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<td>Self-Help Group</td>
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<td>VO</td>
<td>Village Organisation</td>
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<tr>
<td>CLF</td>
<td>Cluster Level Federation</td>
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<tr>
<td>PIP</td>
<td>Participatory Identification of Poor</td>
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<td>PoP</td>
<td>Poorest of Poor</td>
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<td>NRLM</td>
<td>National Rural Livelihoods Mission</td>
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<td>SRLM</td>
<td>State Rural Livelihoods Mission</td>
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<tr>
<td>RF</td>
<td>Revolving Fund</td>
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<td>VRF</td>
<td>Vulnerability Reduction Fund</td>
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<tr>
<td>CIF</td>
<td>Community Investment Fund</td>
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<tr>
<td>CRP</td>
<td>Community Resource Person</td>
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<td>PwD</td>
<td>Person with Disabilities</td>
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<td>PRI</td>
<td>Panchayat Raj Institutions</td>
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<td>AAP</td>
<td>Annual Action Plan</td>
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<td>EC</td>
<td>Executive Committee</td>
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<td>GB</td>
<td>General Body</td>
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<tr>
<td>AGM</td>
<td>Annual General Meeting</td>
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<tr>
<td>MCP/MIP/MP</td>
<td>Micro Credit Plan/Micro Investment Plan/Micro Plan</td>
</tr>
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Introduction

We are the members of Self-help Groups (SHGs) in our villages. We are poor and belong to marginalised sections of society. We organise ourselves into SHGs of 10-15 members each. We prefer to include one woman member from every poor household in the village in our SHGs. As members of SHGs, we follow the Panchasutra – regular meetings, regular savings, regular internal lending, regular repayment and regular bookkeeping. We access financial services (savings, loans, etc.) and skill building support from our groups. This helps us enhance our livelihoods and increase our household income. Our institutions increase our voice, space, bargaining power and change of policies in our favour.

Core Values

The non-negotiable principles of our institutions are -

1. **Inclusion** – We would include the Poorest of Poor and most vulnerable members (especially women) in our institutions. We will ensure that their needs have priority in our groups – in decision-making, planning and resource allocation.

2. **Participation** – All members will have equal say in planning and decision-making. We would ensure that all sections of our community are adequately represented. We would give every representative has enough space to voice their opinions and not deny them the opportunity to participate.

3. **Transparency** - We would be transparent in all our activities. We would proactively disclose all our transactions to our members.

4. **Accountability** – We collectively hold responsibility for all transactions and decisions. At each level the responsibilities would be mutually and collectively owned. Each stakeholder is responsible for actions taken.

5. **Empowerment** – We will strive for the empowerment of the poorest and most vulnerable people in our village. We will fight for their rights and negate the conditions that disempower them.

The National Rural Livelihoods Mission (NRLM)-Aajeevika supports us by building our skills in organising and managing our institutions, providing financial assistance, enabling us to forge linkages with the Panchayats/other local government bodies.
## Box 1: National Rural Livelihoods Mission

The National Rural Livelihoods Mission (NRLM) – Aajeevika was launched on 3rd June 2011 with a mandate to reach out to all poor households in the country link them to sustainable livelihoods opportunities and nurture them till they come out of poverty.

NRLM believes that the poor have innate capabilities to graduate out of poverty. The challenge is to unleash this entrepreneurial by complementing them with capacities (knowledge, information, tools, collectivization, finance, etc.). Towards this, NRLM has put in place a dedicated, sensitive structure at various levels to help the poor build their institutions. These support structures are staffed with dedicated professionals. The institutions of the poor are platforms for collective action based on self-help and mutual cooperation. These institutions provide services to their members – savings, credit, livelihoods support, etc. - that help them strengthen and sustain their livelihoods. NRLM is also investing in building a large cadre local human capital – Community Resource Persons (CRPs), theme-based activists and animators, community leaders who are crucial in scaling up and sustaining the programme.

NRLM is implemented by State Rural Livelihoods Missions (SRLMS) set up in every state. The SRLMs have offices at the State, District and Block levels to support the community institutions.

NRLM’s long-term dedicated sensitive support would be with the poor and extend facilitation support in all their efforts to get out of poverty and achieve increased access to their rights, entitlements and public services, diversified risk and better social indicators of empowerment. As the institutions of poor grow and mature, they become the internal sensitive support structures and institutions for the poor. The programme for the poor becomes the programme by the poor and of the poor.
1. Mobilisation

The initial mobilisation drive in our villages is conducted by the Mission, through Community Resource Persons (CRPs). CRPs are best practitioners who have successfully come out of (abject) poverty, with support from their SHGs. CRPs from other states/districts conduct the initial mobilisation in our villages.

It is expected that initially our CRPs mobilise upto 60% of the poor women in our village into SHGs. Remaining poor households will be mobilised by collective effort of mission staff and Community Institutions. The CRPs, along with the Mission staff nurture active women, bookkeepers and other community cadre in our village.

Over time, as our institutions and the community cadre mature, we take the responsibility of mobilising the remaining poor in our villages into SHGs. We use the Participatory Identification of Poor (PIP) method to identify the remaining poor. The Mission supports us in acquiring the requisite skills to conduct this process.

Besides identifying poor in our villages, PIP also helps us in understanding the local socio-economic scenario. Through PIP, we learn more about the nature of poverty and vulnerabilities that exist in our villages. We conduct the PIP in frequent intervals to understand the changing dynamics of the village.

The PIP exercise is spearheaded by our SHG leaders and active women/community cadre nominated by the loose federation.

1.1 PIP Process

- Before beginning the identification process, we prepare the village for the PIP exercise. We generate awareness about PIP and the role of the village through street plays, cultural programmes, posters, pamphlets, etc.
- We conduct PIP for every tola/hamlet that falls under the village. In some villages, where the population is less, PIP is done for the entire village at once.
- At the given day and time, the members of the village/hamlet gather at a common place (that is accessible to all communities) for the exercise. We ensure that representatives of our Gram Panchayat and representatives from all communities are present for the exercise. Further, we also invite government officers, representatives of local organisations to participate in the process. The Mission staff observes the process, documents it and guides us when required.
• We create socio-economic profiles of all households in the village. The profile captures information such as family size, occupations, family income/expenditure, education status, etc.

• We begin by setting the criteria for classifying someone as poor in the village.

• Then, we draw a social-cum-resource map of the village. We plot natural resources, common resources, private resources, government facilities, etc. available in our village. We also indicate which part of the village each community of our village inhabits.

• We encourage the entire village to participate in drawing the map. The map is made on the ground using the material available in the village. We use easily available material like seeds, fruits, leaves, Rangoli powder, rice powder etc. Each item is used to depict a particular community/resource in the village.

• An information card is made for each household. The card consists of details such as number of members in the household, income & expenditure, assets, number of aged, PwDs or single women.

• Based on the indicators decided by us, we identify where the poor live in the village and make a list of all the poor and vulnerable households. The list is read out and any changes suggested by the village are made.

• Then, we conduct a ‘wealth ranking’ exercise for all the households in the village. We discuss with the households in groups of 12-15. After all the households are covered we rank the households into categories such as poorest of poor, poor and not so poor. The categorisation is based on indicators such as standard of living, sources of income, liabilities, and vulnerability aspects (woman-headed-households, widows, differently-abled people, beggars, manual scavengers, sex workers, chronically ill, bonded labourers, transgender and internally displaced persons due to civil strife).

• This list of households, categorised according to their poverty level, is displayed on the village notice board for one week. During this time, any person in the village can raise an objection regarding the categorisation of the households. These conflicts would be resolved immediately.

• Finally, the list is discussed in the Gram Sabha and any other clarifications in the list would be made. The Gram Sabha vets it and the Gram Panchayat passes a resolution, making the PIP list official. Our federation keeps a copy of the PIP list and the Gram Panchayat Resolution.

From the PIP list, we identify the households that have not been mobilised into SHGs yet. We then mobilise these households into SHGs and provide the necessary support.
2. Institutions

Our institutions are based on the principles of self-help and mutual cooperation. At present, we have a three-tier structure – SHGs, Village Organization [VO] and Cluster Level Federation (CLF). We envisage that all the SHGs in a block would come together to form a Block Level Federation (BLF) in the near future. We hope that similar federations would materialise at the district and state levels also.

Community Institutional Architecture Envisaged under NRLM
2.1 Self-help Groups

Each SHG consists of 10-15 women. The SHGs are homogenous groups, with the members belonging to the same community and living in the vicinity of each other. SHGs of vulnerable persons such as PwDs, elderly, etc. may consist of both women and men. Their size may also be smaller (5-15).

We adhere to the Panchasutra – regular weekly meetings, regular weekly savings, regular interloaning, regular repayment and regular weekly bookkeeping in our SHGs.

Once we identify the members of our SHG, we participate in training programmes organised by the Mission. We learn to manage and run our groups during the training. We hold our first meeting where we decide the group’s name, weekly meeting day, time and venue and the amount of savings each member would save every week. We also discuss at length the reason for our coming together and forming the group.

At the next meeting, we fix norms and regulation of our SHG, elect the leaders – Leader 1/President, Leader 2/Secretary. We also appoint a bookkeeper and initiate the books of record. We also take an oath [see Box 3] to fulfil our duties as members of the SHG at this meeting.

**Box 3: SHG Members’ Oath**

<table>
<thead>
<tr>
<th>We, the members of this SHG pledge to -</th>
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<tbody>
<tr>
<td>✓ Be committed to strengthen and make our group sustainable</td>
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<tr>
<td>✓ Participate in group meetings and decision-making</td>
</tr>
<tr>
<td>✓ Participate in every activity of the group</td>
</tr>
<tr>
<td>✓ Contribute regular weekly minimum agreed thrift amount to the group</td>
</tr>
<tr>
<td>✓ Take loans from the pooled corpus funds of the group</td>
</tr>
<tr>
<td>✓ Get individual passbook updated on regular basis</td>
</tr>
<tr>
<td>✓ Take collective decisions and adhering to the decisions</td>
</tr>
<tr>
<td>✓ Take joint or collective initiatives.</td>
</tr>
<tr>
<td>✓ Participate in supervision of group finances / businesses/ assets</td>
</tr>
<tr>
<td>✓ Address gender and social issues</td>
</tr>
<tr>
<td>✓ Participate in the community action</td>
</tr>
</tbody>
</table>

Every SHG has two office bearers – Leader1/President and Leader2/Secretary. We try to ensure that the leadership in the group rests with the most vulnerable members of the group. The office bearers are elected for a fixed tenure (as decided by the group).

The role of the office bearers is as follows-

a) **Leader1/President:** She guides the group, ensures participation of all members, assigns responsibilities to the members etc.

b) **Leader2/Secretary:** She is responsible for day-to-day affairs and administrative matters of the SHG. She is responsible for organising and conducting meetings.
Our SHG leaders and the bookkeeper prepare and submit a *masik nivedika* (monthly report) to the VO. The federation monitors our SHG on the basis of the monthly report.

**SHG Bookkeeping**

At the SHG level, we maintain the following records -

1. Minutes book
2. Cash Book
3. Attendance & Savings Register
4. Loan Ledger
5. General Ledger and

In the first/second meeting of our SHG, we appoint a bookkeeper for our SHG. Preference is given to literate (who possesses basic calculation and writing skills) members amongst us. Once appointed, the bookkeeper is trained in maintaining the books. In case there are no literate members in our group, we appoint literate members from our village/hamlet whom we know and trust as the bookkeeper. The SHG pays the bookkeeper for writing the books of records. We may decide to seek additional contribution from members or pay from the corpus, depending on the financial situation of the SHG.

Bookkeeping process is carried out in the following manner:

- At the beginning of the meeting, the physical cash in hand from the previous meeting is matched with the records in the Cash Book.
- The minutes of the previous meeting are read out by the bookkeeper.
- The attendance and savings is recorded in the Attendance and Savings Register.
- Details of loans lent and repaid are entered into the Minutes Book.
- After recording the transactions (savings and loans) in the Minutes Book, the bookkeeper posts them in the Cash book and General Ledger.
- The loan repayment and loan issued is posted in the Loan Ledger.
- Transaction on the general a/c heads is posted in the respective General Ledger a/c heads.
- Individual members’ transactions are recorded in the respective members’ passbook.

All entries in the books of record are done during the SHG meeting in presence of all members. After all the entries are completed, the balance cash in hand recorded in the books is matched with the physical cash. The cash book is signed by the office bearers and the bookkeeper.
Finally, one of us reads out the minutes of the meeting as noted in the Minutes Book. All of us present in the meeting sign the Minutes Book and conclude the meeting.

The books of the SHG (except member passbooks) are kept with the office bearers.

**Including Existing SHGs**

There are SHGs in our village that were formed with support from other schemes of the government and NGOs. We take measures to include these SHGs in our institutional architecture.

Pre-existing SHGs that have at least **70% poor and vulnerable women members** are included in our institutions. They also have to follow the Panchasutra (minimum requirement) to be included in our institutional architecture. Some pre-existing SHGs require additional capacity building or funds to be able to function properly. Our federation or the Mission supports these SHGs to become well-performing SHGs.

Once the pre-existing SHGs comply with these conditions, they become one of us (NRLM SHGs). They receive the same benefits and support as us. They are also included in our federations (provided they fulfil the criteria) with equal rights as a member and to participate in the activities.
2.2 Village Organization (VO)

Village Organization (VO) is a federation of SHGs at village/hamlet or Panchayat level (depending on the number of SHGs).

We form a loose VO soon after disbursement of RF in our bank account and after 6 months a formal VO formation will take place. The number of SHGs in a VO must not be less than 5 and should not exceed 30. In case there more than 30 SHGs in the village/hamlet/Panchayat, we form another VO.

The guiding principles of forming the VO are:

- Representation from each SHG – There would be representation of 1-2 members from each SHG in the Executive Committee of VO.
- Geographical convenience – The VO should be constituted with SHGs in the contiguous area to maintain the convenience for members to actively participate in the VO EC meetings.

The Mission staff and external CRPs conduct workshops in our villages for all SHG members, SHG office bearers, bookkeepers, active women towards the formation of VO. During the workshop, we discuss the various issues in our village, their solutions and our common needs. Based on this, we set the objectives of our VO, rationalise its formation, discuss its activities, meetings, etc.

The active women and the representatives of our SHGs go on exposure visits to best practice areas to understand how a VO functions.

Key Roles of the VO

- Services to SHGs
  - Mentor and strengthen (through orientation, training, exposure, information dissemination, on-site support, etc.) the capacity of member-SHGs (bookkeeping, accounting, advocacy, bank-linkage, accessing government schemes etc.)
  - Improve quality of SHGs, monitoring key activities (meeting, savings, bookkeeping etc.), promoting self-grading and audit of the SHGs
  - Increase participation of SHG members in Gram Sabha and establish linkages with PRI and government schemes at village/panchayat level
  - Audit services
  - Resolve conflicts among SHGs
- Initiate social security schemes like life insurance, cattle insurance, health insurance, etc. for members
- The reviews focuses inclusion, democratic and financial transactions in our SHG, financial transactions between VO and SHGs, quality of bookkeeping, social issues, functioning of bookkeepers, SHG- bank linkage, Project funds to SHGs and other areas. On the basis of the review, the VO identifies problems and provide support to our groups for their resolution.
• Lead PIP Process and form new SHGs and inclusion of left out poor
• Community services or collective business activities
• Advocacy and creating awareness on various social issues, rights & entitlements
• Funds mobilisation
• Provide funds from own corpus/from other sources to SHGs
• Facilitate for SHG Bank linkages through liaison and establishing coordination with bank branches
• Regular Assessment of the groups on the basis of MPR
• Identification and orientation to community cadre
• Review activities/performance of sub-committees and community cadre

**Structure of the VO**

All the SHGs which are following *Panchsutra* are members of the VO. The VO consists of a General body (there may be a Representative General Body), and an Executive Committee.

**General Body**

All the members of the SHGs in our village are a part of the General Body of the VO. The General Body holds an Annual General Meeting (AGM) once a year.

The agenda of the AGM is as follows:

• Review of EC, subcommittees, community cadre
• Approval of AAP &Budget of VO
• Approval of Audit Statement by the Community Auditors
• Review of status of inclusion of PoP and most vulnerable households

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**Sub Committees**

Sub Committee consists of the Convener in addition to 4-5 members

(Any member of the EC except OB would be the convener of the Sub Committee)
• Review of annual expenditure and performance
• Amendment in Bye-laws
• Review of utilization and mobilization of resources

**Executive Committee**

The Executive Committee of our VO consists of the representatives of each member-SHG. The Executive Committee develops the bye-laws of our VO. It meets once a month.

The EC develops an AAP and submits it to the GB for approval. The AAP is based on the plans of the member-SHG of our VO. The AAP is broken down into quarterly action plans and monthly action plans and are implemented by the EC and subcommittees.

The EC reviews the SHGs’ performance, community cadre’s performance, subcommittee performance in the monthly meetings.

The responsibilities of the EC -

• Elect office bearers - President, Vice President, Secretary, Joint Secretary and Treasurer and fix their tenure
• Enrol new member and/or to terminate the membership of SHGs
• Grade SHGs on half yearly/yearly basis and promoting self-grading in SHGs
• Review and evaluate the financial transactions, budget and programs of VO on regular basis and performance of office bearers
• Fund mobilization and its management
• Decide membership fees/donation/contribution to be given by SHG
• Form and organize the subcommittees as per requirement and dissolution of the subcommittees
• Authorize the office bearers for signing in legal documents and account related matters
• Nominate representatives as per the requirement
• Prepare the Annual Action Plan and recommend to GB for approval
• Annual Audit of VO should be done by community audit members, master bookkeepers
• Implement and review activities/performance of sub-committees and community cadre

**Subcommittees**

The EC of our VO constitutes subcommittees to conduct various activities. The subcommittees are accountable to the EC. The EC selects 3-5 members for each subcommittee.

Essential Subcommittees of the VO -

• **SHG monitoring Subcommittee**: This subcommittee ensures that all our SHGs are following the Panchsutras and also monitor their activities, the SHGs are
utilising the loan amount for the activities mentioned in the MCP. This monitoring subcommittee would also conduct a training need assessment for the SHGs.

- **Social Mobilisation Subcommittee**: This subcommittee identifies and mobilises the left out poor, progressing towards saturation of the village and organises necessary training programmes for the members.

- **Bank Linkages & Repayment Subcommittee**: This subcommittee acts as an interface between the SHGs and the banks. It resolves issues related to bank linkages, account opening/management, bank loan and CIF repayment.

- **Social Action Subcommittee**: This subcommittee takes initiatives to address social discrimination in our villages. They diagnose social problems and take suitable measures to resolve the issues.

The subcommittees develop action plans with details of their activities for the year ahead and the resources required implementing the plans.

The VO EC may institute other subcommittees for procurement, food security, livelihoods or any other activity it deems relevant.

**VO Bookkeeping**

The VO employs a VO Facilitator who maintains the books of the VO. Our VO maintains the following books of record -

- **Minutes Book**: Records all proceedings and the decisions of a VO EC meeting.
- **Cash Book**: It contains every cash transaction of VO date wise.
- **Bank Book**: Records every bank transaction of VO date-wise.
- **Loan ledger**: Consists of details of loan and repayment of all member-SHGs.
- **General Ledger**: Records control accounts of all personal ledgers, the profit and loss account and different asset and liability accounts.
- **Fixed Asset Register (FAR)**: Consists of details of assets purchased by the VO.

The VO Facilitator also maintains meeting registers of General Body (AGM), monthly receipt and payment report, monthly income and expenditure report, bank reconciliation statement, books of subcommittees, monthly MIS and progress report.

The VO has a savings bank account at the nearest bank branch. Three representatives (authorised by the EC) – President, Secretary and Treasurer are joint signatories of the VO account. The EC decides the transactions with banks in its meetings.

**Funds**

VO receives funds - Vulnerability Reduction Fund (VRF) and Community Investment Fund (CIF) from NRLM against Micro Credit Plans (MCPs). The Mission also provides start-up costs to the VO for one year. These funds help us stabilise the operations of the VO.
We use the VRF and CIF to lend to our member-SHGIs against their MCPs. The interest earned on these loans is an important source of income for the VO. The other sources of income for the VO include membership fees, service charges, annual contribution, donation, share capital, saving and contribution of SHG/members. In case we need more funds, we approach the government, banks and other institutions with our business plans/project proposals.

**Monitoring VO**

The VOs submit a *maasik nivedika* (monthly progress report) covering three major areas (a) Progress of VO level financial and non-financial transactions: (b) VO level report of SHGs prepared and used for review of the our groups: and (c) Progress of convergence and other activities at the VO level.

The VO Facilitator is responsible for preparing monthly progress report to be sent to CLF.
## Stages of VO development and Activities

Indicative life cycle along with graduating indicators is presented below.

<table>
<thead>
<tr>
<th>Stage 1 (Year 1)</th>
<th>Stage 2 (Year 2)</th>
<th>Stage 3 (Year 3 onwards)</th>
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<tbody>
<tr>
<td>• Identify space and set up our VO office</td>
<td>• On time Repayment rate of SHG to VO - 90% or more</td>
<td>• 80% of the total funds received by VO would be in rotation amongst the SHGs</td>
</tr>
<tr>
<td>• First GB meeting – fixing objectives and activities of VO, role of EC</td>
<td>• All member SHGs would be A-Grade</td>
<td>• Start fund raising activities</td>
</tr>
<tr>
<td>• First EC meeting – elect office bearers, appoint VO Facilitator</td>
<td>• VO would saturate the village and include all left out poor HHs</td>
<td>• Ensure that all SHG members are insured</td>
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<tr>
<td>• Training to office bearers, community cadre</td>
<td>• Action on social issues like gender violence, community sanitation, education and raise voice against alcoholism/drugs etc.</td>
<td>• We would invite different stakeholders in VO meeting and establish good relations with all stakeholders.</td>
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<tr>
<td>• Bank account be opened</td>
<td>• 25% of the expenditure borne by VO</td>
<td>• Initiate insurance, pension schemes, etc.</td>
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<tr>
<td>• Create MCP, seek VRF/CIF</td>
<td>• On time Repayment rate of SHG to VO - 90% or more</td>
<td></td>
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<tr>
<td>• Lend VRF/CIF to SHGs</td>
<td>• All member SHGs would be A-Grade</td>
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<tr>
<td>• Appraise MCPs of SHGs</td>
<td>• VO would saturate the village and include all left out poor HHs</td>
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<tr>
<td>• Institute mechanisms to assess the quality of SHGs (maasik nivedika) by EC</td>
<td>• Action on social issues like gender violence, community sanitation, education and raise voice against alcoholism/drugs etc.</td>
<td></td>
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<tr>
<td>• Conduct training needs assessment for SHGs and organise the required training programmes</td>
<td>• 25% of the expenditure borne by VO</td>
<td></td>
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<tr>
<td>• Make strategy if there is irregular saving, internal lending and repayment at SHG and VO through subcommittees</td>
<td>• On time Repayment rate of SHG to VO - 90% or more</td>
<td></td>
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<tr>
<td>• Discuss strategies for inclusion of Left out Poor would be our major focus area</td>
<td>• All member SHGs would be A-Grade</td>
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<tr>
<td>• Identify internal CRPs, community cadre</td>
<td>• VO would saturate the village and include all left out poor HHs</td>
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2.3 Cluster Level Federation

Cluster Level Federation (CLF) is a federation of all VOs in our cluster. Our cluster has 30 villages. The basic criteria for VOs to become a member of the CLF are -

- VO would be functional and following Panchsutra
- 90% repayment of CIF at the VO level
- Our VO should update books of records
- At least 2 to 3 social actions under the ambit of VO
- We need to ensure that the total loan outstanding would be greater than 70% of total corpus.

Role of CLF

- Support (capacity building, funds, etc.) to VO, SHGs and community cadre
- Monitor, support and assess the performance of VOs
- Convergence with the various line departments and ensure access to entitlements to members
- Disburse of CIF to VOs against MCPs
- Facilitate like insurance, pensions, remittances and other services for members
- VO Audit through community auditors
- Identify, train, and review CLF community cadre
- Guide and monitor community procurement processes
- Initiate collective livelihood activities at the CLF level
- Training programs on livelihoods, market survey, costing, designing, etc.
- Networking and Advocacy

Structure of CLF

The CLF is registered under the MACS Act or Societies Act. The CLF charges a one-time membership fee for the VOs. Apart from this member-VOs also have share capital in the CLF.

Structure of CLF would be similar to that of the VOs.

The General Body is the apex authority of the CLF. It consists of EC members of all VOs in a cluster. The GB holds an AGM every year.

The agenda of the AGM -

- Review EC and support staff
- Approve annual action plan of CLF
- Approve CLF Budget
- Approve audit statement made by the Community Auditors
- Review annual expenditure and performance
- Amend Bye-laws
- Review utilization and mobilization of resources

19
Two representatives from each EC form the Executive Committee of our CLF. The EC of the CLF fulfils the following responsibilities -

- Elect office bearers of CLF - President, Vice President, Secretary, Joint Secretary & Treasurer
- Appoint CLF cadre – Cluster Facilitator, theme/activity specific cadre (eg. Bank Mitra, Bima Mitra)
- Prepare annual action plans, budget for CLF
- Review performance of office bearers
- Run CLF as per administrative rules and ethical norms
- Fund mobilization and its management.
- Form and review subcommittees

Subcommittees

The EC of the CLF constitutes subcommittees to carry out various activities. Essential subcommittees under the EC are:

- **VO Monitoring Subcommittee** – This subcommittee monitors VO processes, its expenditure, compliance to norms, timely audit of books of records of VO by community auditors, training and support need assessment.
- **Repayment Subcommittee** – This subcommittee facilitates bank linkages, resolves issues in transactions with the bank.
- **Social Action and Convergence Subcommittee** - This subcommittee discusses and initiates action on social issues like gender violence, health and food security, malnutrition.

*Need Based subcommittees (Livelihood, Marketing, Procurement, Social Security like pension, insurance etc) are also formed when required.*

Funds

Once we form the CLF, the Mission transfers the remaining CIF to the CLF against its plan. Our SHGs and VOs repay the CIF they received to the CLFs.

The CLF also initiates collective livelihood activities/enterprise which contributes to its financial sustainability.
3. Financial Inclusion

3.1 Financial Services from our Institutions

Savings

We save a fixed amount (as decided by the members) of money on a weekly basis. Apart from the compulsory savings, we also start voluntary, purpose-specific savings in our SHGs/federations.

The SHGs may decide to impose a fine on failure to deposit her savings. Our savings are accounted properly and recorded in the SHG books as well as in our respective Pass Books. The amount of weekly savings may be increased if there is consensus in the SHG.

Inter-lending

The corpus generated from our savings is used to give loans to individual members in our group. The SHG lends up to 90% of its corpus to members and the remaining 10% is kept to meet emergency needs.

The decision to issue loans to members is taken by us in the meeting. During the SHG meeting, our credit requirement is appraised and vetted by the members. While deciding eligibility for loans, regularity in attendance, savings and repayment of previous loan is considered. Loans are issued on priority to the poorest members in our group or to those with emergency needs. In case an emergency arises in between two meetings, all or at least 4-5 members (including bookkeeper) of the group meet and decide on issue of loan.

Currently, our SHGs are following 12% rate of interest per annum (i.e. 1% per month) from SHG to Member with reducing rate. This existing rate of interest does not exceed 24% per annum (2% per month) at reducing balance. Repayment schedule is finalized before loan processing and is shared with the SHG. We service both principal & interest amount, based on the agreed repayment schedule. But, if any of us would be unable to repay the required amount, we would serve the interest first.

If a member delays repayment of the instalment, the SHG imposes a penalty on the member. In case of wilful default for more than 4 weeks, we may decide debar the member from availing second loan till the repayment of existing loan is completed. If the member fails to repay despite the peer pressure of other members, we may decide to adjust the savings of the defaulting member against the outstanding loan, besides to take any action as would be deemed fit and proper.

Savings Bank Account

Within 3 months of forming the SHG, the group takes a resolution to open a SB A/C in the bank. However, the process starts after 4 weekly meetings. The Mission staff helps us in completing the formalities to open the bank account. The President is the
authorised signatory for financial transactions. The branch manager is notified the same.

For depositing cash in the bank, along with the signatories other members also visit the bank branch on rotation basis. The Pass Book (along with the cheque book, if any) is kept in custody along with books of records.

To withdraw money from the savings bank a/c, a resolution is passed during the SHG meeting on the purpose and amount to be withdrawn. The signatories then go to the bank and withdraw the money required. We inform the bookkeeper of the transactions for entry into the books of accounts. Whenever there is a change in representative/s of the group, the group informs the bank and carries out due formalities for change in signatories.

3.2 Financial Assistance from NRLM

The Mission supports all our institutions with funds in their initial phases. The Mission provides three ‘resources in perpetuity’ to our institutions (as directed by NMMU or availability of fund with PSRLM) –

- Revolving Fund to the SHGs @ Rs. 15,000/SHG;
- Vulnerability Reduction Fund (VRF) to the VO, @ Rs. 1,500/member or Rs. 1.5 lakh per VO
- Community Investment Fund to the CLF @ Rs. 3000/member or Rs. 50,000 to 1,10,000 per SHG

**Revolving Fund**

The Mission gives RF to SHGs that are at least three months old. We have to fulfil the following criteria in order to avail the RF -

- Inclusion of poorest of the poor in our SHGs
- Following Panchasutra properly
  - Attendance in the group meetings should be at least 90%.
  - Regular saving as per the agreed norms
  - Regular internal lending of savings amongst us.
  - Regular repayment of loans, maintaining at least 95% recovery
  - Trained bookkeeper for each SHG, up-to-date books
- Active Savings Bank Account in the nearest Bank Branch in the name of our SHG
- All members of our group should have received at least minimum three days of training on SHG concept, leadership, SHG functioning.

The community cadre and Mission staff conduct a SHG grading exercise in our village. They grade our SHGs according to performance in Panchasutra. The SHGs are given Grades A, B or C, according to their performance. A-grade SHGs are given
preference to receive benefits. SHGs that are B or C-grade are given adequate support to become A-grade.

We also give a commitment that we would use the revolving fund for internal lending in our SHG. We also agree to continue following Panchasutra, good management and financial norms in all our meetings.

**Vulnerability Reduction Fund**

Our VO receives VRF to address vulnerabilities that we face in our village. The VO gives the VRF as loans to SHG members as per their needs. We encourage each other to save for specific purposes such as education, health, etc. The VO considers such savings as a criterion to lend the VRF to members.

**Community Investment Fund (CIF)**

The Mission gives our SHGs one instalment of CIF before the CLF/VO is formed. SHGs that have completed six months and have developed Micro Credit Plans (MCPs) are eligible to receive the first instalment CIF.

Once we form the VO and it prepares a MCP of its own (aggregation of all SHGs’ MCPs), our VO would receive the CIF. Our VO then disburses the CIF to our SHGs as per the MCPs. Similarly, when we form the CLF the fund is disbursed to the CLF (against MCP) which in turn disburses it to our VO.

We repay the CIF to the VO which then repays it to the CLF as and when it is formed.

When we form our CLF, the Mission directly transfers the remaining CIF amount to our CLF bank account. We also repay the initial instalment of CIF back to our CLF when we form it.

**Fund Flow- Rate of Interest and Installments**

- CLF to VO at the rate of interest - 6% per annum with 24 installments.
- VO to SHG at the rate of interest- 9% per annum with 18 instalments.
- SHG to Member at the rate of interest-12% per annum with 12 instalments.

Initially out of available CIF at VO level, it will be priority for VO to provide 1st dose of loan to each SHG. Regarding 2nd dose of loan, VO EC will take decision based on available fund and submitted MCP by SHGs. Till the CLF is not formed, VO will revolve CIF with their member SHGs. Loan from CLF to VO and VO to SHG is ongoing process.

The repayment and applicable interest rate on CIF will be as under:-
Note: The above rates and instalments are indicative. Only CLF/VO/SHG may take appropriate decision.

3.4 Micro Credit Plan (MCP)

We develop plans for our credit needs, livelihoods activities, etc. to avail funds from the Mission and Banks. These plans are micro plans or Micro Credit Plans (MCPs) are developed in consultation with each member of our institutions. We prepare the MCPs of our SHGs first and these are later aggregated at the village/hamlet and cluster levels.

Planning

- Before beginning the planning process, we collect information regarding our members.
  - We prepare a profile for each SHG in our village.
    - We collect the following information regarding our members’ - Members of the family and their occupation, Assets detail: Land, Cattle, Type of house etc., Entitlements: Job card, PDS, Ration Card, BPL card etc., Vulnerability of the family and Collecting Information about Livelihood activities of the members.
  - The MCP is prepared over 3-4 days. First, all the members are made aware of what a MCP is and how it is prepared.
  - Then, we consult each household on its goals and the resources available to achieve it. During this process –
We analyse the household’s income and expenditure patterns - Sources of income and expenditure at household level, Liability: Debt, Mortgage, Borrowing etc.,

- Detailed livelihoods profile of a family
- We discuss how they plan to achieve their goals and help them develop a household-level plan. In this manner, we develop household-level plans for all the members of our SHGs.

- We discuss the household-level plans in our SHG meetings and prioritise the needs of the members. We give priority to the poorest of poor members.

- Needs assessment and Family Investment Plan - Purpose of loan, required loan amount and own contribution by a family (members contribution, Amount required from SHG), Income per month of the family, Repayment Plan (No. of installment and value), Performance of the member in the SHG (regularity in saving, repayment and attendance etc), Capacity building needs: Information, skill development, leveraging institutional facilities.

- Then, we prepare a **credit rotation plan**. The credit rotation plan describes how the fund would be utilised in our SHG.

- The household-level plans are aggregated to make a MCP for the SHG. We add some more funds required for collective work of the SHG to this plan.

**Appraisal**

We submit our MCPs to the VO for appraisal. If the VO has not been formed, a MCP appraisal committee is set up by SHG members at the cluster level, with help from the Mission staff. We elect the members of this committee.

The committee meets once a fortnight to appraise MCPs. The SHGs whose MCP is being appraised are also present. They clarify the MCP and make changes as suggested by the committee.

The committee considers the following while appraising the MCPs:

- Correctness of information provided
- Participation of members during preparation
- Prioritizing the needs of the poorest members of our group
- Whether the members in our group have skills and knowledge to implement the plan
- What is the contribution of members (money/labour etc.)

The VO/MCP Appraisal Committee approves and recommends the MCPs to NRLM. The District Mission Management Unit (DMMU) then transfers the fund to our accounts.
3.4 Credit from Banks

We utilise the funds provided by the Mission for lending to our members and start collective initiatives. We understand that the Mission cannot keep providing us with funds always. For this, we need to tap banks and other financial institutions to meet our credit requirements. As we cultivate robust financial practices (regular savings, regular inter-lending, regular repayment and regular bookkeeping) in our institutions, we increase our chances to borrow loans from banks.

The banks set certain norms - 80% of group funds should be in rotation and 70% members should have availed loan from SHGs at least once to qualify SHGs for borrowing loans.

We pass a resolution that our SHG/federation should borrow a loan from the bank. We prepare a simple credit request. If MCP is ready by that time, we submit a copy to the bank.

The Mission staff/Bank Mitra helps us in completing the formalities involved in applying for the loan. The Mission Staff/Bank Mitra also makes efforts to process our loan quickly and try to ensure that we receive it within 30 days. We fix the instalment plan with the bank at the time of applying for the loan.

NRLM also offers interest subvention to women SHGs. Details are given below.

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<th>Interest Subvention under NRLM</th>
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<tr>
<td><strong>Category I District:</strong> As decided by GoI / PSRLM</td>
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<tr>
<td>NRLM provides interest subvention to Women SHGs to avail loans up to Rs. 3 lakh at 7 per cent per annum. Women SHGs that repay loans in time will get additional 3 per cent subvention, reducing the effective rate to 4 per cent.</td>
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<td><strong>Category II District:</strong> As decided by GoI / PSRLM (other than Category I District)</td>
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<td>For the remaining districts, all the women SHGs under NRLM will be eligible for interest subvention to avail the credit upfront at 12% per annum which will further subsidise to 7% up to the Credit Outstanding of Rs. 3 lakhs,</td>
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4. Layering

As our institutions grow and mature, we engage in more activities that are useful to our members and village at large. We work together with government line departments, other government schemes and local organisations in making various entitlements and services available to our members. Our VO and CLF design and execute these initiatives. These activities vary from village to village, depending on the context.

Interventions for agriculture (including livestock, NTFP, fisheries, etc.), insurance, convergence with line departments, inclusion of PwDs, PoP/extremely vulnerable, gender and social action, health and nutrition, employment and enterprise are commonly taken up.

4.1 Inclusion of the Poorest, Persons with Disabilities, Victims of Human Trafficking

There are some families in our villages which are extremely poor and live in the margins of our society. These households require more intensive mobilisation to ensure their inclusion into our institutions. They may not even be able to comply with the norms (savings, borrowing loans, repayment on interest, etc.) of our institutions. These households experience shocks/vulnerabilities more severely than the other households of our village.

Our VO reaches out to these households and mobilises them into their SHGs. The norms may be relaxed for their groups, till the time they are confident of complying with the main norms. Their groups may be smaller. Our VO organises additional capacity building for these groups – either through the Mission or through our CRPs. Our VO also creates special packages to support these households. The package may include financial support, social action support (such as counselling), livelihoods support, etc. The households concerned are consulted while preparing the packages.

4.2 Social Action

The Social Action subcommittee of our VO addresses issues of domestic violence, negligence of vulnerable persons, mistreatment of vulnerable persons, etc. The committee provides counselling and other support to survivors of such incidents as well as the perpetrators and tries to deliver justice to the survivors.

4.3 Convergence

Our VO works with the Gram Panchayat in planning and implementing activities in our village. We invite the Panchayat representatives to attend our VO meeting. Our VO volunteers to take up a few activities under the village development plan.

4.4 Livelihoods Activities

At our VO/CLF we take up initiatives to improve the livelihoods of our members. The activities pertain to agriculture and related occupations – livestock, poultry, NTFP,
fisheries, etc. Depending on the major livelihoods of the members, we may decide to form a collective marketing activity. A subcommittee is formed for this purpose. The subcommittee conducts market analysis, value chain assessment, resource mapping, etc. to identify the gaps. It also comes up with solutions to address these gaps and shares the same with all the members of the federation. If the solutions seem feasible, we develop business plans to secure funds for our activities. We approach the Mission for support, or the bank or any other funding organisation. We seek training from the Mission or any other agency with the requisite capacity to help us acquire skills to run our business. We also seek training to learn new techniques to improve productivity in our occupation.

Over time, these collective marketing initiatives could become independent entities in the form of companies and cooperatives, depending on their usefulness to members and financial viability.

4.5 Insurance

Our federations introduce insurance products for members. These insurance products could be general, or purpose specific – education, health, assets, loan, etc. These insurance products are step forward in guarding ourselves against vulnerabilities/shocks. Our federations may also tie up with insurance companies to provide these products. Our CLF/BLF employs a Bima Mitra to help members avail the insurance schemes.

4.5 Employment and Enterprises

VO/CLF identifies unemployed youth for skill development programmes offered by the Mission. The Mission helps our youth enrol in training programmes to acquire employable skills. The Mission also helps them in securing jobs thereafter. Overt time, we hope to start our own training centres at the block level, and building linkages with potential employers to give jobs to our youth.

In these training centres, we would also train potential entrepreneurs in our community. We would provide them with skills and management inputs in order to start their enterprise. We would also enable them to access financial support, if required.

4.6 Health and Nutrition

We provide health services – regular check-ups, referential services, medicines, etc. and nutritious food to pregnant, lactating women and infants of our village through our VO.
5. Developing Community Cadre

Our institutions provide various services to members and the village. The service providers are developed locally with help from the Mission. The Mission’s support structures provide us handholding support till our institutions are sustainable and self-reliant. During the period that the Mission supports us (five years) we identify potential community cadre and train them. The community cadre are employed by the institutions. They also work closely with the Mission staff. They pick up skills for supporting our institutions. As the Mission’s support structure withdraws, the community cadre (along with our institutions) takes its place.

5.1 SHG bookkeeper

We choose a literate member of our group as our bookkeeper. In case no member of our group is literate, we choose a literate person known and trusted by us in the village as our bookkeeper.

We choose the bookkeeper during the external CRP round itself. The external CRPs train our bookkeepers in basic maths and maintaining records.

The bookkeeper attends all our meetings and records the proceedings – attendance, savings deposited, loans borrowed, loans repaid, etc. The SHG pays the bookkeeper a fee (decided by our SHG) every month.

5.2 Active Women

Identification of Active Woman:

The External Community Resource Person (E-CRP)/CRP team will identify 2-3 Active Women in each village during CRP rounds. Active Women can have following criteria-

a. The member of an SHG.
b. She should be preferably from poorest of the poor (POP) & poor households.
c. She should be sincere towards the work and should have good reputation in the community.
d. She should be able to devote required time for the responsibilities being entrusted to her.
e. She should be willing to go outside villages for trainings, immersion and other programme related work.
f. She should have consent of her family to take up the work.

Job profile of Active Woman:

a. She has to participate in the social mobilization process with CRP team and will be able to learn primary process of CRP work.
b. She will be involved in the process of handholding support to the SHGs, promotion of panchasutras, formation of new SHGs of left out poor families, etc. in her village with the support of PRP/Project Staff.

c. She will participate in the immersion programme organised with National Resource Organisation (NRO) for 10-15 days (or decided by SRLM).

d. She will attend trainings organized at Village/Cluster/Block/District/State level on the concept of Social Mobilisation, SHG and its federation concept and management, etc. as and when require (minimum number of days of such trainings will be decided by SRLM)

5.3 VO Facilitator

Our VO chooses a VO Facilitator (presently known as Samuh Sewak / Sakhi) from the SHG members in our village. The VO Facilitator facilitates the SHGs to function according to the Panchasutra. S/he also maintains the books of the VO and assists our VO office bearers in their functions. Details are attached in Annexure I.

5.4 Internal Community Resource Persons (I - CRP)

Some members of our SHGs have successfully graduated out of poverty with support from the group. They have also been active members in our groups, federations and community. They have initiated social action to tackle social issues in our village. They are now a role model for the rest of us. We choose such women as I - CRPs.

I - CRPs in our village are trained by the Mission and external CRPs to facilitate formation of new SHGs, strengthen existing SHGs and train community cadre. Our I - CRPs are attached with external I - CRPs for a month to learn on the job. They visit best practice, attend classroom training sessions to acquire the skills required to support other institutions. They are employed by our federations and are paid on a daily basis. Detail is attached as Annexure II.

5.5 Community Coordinators (CC)

Our CLF (if CLF is not formed then VO of that cluster) will identify and place Cluster Coordinators from community itself for strengthening of our Community Institution and will also support in the implementation of NRLM in other Cluster/ Block/District, the way external PRPs from NRO (National Resource Organization) are supporting in our resource blocks. They will work in close coordination with Mission Staff. CC will be recruited as per the need of the community institution with due course of time.

5.6 Other Service Providers (Mitaras)

Our VO employs a number of persons to provide specific services to our SHG members. For example, a bank mitra is chosen from among the members to facilitate processes in the bank. The bank mitra sits in the bank to help SHG/federation members in applying for accounts, loans, etc. Similarly, our
federations employ bima mitras and livelihoods service providers to facilitate various processes as per the need of the community and its federation.
Annexure I

VO Facilitator Policy Note

VO Facilitator

VO Facilitator is preferably a women who will work as a Village Organisation (VO) bookkeeper and facilitator for Self Help Groups. S/he will be identified, trained and deployed by Village Organization (once comes into existence).

Eligibility

1. S/he should preferably be a member of SHG comes from the Poor of the Poorest and Poor households. However, as per requirement, selection from outside the SHG could also be undertaken.
2. S/he should be able to read, write and communicate properly.
3. S/he should be able to understand basic mathematical calculation.
4. S/he should have no hesitation in moving within the village and will able to visit block/ district offices of the PSRLM, Bank etc. as and when required.
5. S/he should be willing to go for exposure visit and trainings within and outside the state.
6. S/he should be sincere towards the work and should have good reputation in the community.

Identification Process

In the initial stage, s/he will be identified by the group of SHGs in the same village where subsequently VO will be formed as per prescribed eligibility conditions. The number of VO Facilitators will be one per VO.

Once VO is formed, VO Executive Committee will identify, train and deploy as per prescribed norms. In case of attrition, VO will identify through Executive Committee meeting. The number of VO Facilitator will be one per VO.

Project Staff and PRP will facilitate the process.

Capacity Building Plan

1. Initially, s/he will be sent for exposure-cum-immersion visit (10-15 days) to Resource Organization to see the functioning of SHG and its federation (days decided by project).
2. S/he will be attached with the External/Internal CRPs during different rounds to learn the process of social mobilization, SHG formation, training, VO formation, etc. The assessment of their work in the CRP rounds will be done by Project Staff and PRP.
3. As per requirement, training on various aspects of SHG and VO concept & management and writing of their books of record, MCP preparation, etc. will be imparted by the project.

**Honorarium**

Before formation of VO, S/he will be paid resource fee @ Rs. 150/- per SHG per month. The honorarium amount will be credited through Project to VO Facilitator Bank Account or through cheque. This payment process will be for initial one year.

After formation of VO, honorarium of VO Facilitator could be paid @ Rs. 150/- per SHG per month by VO through VO Facilitator through cheque. Based on income of VO, project will decide the period of support for the honorarium of VO Facilitator.

**TA/DA norms**-

During outside station, s/he will be paid Rs. 100/- per day for food expenses and transportation cost (as per actual).

**Roles and Responsibilities**

1. S/he will write books of record of Village Organisation (VO) and will reach prior to meeting time.
2. S/he will facilitate the meeting process of all SHGs of that VO on best practices i.e. Panchasutras (weekly meeting, weekly saving, internal lending, regular loan repayment and regular bookkeeping) and will come prior to meeting time.
3. S/he will support SHG to prepare Micro Credit Plan (MCP) and grading of the SHGs.
4. S/he will support the SHGS in preparation of “Monthly Progress Report” to be presented in the VO meeting (month/fortnightly) and same for VO to present in Cluster Level Federation (once formed).
5. S/he will support SHG/VO in banking related operations.
6. S/he will give support and cooperation to the auditors while conducting VO audit.
7. S/he will work under the guidance of VO (once it is formed) and will complete all task assign by them. In case VO has not formed, s/he will work under the guidance of Project Staff and PRP.

**Don’t**-

1. S/he should not dominate during SHG/VO meeting.
2. S/he should not reach late in the SHG/VO meeting.
3. S/he not interfere in the decision making process of SHG/VO.
4. S/he should not hold money of SHG/VO.
5. S/he will not keep SHG/VO books of record.
**Monitoring of work** - The work of VO Facilitator will be reviewed by Project Staff/PRP on monthly basis (till VO is not formed). Once VO has formed, review meeting will be taken up in the meeting of VO-Executive Committee on monthly basis. S/he will report to VO – EC and furnish monthly report about his / her performance.
Policy Note on Internal Community Resource Person (I-CRP) Strategy

1. Introduction
Punjab State Rural Livelihoods Mission (PSRLM) is implementing Resource Block strategy to promote quality Self Help Groups (SHGs) and its federations along with development of social capital (in the form of Internal Community Resource Persons and Professional Resource Persons, from the community) to scale-up the programme into Intensive Blocks. The implementation in Intensive Blocks would mean deployment of these Internal Community Resource Persons (I-CRPs) and Community Coordinators (CC) from community itself.

Usually, these I-CRPs, are identified from amongst the Active Women, Leaders of SHGs and SHG Bookkeepers, trained intensely and systematically and nurtured for deployment in Intensive Blocks.

2. Internal Community Resource Person (I-CRP)- selection criteria and process of selection

2.1. Selection criteria for Internal CRPs from Active Women/SHG Bookkeepers:

<table>
<thead>
<tr>
<th>From Active Women</th>
<th>From SHG Bookkeepers</th>
</tr>
</thead>
<tbody>
<tr>
<td>☐ SHG member who has attended at least 75 weekly meetings.</td>
<td>☐ SHG Bookkeeper who has been writing books of accounts (prescribed by SRLM) at least in 75 weekly meetings.</td>
</tr>
<tr>
<td>☐ Preferably from POP and poor households</td>
<td>☐ Preferably from POP and poor households</td>
</tr>
<tr>
<td>☐ Taken minimum 5 small loans for consumption needs and minimum 2 big loans for income generation and social needs</td>
<td>☐ Undergone bookkeeping training for 5 days by external CRP team and for minimum 12 days by PRP/Project Staff</td>
</tr>
<tr>
<td>☐ Total loan amount utilized is not less than Rs. 25000 and repayment as per schedule; not a defaulter.</td>
<td>☐ She should be able to read, write and do basis mathematical calculations properly</td>
</tr>
<tr>
<td>☐ Worked as trained Active Woman for about 18-24 months in her village,</td>
<td>☐ Having clarity on Bookkeeper role and do’s &amp; don’ts in SHG meeting, and accompanied</td>
</tr>
</tbody>
</table>
formed and nurtured at least 3-4 new SHGs, and accompanied CRP Teams at least for 1-2 rounds locally

<table>
<thead>
<tr>
<th>CRP Teams at least for 1-2 rounds locally</th>
</tr>
</thead>
<tbody>
<tr>
<td>☑ Able to impart trainings to SHG members.</td>
</tr>
<tr>
<td>☑ Good communication skills.</td>
</tr>
<tr>
<td>☑ Willing to work outside Block/District.</td>
</tr>
<tr>
<td>☑ Able to conduct training on Bookkeeping</td>
</tr>
<tr>
<td>☑ Good writing and communication skills.</td>
</tr>
<tr>
<td>☑ Willing to work outside Block/District.</td>
</tr>
</tbody>
</table>

2.2. **Process of selection of I-CRPs:**

I-CRP is the community cadre, to be identified, retained and paid by/through the Community Institutions. Selection of I-CRP would be done by Cluster Level Federation (CLF) (whenever formed) or the Village Organisation (VO). Selection process would include:

a. Project Staff will share the concept, selection process, trainings, work, etc. of I-CRPs with the CLF/VO Executive Committee meeting along with honorarium (Resource fee, food charges, travel costs, Institutional charges, etc.) to be paid to I-CRPs (as per norms).

b. CLF/VO-EC will do screening (discuss/appraise) the Active Women and Bookkeepers based on criteria for selection of I-CRP and will prepare list of potential I-CRPs for training. Project staff will facilitate the process.

c. The said discussions will be duly recorded in the CLF/VO meeting minutes.

d. CLF/VO will forward copy of minutes to BMMU/DMMU where records of I-CRP could also be maintained for capacity building plan and future services.

4. **Training of Internal CRPs (I-CRP)**

4.1. **Internal CRPs (from Active Women) on Social Mobilisation and Institution Building**

a. Trainings will be organised for minimum 30 days in 3-5 spells through residential training programme on topics like - social mobilization, SHG formation, SHG concept and management, Village 15-day Action Plan, process of Revolving Fund, Community Investment Support Fund, Microcredit Plan process, Basic Bookkeeping, Roles & Responsibilities, etc. It could be repeated based on requirements.

b. Exposure-cum-immersion at National Resource Organisation (NRO) for 10-15 days.

c. 3-5 days refresher training after completion of each I-CRP round (based on need assessment/feedback).
d. Accompanying the E-CRP rounds (at least 2-3) locally.

4.2. **Internal CRPs (from Bookkeepers) on Bookkeeping**
   
a. Trainings could be organised for 30 days in 3-5 spells through residential training programme on topics like- record keeping of the books, voucher, financial transaction of SHG, social mobilization, SHG formation, SHG concept and management, Village 15-day Action Plan, process of Revolving Fund, Community Investment Support Fund, Microcredit Plan process, Roles & Responsibilities, etc. based on needs and requirements.

b. Exposure-cum-immersion at National Resource Organisation (NRO) for 10-15 days.

c. 3-5 days refresher training after completion of each I-CRP round (topic could be decided based on need assessment/feedback).

d. Accompanying the CRP rounds (at least 2-3) locally

5. **Matching and Batching of I-CRP** - 5 members team of I-CRPs (3 I-CRPs from Active Women for Social Mobilisation and Institution Building and 2 I-CRPs from Bookkeepers for training on books of record and diagnosing the SHGs) need to be formed.

6. **Internal Community Resource Person (I-CRP) round** (15 days in a village, generally 2 villages in 1 round)

   During the I-CRP round, I-CRPs will -

   a. Meet the Gram Panchayat Sarpanch, ward members and village elders and brief the purpose of their visit.

   b. Conduct a meeting of all SHGs and left over Poorest of poor (POP) and poor to have a diagnostic study of the status of SHGs and poverty issues like level of exploitation, access to credit, children education, child labor, health, nutrition and other social issues in the village. The team shall also diagnose/probe IB related aspects like Meetings, Groups Norms, and Bookkeeping Status etc.

   c. Prepare a diagnostic report of the existing SHGs which can serve as a base line.

   d. Form new groups with left over poor and identification of defunct and dormant groups.

   e. Conduct group level member trainings for all existing SHG’s and newly formed SHG’s on SHG concept; group norms, financial management norms, decision making and leadership using pictorial charts, case studies and from drawing their personal and group experiences in their villages.

   f. Facilitate group meetings in the night and develop group management norms and financial management norms in the SHGs.
g. Facilitate the groups to identify bookkeepers from their members in the village, willing to undergo training and work with the groups.

h. Give training to Bookkeepers on their roles and bookkeeping skills.

i. Get groups records updated and bring the actual financial status to their notice.

j. Identify 2-3 Women Activists and handhold them for 15 days in training and facilitation.

k. Prepare, on the last day, follow up action plan for the village and handover to the project staff.

l. Handover the reports to the District Programme Manager (DPM) in the Debriefing meeting held by the Project after completion of the round.

Visiting the villages after six months of the round may be planned. The visit may last for 4-5 days for taking stock and provide guidance to SHGs, active women and bookkeepers.

7. Monitoring Mechanism of I-CRP rounds
   a. All I-CRP rounds should have a briefing meeting at DMMU/BMMU office in the presence of responsible anchor from SMMU of that district/block and the team of DMMU and BMMU.
   b. Similarly, de-briefing meeting (feedback session) to share the work of I-CRP team at the end of each I-CRP round at DMMU/BMMU office in the presence of responsible anchor from SMMU of that district/block and the team of DMMU and BMMU. The purpose is to review the work done, identify the limitations/constraints if any and overcome the same.

8. Honorarium of Internal CRPs and other fees:
   Based upon the projection made by CLF/VO (of the I-CRPs) for deployment of the I-CRP teams, the project would ensure that the payment is released in advance to CLF/VO so that it has adequate liquidity to meet its expenses for the CRP rounds being conducted. Concerned CLF/VO would keep details of satisfactory utilization of the fund and record its disbursement and utilization in its own books of record.

<table>
<thead>
<tr>
<th>SN</th>
<th>Particulars</th>
<th>Amount (Rs.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Honorarium to I-CRP (It includes Resource Fees, Food Charges and village stay) per day per person</td>
<td>Xxx</td>
</tr>
<tr>
<td>3</td>
<td>Bus fare/Train fare (2nd Class sleeper), etc.</td>
<td>As per Actuals</td>
</tr>
<tr>
<td>4</td>
<td>Institutional charges per day per person (Rs.)</td>
<td>30</td>
</tr>
<tr>
<td></td>
<td>(CLF- 15, VO- 10, SHG- 5) If CLF is not formed, money will be kept at VO.</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Other expenses (like stay at outside village during)</td>
<td>As per actuals</td>
</tr>
</tbody>
</table>
CLF/VO will maintain proper record of expenditure. On completion of the round and payment of the fee and other costs, CLF/VO will submit an invoice/utilization statement. Alternatively, CLF/VO could provide annual utilization statement on the entire CRP rounds.

9. **Mode of Payment to I-CRP by CLF/VO:**
   a. Each I-CRP will get honorarium and other costs directly through cheque by the CLF/VO in EC meeting after feedback session.
   b. Payment of I-CRP will be based on approval from CLF/VO EC meeting and payment made thereafter directly.
   c. Project staff will also attend the EC meeting of CLF/VO.
   d. Project staff will facilitate CLF/VO to pay I-CRPs, within 15 days of completion of CRP round.

### 1. Training Centre Expenditure

<table>
<thead>
<tr>
<th>S.No</th>
<th>Particular</th>
<th>Amount</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Food Charges(3 time tea with snacks &amp;3 time meal)</td>
<td>250/- per day per person</td>
<td>Morning Tea+Breakfast+Day tea+lunch+evening tea+Dinner</td>
</tr>
<tr>
<td>2</td>
<td>Local Travel</td>
<td>50/- per day per person</td>
<td>0 - 30 km</td>
</tr>
<tr>
<td>3</td>
<td>Local travel Within district</td>
<td>100/- per day per person</td>
<td>30 - 80 km</td>
</tr>
<tr>
<td>4</td>
<td>Travel outside district</td>
<td>Ordinary bus fair/ Sleeper Class Train</td>
<td>As per actual</td>
</tr>
<tr>
<td>5</td>
<td>Outside the state</td>
<td>Ordinary bus fair/ Sleeper Class Train</td>
<td>As per actual</td>
</tr>
</tbody>
</table>

### 2. TA/DA for community
<table>
<thead>
<tr>
<th>Sr. no.</th>
<th>Particular</th>
<th>Amount</th>
<th>Travelling</th>
<th>Accommodation</th>
<th>Food</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Resource Person (Trainer/ToT)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Local Trainer (within Distt)</td>
<td>900/per lecture /as per SIRD Rate</td>
<td></td>
<td></td>
<td>50/-</td>
</tr>
<tr>
<td>3</td>
<td>Outside Distt trainer</td>
<td>1800/Per lecture</td>
<td></td>
<td></td>
<td>100/-</td>
</tr>
<tr>
<td>4</td>
<td>Outside State Trainer</td>
<td>5000/-to 10000/- per lecture as per NMMU Norms</td>
<td>Boarding and Lodging as per category IIA of HR Manual</td>
<td>As per category IIA of HR Manual</td>
<td>As per category IIA of HR Manual</td>
</tr>
<tr>
<td>Community Trainers (Trainers/Master Trainers)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Village to block</td>
<td>300/-per lecture</td>
<td>50/- fixed one side</td>
<td>At training centre</td>
<td>At training centre</td>
</tr>
<tr>
<td>At District Level</td>
<td>500</td>
<td>100/- fixed for one side</td>
<td>At training centre</td>
<td>At training centre</td>
<td></td>
</tr>
<tr>
<td>At State Level</td>
<td>800</td>
<td>As per actual based on category 2 B HR manual</td>
<td>At training centre</td>
<td>At training centre</td>
<td></td>
</tr>
</tbody>
</table>

3. Training Centre running Expenses

<table>
<thead>
<tr>
<th>S.No</th>
<th>Particular</th>
<th>Amount</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Electricity bill</td>
<td>As per actual</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Building rent</td>
<td>As per assessment by Panchayti Raj depp of Rural deptt</td>
<td>Only government/society building eligible for Training centre</td>
</tr>
<tr>
<td>3</td>
<td>Telephone bill</td>
<td>As per Actual</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Stationery</td>
<td>10000/-</td>
<td>Per batch @20-25 students</td>
</tr>
<tr>
<td>5</td>
<td>Sweeper</td>
<td>As per Dc rate</td>
<td>Outsource only</td>
</tr>
<tr>
<td></td>
<td>Helper/chowkidar</td>
<td>As per Dc rate</td>
<td>Outsource only</td>
</tr>
<tr>
<td>---</td>
<td>------------------</td>
<td>----------------</td>
<td>----------------</td>
</tr>
<tr>
<td>6</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>Miscellaneous Expenses</td>
<td>10000/per month</td>
<td></td>
</tr>
</tbody>
</table>