



JEEVIKA

An Initiative of Government of Bihar for Poverty Alleviation

Bihar Rural Livelihoods Promotion Society State Rural Livelihoods Mission, Bihar



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Office-Order

(For Timely 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 in order to **diversify livelihoods opportunities in general and specifically after the challenging time of COVID-19**. At the same time, **due deliberations are required with community institutions to facilitate its judicious utilization by ensuring timely rotation and aid the process of timely repayment in community oriented process.**

BRLPS (Jeevika) has laid down some guidelines and strategies in the past which has given significant results. The time has come to **reiterate those strategies** and ensure its implementation in stipulated time frame to yield positive results and create due milestones for future. Considering the aftermath **situation of COVID-19 and need of availability of Capital** for the Community Institutions, it has been decided to **stress emphatically on Capitalization (both from the project and the mainstream financial institutions), timely rotation of the fund with community institutions for promotion of livelihoods opportunities and Repayment after its judicious utilization.** The leveraging factor for more capitalization from mainstream financial institutions can only be ensured if the principle of "Panchasutra" is adhered to in letter and spirit. One of the elements of Panchasutra is **Timely Rotation along with Timely Repayment** and thus all due strategies need to be put in place by BPIUs and DPCUs in order to achieve significant and constant result around Rotation and Repayment. **Rotation, Repayment and further leveraging of the resources are inter-related and adherence to the Panchasutra principle** paves the way ahead for **diversification of livelihoods opportunities.**

Based on the above facts and the need to achieve significant number around training on Book Keeping, Savings Account Opening, Credit Linkage, Rotation, Repayment, promotion of livelihoods opportunities, coverage under Insurance as risk mitigation tool, Bank Sakhi

centres establishment and other aspects related to Financial inclusion to **support diversification of livelihood and creation of Enterprises**, following strategies need to be rolled out **with immediate effect and in letter and spirit**:

- a) It is immensely important that all the SHGs that have got their Savings Account Opened or Credit Linkages done get their account numbers punched **in the MIS of JEEViKA by 15th of May 2022 without any further delay**. Similarly, all the VOs and CLFs that got their Savings Account Opened need to get their data punched in the MIS. **DPMs need to ensure the same at their own level giving it a top priority. SPM-MIS to support the whole endeavor.**
- b) It has become immensely important that emphasis is being given to **source RF and ICF applications from SHGs and VOs** respectively so that Capitalization can be ensured from the project on priority. **All the DPMs are directed to conduct minimum of 2 Loan Committee Meetings (LCMs) across the BPIUs in each month** to source maximum applications unless and until restricted due to statutory obligations like election protocols, if any. **Due emphasis and result oriented monitoring needs to be ensured at the level of DPMs.** DPMs to ensure **involvement of Block Mentors** to create ownership of activities related to capitalization crucial for livelihoods promotion, **rotation of capital at the level of community institutions** and other works at the BPIU level. **Other components of CIF also need to be given equal emphasis as per the laid out guidelines.**
- c) Adequate amount of emphasis needs to be given to ensure **opening of Savings Account of all kinds of community institutions and facilitate Credit Linkages of SHGs along with disbursements in large numbers** so that Capital can be made available for the people to promote different livelihoods options. This is also crucial **from NRLM point of view** as well that lays stress on Capitalization both from the project and mainstream financial institutions for livelihoods diversification. All efforts are required to be made to leverage resources from the banks for creation of enterprises.
- d) It has been decided to get the opening of the **Savings Account of SHGs/VOs and CLFs completed latest by May 2022** for all levels of community institutions that have been formed by JEEViKA **till March 2022**. Accordingly, **suitable strategy** including that of **FI-CRP strategy** needs to be put in place to move to the next trajectory. The work of **opening Savings Account for all levels of Community Institutions** needs to be completed **along with its punching in the MIS by May**



2022. Due amount of emphasis needs to be given by DPMs and BPMs in this regard. It will be adequately monitored at the level of CEO, BRLPS.

- e) Different DPCUs and BPIUs have utilized **the services of FI-CRPs** in the past and achieved significant results. Aspects mentioned in the office order numbered **BRLPS/Proj-FI/497/14/Vol-IV/1290 dated 17th July 2018** (put as **Annexure-I**) will remain **valid as regards the identification of FI-CRP, providing work of document preparation and facilitating payment of related honorarium**. Different DPCUs and BPIUs need to take suitable strategy to fast track the pace of document preparation related to **Savings Account Opening for SHGs/VOs/CLFs/other community institutions** and **Credit Linkage for SHGs**. This aspect needs to be given due importance as **Capitalization endeavor from project and the mainstream financial institutions**.
- f) Community Mobilizer/Book Keeper/Master Book Keeper/ Bank Mitra/ Any other Community Cadre identified as **FI-CRP** will be getting additional amount beyond the routine honorarium for preparing quality documents. It will be treated as professional charge as Internal CRP. **In case SHG members** have been identified as **FI-CRP**, they will be paid as per the existing **internal CRP Policy**.
- g) The existing practice of paying incentive to the community mobilizer for document preparation will continue as **Community Mobilizer** will have to play a very crucial role in mobilization and other related aspects along with FI-CRPs.
- h) 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**.
- i) **The strategy of FI-CRP for document preparation** will remain valid for the period from **April 2022 to March 2023**.
- j) **In order to strengthen principle of community participation, each of the BPIU may identify up to 12 persons as FI-CRP to facilitate recovery to the banks**. They may be allocated different villages as per the need and prudent judgment of the BPIU led by BPM. **The provision to take services of FI-CRP for facilitating recovery and galvanizing community members is applicable for 15 days in a quarter for each of the FI-CRPs. This is applicable for FY 2022-23 only**.
- k) BRLPS (Jeevika) has witnessed significant rise in the **disbursement from banks in FY 2017-18, 2018-19, 2019-20, 2020-21 and FY 2021-22**. It has also been realized that there is a need to **continue with the trend of disbursement in the FY 2022-23 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.

- l) Each DPCU will ensure positioning of the staffs (**names attached as Annexure-II of office order numbered BRLPS/Proj-FI/497/14/Vol-VI/2248 dated 17th September 2021**) for managing “Help Desk” both at BPIU and DPCU level. **In case of any recent transfers, DPM needs to ensure positioning of one staff for management of Help Desk in emphatic way in consultation with PC-FI.**
- m) Besides disbursement, “Help Desk” will also work to facilitate follow up on **document preparation, repayment, rotation, risk mitigation in terms of spreading awareness about Insurance, positioning of Bank Sakhi, digitization etc. PC-FI is delegated with responsibility to add more agenda in case required.**
- n) One additional member may be identified as **FI-CRP for coordination from BPIU level.** She will be supporting the Help Desk at the BPIU level. DPCU may also identify one such person if feasible. This person may be allowed to work for maximum of **200 days in the period from April 2022 to March 2023.** BPIUs are advised to utilize their services in case of need and **when FI-CRPs have started going to the villages or to kindle the process of disbursement or repayment.** The identified person has to be **trained on document preparation** as well so that she can also help in correction of documents if required **in addition to coordination for Disbursement, Repayment, Insurance enrollment follow up and other as per the need.** She is entitled for payment **as per the internal CRP policy** for mentioned number of days. BPIUs and DPCUs are advised to utilize their services very judiciously and ensure their payment promptly.
- o) It is a fact that field visit of the **persons managing the Help Desk** may not commensurate with the stipulations laid down guidelines for claiming FLTA in areas of implementation. However, they are incurring expenditures for liasoning and coordination. As management of “**Help-Desk**” is a very important task and needs frequent follow up with banks or community cadres or members, **it is directed to pay the whole optimal amount of FLTA to the concerned people without any deduction under FLTA. DPMs and BPMs need to ensure the same without fail.**
- p) Efforts will be required to be made to facilitate follow up with BPIUs and DPCUs to achieve significant results around **Updating of Books of Records for Credit Linkages and Accountability, Preparation of documents for Savings Account Opening/ Credit Linkages, Sourcing Applications for Capitalization** under different components of **Community Investment Fund, Ensuring Disbursement,**



Facilitating Rotation, Facilitating Repayment, Ensuring coverage under Insurance, besides initiating numerous activities around **Livelihoods Promotion, Social Development Initiatives and Health components**. Considering the need to cover larger aspects, approval has been accorded for utilization of vehicle up to **additional 10 days and 20 days in each month by Districts having 10 Blocks and Districts having more than 10 Blocks respectively**. This is applicable for the month from **April 2022 to September 2022 only**. Similarly each of the BPIUs is also allowed to utilize **additional vehicle for 5 days in each month from April 2022 to September 2022 to achieve significant results**. BRLPS (JEEViKA) is looking forward for judicious utilization of vehicle and achievement of results around mentioned objectives by **different team members both at DPCU and BPIU**.

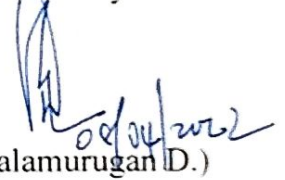
- q) It has come to the cognizance that Honorarium and Travel Reimbursements to the Bank Mitras positioned in the Bank Branches are being deducted for there was **lockdown or restricted movements across the state** and Bank Mitras could not reach to the branches on all days. **It is directed that no deduction in the Honorarium and Travel Allowance** will be made for the Bank Mitras for the period between **April 2021 to March 2022** considering their **contribution for the community members in the past** and the **constraints of the intermittent restricted activities due to Covid-19**. They need to be reimbursed with the whole amount. DPMs to ensure the same and **utilize the expertise of Bank Mitra to facilitate conversion** with regard to Savings Account Opening and Credit Linkages along with disbursement.
- r) All districts are directed **to fasten the process of identification and selection of Bank Sakhis along with ensuring timely release of fund to them** to ensure establishment of Bank Sakhi center in the rural areas. This will aid the process of door step banking for the community members. This will also pave the way ahead for the kindling of the entrepreneurial activities at the level of women members.
- s) **Principle of Social Distancing along with other measures of protection against COVID-19** needs to be adequately followed as per the notification of the government while doing any of the mentioned activities. It has to be followed in **letter and spirit**.



Related **District Mentors, DPMs, Block Mentors and BPMs** need to ensure their participation in **facilitating rotation of funds at the level of the community institutions and repayment to banks in Community Oriented way.**

All the DPMs shall be responsible for the implementation of the aspects mentioned above to give **spurt to the capitalization process** for addressing the issues related to livelihoods, initiation of enterprises, health, sanitation and other social development indicators. DPMs and BPMs are directed to ensure that Copy of the office order is made available to all the project staffs for implementation. **This needs to be implemented with immediate effect.**

Sincerely



(Balamurugan D.)

CEO, BRLPS

Encl.:-Annexure-I

Cc to:

1. All SPMU officials
2. All DPCU and BPIU officials
3. Finance Section/ IT Section/ Concerned File



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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 **20th 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 16th August 2018**. The “Help Desk Team” will start functioning latest by **18th 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 1st 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 5th 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 5th 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.