparing error free documents**.
- h) Community Mobilizer/Book Keeper/Master Book Keeper/ Bank Mitra identified as **FI-CRP** will be getting additional amount beyond the routine honorarium. It will be treated as professional charge as Internal CRP. In case other SHG members have been identified **as FI-CRP**, they will be paid as per the existing **internal CRP Policy**.
- i) For the **purpose of payment**, it is required that each individual **completes 2 documents** (either of saving or credit or mix of both) which are error free in one day. If they are working in pair of 2 people, 4 documents have to be prepared in a day. This is based on the premise that skill sets will enhance progressively and support of the community members will also be available to them. **Documents here means documents related to SHGs, VOs and CLFs (if required)**.
- j) The existing practice of paying incentive to the community mobilizer will continue as **Community Mobilizer** will have to play a very crucial role in mobilization and other related aspects.
- k) Each BPIU need to identify people for the role of **FI-CRP**, **train them properly**, grade them and assign responsibility of specific villages and SHGs related to that village. They need to be provided with adequate stationery for completion of task in



time frame after training. The below mentioned format may be helpful in facilitating better preparedness at BPIU level and monitoring at DPCU level:

Name of the Identified CRP with Mobile Number	Village Name	Name of Village where work has been Allocated	No of Documents Prepared (Both Savings and Credit)	Date of Deposit
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- l) In case any team has to move to other place, i.e, other village or Panchayat and if it requires movement, then minor expenditures on travelling also needs to be reimbursed. **Team over here indicates individual FI-CRP/pair of FI-CRP.**
- m) It is made explicitly clear that **DPCU/BPIU will make arrangement for timely and proper training of the identified FI-CRP** considering the important role they are going to play in facilitating **Capitalization for the SHGs** (both from the project and bank) by preparing the documents related to Savings Account Opening and Credit Linkages. These trainings need to be conducted with help of **trained Nodal Persons/ Resource persons/ MF or CF Managers/ Consultants/BPMs as per the suitability.** There is a need to appreciate that **Capitalization** will help SHG members achieve better indicators around **livelihood diversification, health and Sanitation in an integrated way.**
- n) There is a lot of thrust by NRLM to initiate activities around **Financial Literacy.** It is important that the identified **FI-CRPs** also approach VOs for informing members about the importance of Bank Linkage, Repayment, Fund Rotation, PMJDY, Insurance, APY and Mudra Loan etc. **This work will be done after completion of documents related to savings account opening and credit linkages.** It is reiterated that each CRP will be entitled for maximum of 5 days of additional payment in case they visit VOs and impress about the mentioned aspects. This will be valid for the period of FY 2018-19. **It is explicitly made clear that the clause should not be considered as additional payment of 5 days / Month.** It is to be interpreted as maximum of 5 days in FY 2018-19 for visit to VOs to spread Financial Literacy. Due mechanism needs to be put in place to keep a track of the work done by them in specific VO related to Financial Literacy. **This is inclusive of the day spent for**



**review by BPIU/ DPCU. Maximum of 1 day of review will be considered as working day for FI-CRPs.**

- o) One additional member may be identified as **FI-CRP for coordination from BPIU level**. This person may be allowed to work for maximum of **60 days in the rest of the period for FY 2018-19**. This will be **applicable for period of FY 2018-19 only**. BPIUs are advised to utilize their services in case of need and **when FI-CRPs have started going to the villages**. The identified person has to be **trained on document preparation** as well so that she can also help in correction of documents if required. She is entitled for payment as per the internal CRP policy for mentioned number of days. BPIUs are advised to utilize their services very judiciously. Efforts are required to be made to identify 2 community members who can be put to work on rotation basis. The stipulated maximum number of days may be divided amongst them. However, related BPIU is delegated with responsibility to make suitable decision in this regard.
- p) In the FY 2018-19, work around CLF strengthening, savings account opening, credit linkage, disbursement, insurance, capitalization from the project and Interest subvention is going to occupy significant importance. It will be important that monitoring and facilitation of these activities are galvanized through the **“Help Desk Strategy”**. PC-FI may be delegated with responsibility to identify **15 persons from across the district/block to work with him** on issues mentioned above. The person concerned may be placed at DPCU/SPMU/ place outside present place of posting to support the endeavor in better way. This will be over and above 4 people who are working at SPMU as “Help Desk Team” members. Some of them will be given specific task **around Interest Subvention also** as this area needs attention in light of increasing portfolio and advantage it will bring in repayment and sustainability of the community institutions.
- q) The service of consultants – FI has been utilized in the past and present to facilitate mitigation of bottlenecks related to banks. Some of the districts couldn't be supported with consultants. However, there is felt need to place the same. **PC-FI may be delegated with responsibility to provide approval to DPCUs for recruitment of consultants (up to 2 in number/district) based on prudent judgement and**



**requirement.** PC-FI along with **Procurement Specialist** will provide a note to districts where there is a requirement of consultant about the process that needs to be initiated for their recruitment. PC-FI may be allowed to communicate with those districts that require the services of consultants. **Honorarium to consultants will be fixed in consultation with PC-FI.**

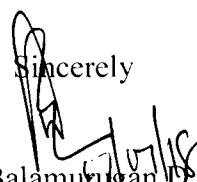
- r) **It is reiterated to take cognizance of the office order no. BRLPS/Proj/497/14/3707 dated 5<sup>th</sup> December 2016** where in direction was given to prepare a register for assessment of document preparation which is of high quality/needs improvement. The person managing the “Help Desk” at BPIU may be assigned with the responsibility to ensure the same. However other arrangement may also be made by BPIU based on their own assessment. It is also **directed that DPM will ensure payment of incentive to community cadres in the light of office order mentioned above (i.e, BRLPS/Proj/497/14/3707 dated 5<sup>th</sup> December 2016).** It is essential to bring dynamism amongst them and subsequently to the community institutions.
- s) It will be important that people (staffs, cadres, and institutions) who have worked well around credit linkage, capitalization from project, disbursement, facilitating repayment, opening of saving account, promoting livelihood opportunities, leading the way for sanitation and other aspects are provided with certificate of recognition and some memento to acknowledge their contribution. **Each BPIU is allocated a budget of Rs.7000 (Rs. Seven Thousand Only)** in order to conduct the program and provide memento as recognition of their work. Similarly each of the districts is provided with a budget of **Rs.12000 (Rs Twelve Thousand only)** to conduct the program for recognition. DPM will facilitate to ensure that due **recognition and felicitation** is provided to related people who have fared well on different aspects. This needs to be taken as spirit of contribution and other members also need to be encouraged. Work around Insurance/Audit/Digitization also needs to be duly and aptly recognized. Minimum of 10 people have to be recognized at each level (BPIU/DPCU). However, the number of such people may be increased based on the need. Districts with more than 15 blocks are provided with a budget of **Rs.15000 (Rs Fifteen Thousand Only)** to do the endeavors. Timely settlement done by any Accountant/OA/FM also needs to be given due cognizance and recognition. **DPM**



**will make a committee to assess the work done by related people in different BPIUs and at District level for finalization of the names.**

- t) It has also been brought to the cognizance of the SPMU that BPIUs and DPCUs are in need of proper infrastructure to support the activities mentioned above and beyond. In order to bring efficiency to the whole endeavor, each of the BPIU and DPCUs is allowed to make expenditure of an amount up to **Rs 25,000 (Rs. Twenty Five Thousand Only)** in order to purchase printer and scanner. This can be purchased from the DPCU or from BPIU as per the decision of the committee formed at DPCU level. **DPM is directed to form a committee including nominating 2 BPMs as well to decide upon the process.** This committee will also look in to the need of such equipment by BPIU/DPCU and then take decision on its purchase. Considering the importance of such infrastructure, DPMs are directed to ensure that the process for the same is initiated and **quality equipments** are purchased.

All the DPMs shall be responsible for the implementation of the aspects mentioned above to give **spurt to the capitalization process** for addressing the **requirements of SHG members related to livelihoods, health and sanitation.** This needs to be implemented with immediate effect. Related DPMs and BPIUs need to ensure that copy of the office order has been made available to all the persons.

Sincerely  
  
(Balamurugan D.)

CC:

1. All SPMU officials
2. All DPCU and BPIU officials
3. Finance Section/ IT section
4. Concerned file.