Consolidated Outcomes report from July 2012 to June 2014 for 36 Resource Blocks of Chhattisgarh, Maharashtra, Jharkhand, Madhya Pradesh and Rajasthan SRLMs provided direct implementation support by SERP NRO Hyderabad

1. SERP AP Hyderabad has been implementing the Resource Block strategy in 36 select intensive Blocks covering 29 Districts of the above 5 SRLMs in the Country for the past two years under NRLM partnership framework. Now in the 6th State Karnataka SRLM the implementation will be started in 3 Resource Blocks of 3 Districts from 1st August 2014 onwards.

2. The NRLM Resource Cell of SERP has been working in 36 Resource Blocks covering 151 clusters in the 5 States. The total no. of Villages is 5485, of which the coverage is 2822 villages amounting to 52% coverage. The total no. of NRLM target households are 476329, out of which the coverage is 192061 households amounting to 40% coverage.

3. With regard to formation of SHGs adopting Panchasstras, the achievement is 19177 SHGs, out of which 15002 are new SHGs formed and 4177 are old and defunct SHGs revived. To achieve 75% coverage of NRLM target households into SHG fold i.e. 357246 households should be brought into 35724 SHGs. Therefore as against the available potential of 35724 SHGs we have achieved formation of 19177 SHGs amounting to 54% and the balance no. of 16547 SHGs amounting to 21% will be achieved by the end of June 2015 based on the current progress of formation. Since the BPL list contain about 25% non poor households also with 75% coverage of BPL list, we achieve 100% coverage of all the poor and the poorest of the poor households into SHGs adopting Panchasstras in the 36 Resource Blocks.

4. Out of 19177 SHGs formed in the 36 Resource Blocks, the external CRP teams achieved 85% formation, PRPs 9% and Women Activists 6%. This trend indicates that in the coming 1 1/2 years there will be a significant shift from external CRPs to Women Activists in the formation of SHGs adopting Panchasstras. This will be a significant step in the internalization of the institutional building process in the Resource Blocks.

5. Therefore immersion and training of Women Activists including ToT skills on SHG and positioning of Women Activists in their villages by facilitating monthly village action plan for follow up and paying performance based remuneration through resource fee are very important steps for SRLMs in achieving self reliance in the Resource Blocks as well as for replication efforts to scale up in new Blocks.

6. One important highlight of CRP strategy is that the CRP teams conducted Audit in 4175 old and defunct SHGs and noticed that in 2278 SHGs SB accounts, an idle fund of Rs.232 lakhs lying for several years. Most of it is only the accumulated
savings of members without any withdrawals. 90% of the members in these SHGs did not know that their savings is lying unoperated. If this is the position in 36 Resource Blocks what is the status in all the Blocks of the States it is a big question mark. Quite fortunately in the villages visited by the CRP teams the old and defunct SHGs were revived and converted into SHGs adopting Panchasutras. The CRP teams mobilized the SHGs to visit Bank branches and achieved the total withdrawal of the money from the bank accounts and trained the SHGs to get the Micro Credit Plans prepared and utilized the idle funds for internal lending. In 100% of the cases the CRPs successfully facilitated the SHGs in withdrawal of the entire idle fund and putting into internal lending. I feel this is a tip of the iceberg in the over all situation.

7. With regard to release of Revolving Fund to SHGs as per NMMU guidelines, out of 14000 eligible SHGs only 9000 SHGs received the Revolving Fund. All the SRLMs may kindly be suggested to create a tracking mechanism to ensure that the SHGs completing 3 months of weekly meetings would receive the Revolving Fund within a week from the date of eligibility. The Revolving Fund will enable the SHGs to increase the size and number of small loans to the members to address their consumption needs in the initial days and reduce their dependence on informal sources of money which is seriously associated with exploitation.

8. Coming to release of CIF through MCPs 5400 SHGs prepared MCPs where as 3500 only received CIF. There are almost 10000 SHGs eligible for CIF through MCPs. The MCPs will enable the SHG members to use the funds for consumption loans, small business loans and social needs. This would allow the SHGs to sustain their group mechanism and build strong ownership by them.

9. It is strongly suggested that the SRLMs may evolve and operationalize a simple mechanism without redtapism and cumbersome procedures to release funds directly into SHGs bank accounts. The process is very good in Jharkhand and in other SRLMs still they have to evolve. The NMMU Managers visiting the States should focus on this item and ensure that the NMMU guidelines are strictly followed to avoid delays otherwise the SHGs will languish for want of adequate and timely financial support to improve their lives. The CIF expenditure by now should have been 50 Crores in the 36 Blocks whereas the actual expenditure is 23 Crores amounting to 46% in spite of having sufficient funds at their disposal.

10. Where ever VOs have been established it is suggested in the NMMU guidelines that there should be a bulk transfer of funds to the VO accounts to manage appraisal and sanction of CIF to the SHGs through MCP process. I strongly feel the NMMU Managers visiting the SRLMs are not focusing on this single most important item of work to achieve the compliance of the guidelines on CIF release.
11. So far as the SHG - Bank linkage is concerned out of 351 Branch Managers working in 36 Resource Blocks, we have conducted immersion and training for 335 Branch Managers for 10 days in batches from each SRLM in SERP Project Area. Except Chhattisgarh in all other states the follow up tie ups will have to pick up. Out of 10000 eligible SHGs for Bank linkage, 2200 SHGs accessed Bank loans at a total outlay of Rs.23 Crores. It should have been Rs.50 Crores by now. The NMMU Managers making visits to SRLMs to focus on this item very well. The SMD/CEOs may be advised to initiate a continuous dialogue with the Bank branches through their DMMs, DPMs and BMMs by visiting branches, attending BLCC meetings with lists of eligible SHGs, conducting field visits to at least some SHGs meetings in each Block so that a tie up gets established between Bank branches and the DMMU staff. I have seen great activities in some SHGs where the Revolving Fund, the CIF through MCP and Bank linkage were given. In these SHGs each member accessed multiple doses of small loans and investment loans amounting to Rs.20000 -25000 which will have a good impact on the lives of the members. The NMMU may orient its Managers to conduct field visits and bring good practices to the knowledge of the SMD/CEOs to replicate in all the SHGs of the Resource Blocks.

12. With regard to immersion and training of Women Activists, it may be noted that out of 4463 identified Women Activists, we have conducted immersion and training for 1620 Women Activists in SERP Project area for 10-12 days. This works out to training coverage of 36% and per Resource Block coverage of 45 trained Women Activists. We have developed a training schedule in the 3 Maha Samakhyas to achieve training coverage of 100 Women Activists per Resource Block by the end of 2014-15. But I find that the SRLMs are not institutionalizing mechanisms for utilization of their services for follow up, trainings and formation of SHGs in their villages and paying Resource fee on monthly basis for the services rendered by them. The NMMU Managers visiting the SRLMs must conduct field visits and get the system institutionalized at the ground level.

I am enclosing the attachment regarding the Outcomes report for all the 36 Resource Blocks of 5 SRLMs for your kind perusal and necessary action.

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