

# **Micro Investment Plan (MIP) based Community Investment Fund (CIF) Policy under NRLM**

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**2014**



**Odisha Livelihoods Mission**

**Panchayati Raj Department, Government of Odisha,**

**SIRD Campus, Unit-VIII, Bhubaneswar- 751012, Odisha**

## **1.0 Background**

Odisha livelihoods Mission aims at alleviating poverty through rural livelihoods promotion by mobilizing the poor and vulnerable households into different community level institutions like SHGs, federations and producer groups/organizations. Community based institutions like GP/Block Federation will be ultimately responsible for capacity building of all these institutions. For operational and financial sustainability of these federations, they require funds for different purposes like office establishment, capacity building of member organizations, meeting credit needs of households through their SHGs, livelihoods promotion, vulnerability reduction etc. Start up funds and IB fund are meant for office establishment and capacity building activity, Among different fund provisions created to meet the above needs of the community, Community Investment Fund (CIF) is designed specifically to provide loans to the women members through their SHGs, to support & initiate innovative community enterprise and also to provide small grant or loan to extremely vulnerable or destitute individuals in order to cover the risks and graduate beyond the existing sub optimal existence.

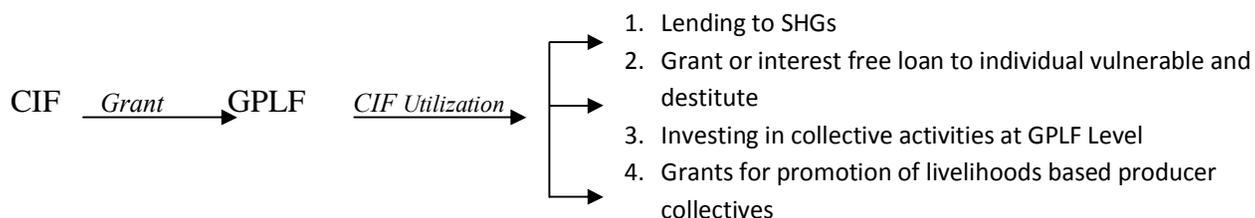
## **2.0 The Community Investment Fund (CIF)**

CIF will act as a catalyst to help poor households meet their demand for improved access to credit for investment needs. OLM recognizes that each individual has separate needs and distinct capabilities that have to be harnessed in proper manner in order to come out of poverty. A community-owned and managed loan fund will help members meet part of their credit needs, gain experience in fund management and demonstrate creditworthiness that will help leverage funds from other sources, and develop new financial products that are suited to their unique needs. The Community Investment Fund will be channelized from the OLM to the Gram Panchayat Level Federation (GPLF) down to the members and is expected to revolve among SHG members for taking loans and repay loans from this fund.

The SHG may provide loans for individual based livelihoods preferably for reducing vulnerabilities and shocks, income generating activities, meeting social needs and supporting investments in housing, education, etc. based on the priorities fixed by the communities in their Micro Investment Plans (MIP).

CIF will be given as grant to the GPLF and in-turn GPLF will use the fund for extending loans to SHGs, grants to extremely poor and vulnerable households or invest in collective enterprises for addressing livelihoods needs of the poor.

### **CIF Flow Diagram**



### **3.0 Key principles of CIF would be :**

- Priority to the poorest and vulnerable households.
- Participatory decision making
- Transparency and accountability
- Participatory monitoring and advocacy
- Effective utilization of existing institutional resources
- Cost effectiveness and increase economic returns
- Suitability to the environmental safeguard

### **4.0 Objectives**

The purpose of the Community Investment Fund (CIF) will be:

- For addressing livelihoods and household consumptions needs of members of Self-Help Groups
- For demonstrating credit worthiness and investment worthiness of poor SHG members
- Capacity Building and initial support for SHG Federations
- Financial Products development suited to rural poor.
- Broaden and deepen the range of financial services
- Test market-led innovative products and delivery systems to serve the poor

## **5.0 Eligibility triggers for GPLF to avail CIF**

- i. Formation/Restructuring the GPLF has been completed
- ii. At least 30 % of Poor and EPVG/tribal/SC households are members in SHG
- iii. MIPs prepared for graded SHGs
- iv. At least after three months of receipt of start-up and IB Fund (1<sup>st</sup> Tranche)
- v. Functional committees have been formed and trained in CIF management (these include at least two committees viz. fund and financial management and procurement management)
- vi. Separate Bank Account opened for CIF
- vii. Books of accounts in place, trained bookkeeper is in place

## **6.0 Fund Allocation to GPLFs:**

GPLF & CIF entitlement shall be calculated based on the following criteria:

- i. a. Rs 3,000/- per poor and EPVG household and Rs 4,500/- per household, in case tribal/ PWD/ widow/ Transgender/ PVTG/bonded labour/victim of trafficking even if not a poor or EPVG  
Or  
b. Rs 60,000/- per SHG, whichever is higher may be calculated
- ii. CIF entitlement will be fixed at the GP level considering the above conditions
- iii. Minimum Rs 15 lakh may be allocated per GPLF for financial viability and sustainability of GPLF. If the entitlement of GPLF is less than Rs 15 lakh , the GPLF entitlement will be fixed at Rs 15 lakh. If it is between 15 to 25 lakh, the actual entitled amount of fund will be allotted in tranches.
- iv. Fund will be provided to GPLF in three tranches in 40: 30: 30 ratio as CIF-I , CIF-II & CIF & III with certain eligibility triggers /milestones.
- v. CIF to each GPLF will be calculated on entitlement basis taking into consideration the criteria as mentioned at point (i) with special a weightage to tribal/ PWD/ widow/ Transgender/ PVTG/ bonded labour/victim of trafficking households. The following example will help to understand the GP level entitlement in detail:

GP	Total Poor and EPVG households	Labour/Traffic/PTG/Bonded/Transgender/PWD/widow/Total tribal/		Entitlement on the basis of total included HH (2-3) @ 3000/-	Entitlement on the basis of total included tribal/PWD/widow/Transgender/PVTG HH @ 4500/-	Total Entitlement for the GP	Total existing SHGs	Actual entitlement as per policy i.e case I & Case II whichever is higher
		Poor + EPVG	Well off +Mana geable					
Case I							Case II	
1	2	3	4	5	6	7	8	9
GP 1	350	50	20	(300*3000) = Rs. 9 lakh	(70*4500)= Rs. 3.15 lakh	(9+3.15)= Rs. 12.15 lakh	SHG- 22 i.e (22*60,000) = 13.2 lakh	15 lakh (Proposed)
GP 2	500	100	30	(400*3000) = Rs. 12 lakh	(130*4500) = Rs. 5.85 lakh	(12+5.85)= Rs. 17.85 lakh	SHG- 30 i.e (30*60,000) = 18 lakh	18 lakh (Proposed)
GP 3	1000	250	50	(750*3000) = Rs. 22.5 lakh	(300*4500) = Rs. 13.5 lakh	(22.5+13.5)= Rs. 36 lakh	SHG- 55 i.e (55*60,000) = 33 lakh	25 Lakh Rest (36- 25) 11 lakh will release after 3 year considering fund utilization

- vi. In order to ensure operational and financial viability of GPLF, a floor amount of minimum Rs. 15 lakh and maximum ceiling of Rs. 25 lakhs will be provided to GPLF, even if the entitlement is more than Rs. 25 lakh. The same condition will be applicable up to a minimum period of three years. After that these limits will be reviewed by the project and based on the implementation experience, the limits may be increased. The CIF at the GPLF would be used as per the loan policy at the GPLF level. The following slab is suggested for release of CIF to GPLF:

Milestones	Triggers
Community Investment Fund : CIF- I (40% GPLF-CIF entitlement or Rs 10 lakh whichever is less)	<ul style="list-style-type: none"> <li>• At least 30 % of Poor and EPVG households of the GP are members in SHG</li> <li>• At least 30 % of total SC and ST households of the GP are members in SHG <ul style="list-style-type: none"> <li>▪ At least 40% of the SHGs undergone grading process are A or B grade (As per Gradation Norms of OLM).</li> <li>▪ MIP submitted for at least 50% of the A or B grade SHGs</li> <li>▪ At least 50% of the total SHG member households who have submitted their MIPs should be from poor/EPVG/tribal households</li> </ul> </li> </ul>
Community Investment Fund II : CIF- II (30% of the total GPLF-CIF entitlements)	<ul style="list-style-type: none"> <li>▪ CIF-II to be given after 3 to 6 months with at least 60% fund rotation/ utilization of CIF-I <ul style="list-style-type: none"> <li>▪ Submission of UC/Fund rotation status of GPLF</li> </ul> </li> <li>▪ At least 50% of the total poor and EPVG households of the GP are members in the GPLF through their respective SHGs</li> <li>▪ At least 50 % of SC and ST households of the GP are members in the GPLF through their respective SHGs</li> <li>▪ MIP need to be prepared for all eligible A and B grade SHGs claiming CIF II</li> <li>▪ Of the total households received loans under CIF-I, at least 50% are poor/ EPVGs/tribal</li> <li>▪ At least 60 % SHGs who have availed CIF-I have repaid loan on time.</li> </ul>
Community Investment Fund III : CIF- III (30% of the total GPLF-CIF entitlements)	<ul style="list-style-type: none"> <li>▪ CIF-III to be given after one year and/or 80% utilization/rotation of CIF fund <ul style="list-style-type: none"> <li>▪ Submission of UC/Fund rotation status by GPLF</li> </ul> </li> <li>▪ At least 70% of the total poor and EPVG households of the GP are members in the GPLF through their respective SHGs</li> <li>▪ At least 70 % of SC and ST households of the GP are members in the GPLF through their respective SHGs</li> <li>▪ MIP need to be prepared for all eligible SHGs claiming CIF-III</li> <li>▪ Of the total households received loans under CIF, at least 50% are poor/ EPVGs/tribal</li> <li>▪ At least 80 % SHGs who have availed CIF have repaid loan on time ( repayment rate)</li> </ul>

### 7.0 Fund Utilization:

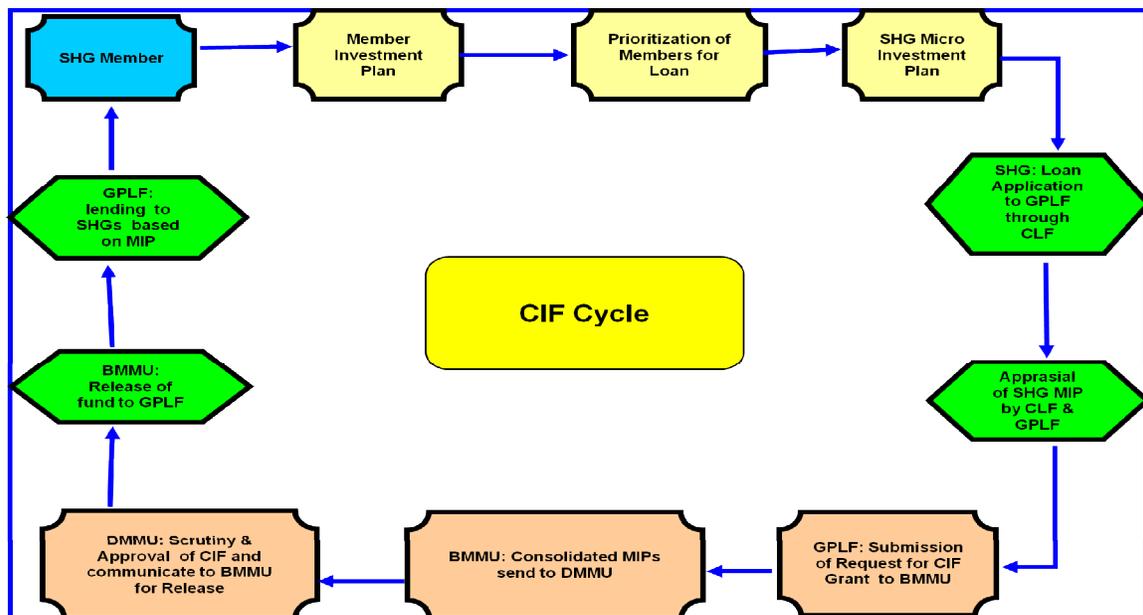
CIF will be given as grant to the GPLF and in turn GPLF will use the fund for extending loans to SHGs, grants to extremely poor and vulnerable households or invest in collective enterprises for

addressing livelihoods needs of the poor. Existing GPLF CIF products and services prevailing in TRIPTI will be replicate in Intensive Blocks

This eligibility criteria, fund provision and policy will be applicable to GPLF under TRIPTI project area also. GPLFs under TRIPTI will prepare a revised entitlement and any entitlement gap occurs, the additional fund/entitlement will be provided to concern GPLF from NRLM budget. For example in a GPLF XYZ

1. Entitlement under TRIPTI: Rs 25 lakh
2. Entitlement under NRLM: Rs 32 lakh
3. Eligibility for additional fund provision from NRLM/NRLP would be ( Rs 32 lakh-Rs 25 lakh= Rs 7 lakh as CIF III to GPLF can be met out from NRLM CIF component.

### 8.0 CIF fund flow Process (OLM- GPLF-SHG) Cycle:



- i. **Identification of GPLF:** At least after three months of receipt of start-up and IB Fund (1<sup>st</sup> Tranche) the block project team should identify eligible GPLFs to enable them to avail the entitlement of CIF and proceed for necessary procedural formalities.
- ii. **Assessment of GPLF:** A team from BMMU (IBC, FIC, BPM & PA) along with MBK should assess the GPLF on the basis of eligibility criteria ( Restructuring of GPLF, received IB Tranche I, separate CIF account, Inclusion of Member SHGs and MIP prepared of eligible SHGs etc)

- iii. **SHGs Assessment and Training:** MIP shall be prepared for Grade-I/II passed SHGs with necessary procedural formalities. Before preparation of MIP all the SHGs shall receive the financial literacy and MIP preparation training.
- iv. **Facilitation for preparation of SHG MIP plan:** The CLF/CRP-CMs should facilitate for preparation of plan at SHG level, household level planning to be considered during appraisal and consolidation at CLF level. The SHG MIP based CIF plan should prioritize the needs of the EPVG, Poor, Tribal, SC, PVTG, Disabled and other vulnerable/distressed members.
- v. **CLF- Appraisal and Recommendation of SHG MIP proposal:** CLF should apprise the applications of SHGs the basis of MIP and recommend accordingly to GPLF for necessary action
- vi. **GPLF- Consolidation of MIP proposal and Request for Fund:** After receiving the request from SHGs through CLF the GPLF should consolidate all MIP proposals and scrutiny as per norms. GPLF to prepare requisite for CIF as per their entitlement to BMMU
- vii. **GPLF- Disbursement of CIF to SHG:** After receiving fund from BMMU as per entitlement, GPLF will disburse the fund to eligible SHG as per the CIF Policy through NEFT/CBS/Bank Cheques and other mode of payment with a communication to respective CLF. Any payment received from SHG towards CIF repayment must be made through account deposit in CIF-GPLF account, no cash transaction shall happen at GPLF level for receipt and payment of CIF loan.
- viii. **At Block Level (Recommendation for approval) :**
  - a. After receiving the proposals from respective GPLF, IBC, FIC shall jointly verify the proposals and recommend to BDO through BPM/ PA for approval and recommend to DMMU.
  - b. A consolidated sheet of all CIF proposals shall be prepared at BMMU level for onward action at DMMU level.
  - c. After approval from PD, DRDA and received fund from DMMU, BMMU shall transfers fund to eligible GPLFs through NEFT/CBS/Bank Cheques and other mode of payment.
  - d. A sanction order countersigned by BDO to be handed over to respective GPLFs.

- ix. **At DMMU Level (Scrutiny, Appraisal and Approval of Proposals) :**
- a. After receiving the proposals from BMMU, recommendation and verification committee to verify and recommend the CIF proposals and recommend to PD DRDA through DPM-OLM for sanction.
  - b. The recommendation and verification committee members consisting of DPM-OLM, APD Micro Finance & Livelihoods (PE-FI), APD Skill Development and Capacity (PE-CM&IB).
  - c. After approval from PD DRDA, the sanction order to be communicated to BMMU.
  - d. DMMU shall place fund with BMMU-OLM as per the sanction order.

### **9.0 Monitoring and Reporting**

BMMU shall monitor and report on the performance of GPLF on fund utilization. The GPLFs also shall furnish the monthly financial statement, focusing on dimensions like CIF utilization, repayment performance, idle cash etc. The BMMU shall submit a financial statement of all GPLFs to DMMU and SMMU for supporting in taking prudent financial decisions and/ or leveraging more funds from other FIs.

## Annexure –I                      CIF Products at GPLF (Indicative)

### a. Loans to SHGs

Eligibility	<ul style="list-style-type: none"> <li>É Should be member of the GPLF through CLF</li> <li>É Must be ògrade I /II passedö as per OLM prescribed grading process</li> <li>É Must have received Financial literacy and MIP module training</li> <li>É MIP has been prepared and appraised &amp; approved by CLF</li> </ul>
Preference	Will be given to SHGs having more number of poor/ EPVG/ PWD/ widow/ Transgender/ PVTG /Bonded Labour/Trafficked or may have received PPIF/RF or have not been credit linked with bank
Purpose	All purposes including food, health, debt swapping, consumption, production, etc.
Loan size	Up to Rs 50,000, subsequently increase based on repayment performance and fund availability at GPLF level
Interest rate	12% Per annum on reducing balance method.
Repayment period	<p><b>SHG to GPLF:</b> 12-36 monthly installment depending upon cash flow at SHG level (Periodic monthly installment)</p> <p><b>Member to SHG:</b> 6-18 monthly installment depending upon cash flow at HH level</p>
Process of CIF Disbursement & Repayment	<p><b>GPLF to SHG:</b> Through A/c payee cheque/ Transfer in name of the SHG with a communication to SHG and CLF</p> <p><b>SHG to GPLF:</b> Repay monthly installment (loan) through cash deposit at GPLF CIF bank account and the bank deposit slip will submit at CLF/GPLF level.</p>
Repeat Loan	One SHG can avail a second loan only after repayment of the first loan, based on its repayment performance.

#### Process:

- As per MIP process guideline, The GPLF along with project staff will facilitate the MIP process at SHG level through CLF.
- With handholding support of BMMU, the GPLF will scrutinize, approve and sanction the MIP and recommend for sanction from GPLF EC.
- GPLF has to fix a uniform interest rate for all its member SHGs as per above loan policy

- The loan will be released only after fixing the repayment period from GPLF to SHG and SHG to members. The MBK and CRP-CMs will properly guide the GPLF and SHGs on loan utilization and repayment.
- The GPLF will release the fund through bank account payee cheque/DD to SHG or through account transfe .
- The BMMU and utilization verification committee along with participatory monitoring committee will periodically monitor the timely disbursement of loan from GPLF CIF account to concerned SHGs and its utilization.
- The respective CLF will follow up the loan disbursement from SHG to members and their utilizations
- GPLF shall ensure that all plan /activity sanctioned are environment friendly (**Annexure-3**).

b. Community enterprises run by CLF/GPLF

Fund size	Depending upon requirement of activity or upto 10% of total CIF fund may be utilised for community enterprise. ( Not mandatorily to make provision , itø a need based activity decided by GPLF only)
Purpose	All purposes including livelihoods promotion, food security , ensuring health, PDS, , remedial education , enhancing productivity, , NTFP, etc.

*Process:*

- The GPLFø Livelihood committee will and EC will prepare a business plan for community enterprising activity.
- The plan will be jointly reviewed / appraised by GPLF and BPFT/SPMU and suggest for necessary actions.
- The appraised plan will be discussed and approved by GPLF-Representative General Body (RGB).
- The GPLF may take the help of local civil society organizations, line departments for technical and financial support.

## **Annexure : 2**

Application Forms for accessing Community Investment Fund (CIF) against Micro Investment Plan (MIP) from Odisha Livelihoods Mission, Panchayati Raj Department, Government of Odisha

### List of Forms

1. *Annexure A* :
  - a. GPLF application form to avail Community Investment Fund (CIF) tranche I
  - b. GPLF application form to avail Community Investment Fund (CIF) tranche II & III
2. *Annexure -B* : CLF appraisal & recommendation Sheet
3. *Annexure-C*: SHG application to avail loan from GPLF against MIP
  - i) SHG details information
  - ii) SHG's Financial status
  - iii) SHG's Micro Investment Plan
  - iv) Tool for Household Analysis

**MIP form :A.a Application Form for Community Investment Fund (CIF) (First tranche)**

- Name of the GPLF: \_\_\_\_\_
- GP: \_\_\_\_\_ Block: \_\_\_\_\_ District: \_\_\_\_\_
- Date of formation: \_\_\_\_\_ No. of CLFs: \_\_\_\_\_
- Date of Startup & IB fund receipt: \_\_\_\_\_
- GPLF CIF Bank SB A/c No: \_\_\_\_\_ Bank Name: \_\_\_\_\_
- Branch code No: \_\_\_\_\_ Branch IFS No: \_\_\_\_\_

**Triggers for tranche I**

- Total no. of Poor and EPVG members in the GP: \_\_\_\_\_
- Total no. of Poor and EPVG members in the SHGs: \_\_\_\_\_ %
- Total no. of ST and SC members in the GP: \_\_\_\_\_
- Total no. of ST and SC members in the SHGs: \_\_\_\_\_ %
- Total no of SHGs: \_\_\_\_\_
- Total no. of òl/Ilò graded SHGs: \_\_\_\_\_ %
- Total no. of members covered in MIP: \_\_\_\_\_ %
- Total no of MIPs of A/B grade SHGs (including first tranche): \_\_\_\_\_ %
- Total no. of Poor & EPVG covered in MIP: \_\_\_\_\_ %

To

Date:

The Mission Co-Ordinator óCum-PD, DRDA  
DMMU, OLM

**(Sub: Application for community Investment Fund (CIF) through ..... BMMU)**

Dear Sir/Madam,

We the duly authorized representatives of the above GPLF hereby apply for Community Investment Fund (CIF) first tranche of Rs \_\_\_\_\_ (Rupees \_\_\_\_\_) only for on lending to SHGs based on their Micro-Investment Plan (MIP). Details of MIPs prepared by SHGs are attached herewith for kind consideration. We request you to sanction the above amount. Thanking you!

Yours faithfully

President

Secretary

(N.B.: (i) attached a photo copy of GPLF (CIF) SB A/C Bank Pass Book, (ii) Resolution copy of GPLF-EC meeting and (iii) all forms under A.a)

**Annexure: A.b Application Form for community Investment Fund (CIF) Second Tranche**

- Name of the GPLF: \_\_\_\_\_
  - GP: \_\_\_\_\_ Block: \_\_\_\_\_ District: \_\_\_\_\_
  - GPLF CIF Bank SB A/c No: \_\_\_\_\_ Bank Name: \_\_\_\_\_
  - Total no. of Poor and EPVG members in the GP: \_\_\_\_\_ ..
  - Total no. of Poor and EPVG members in the SHGs: \_\_\_\_\_ % \_\_\_\_\_
  - Total no. of ST and SC members in the GP: \_\_\_\_\_ ..
  - Total no. of ST and SC members in the SHGs: \_\_\_\_\_ % \_\_\_\_\_
  - Total no of SHGs: \_\_\_\_\_ Total no. of ðA/Bö graded SHGs: \_\_\_\_\_ % \_\_\_\_\_
  - Total no. of SHGs availed loan (CIF-I) based on MIP: \_\_\_\_\_ ..
  - % of SHGs availed loan (CIF-I) based on MIP: \_\_\_\_\_ ..
  - Total members availed CIF-I loan based on MIP: \_\_\_\_\_ , out of that \_\_\_\_\_ P&E/ tribal obtained CIF-I loan \_\_\_\_\_ % of Poor & EPVG availed loan \_\_\_\_\_ ..
  - No. of SHGs repaid loan on time: \_\_\_\_\_ % (of SHGs availed CIF-I) \_\_\_\_\_
  - Total no of SHGs for which MIP proposals for CIF-II submitted: \_\_\_\_\_
  - Proposed CIF-II amount Rs: \_\_\_\_\_
- 
- a. Amount Received from OLM towards CIF-I: Rs: \_\_\_\_\_
  - b. Amount of CIF-I on-lent to member SHGs: Rs: \_\_\_\_\_
  - c. Balance CIF-I with GPLF: Rs: \_\_\_\_\_
  - d. Total Requirement of CIF-II: Rs: \_\_\_\_\_
  - e. Requested amount for CIF-II (d-c) : Rs: \_\_\_\_\_

The Mission Co-Ordinator óCum-PD, DRDA  
DMMU, OLM

Date:

**(Sub: Application for CIF tranche II through ..... BMMU)**

Dear Sir/Madam,

We the duly authorized representatives of the above GPLF hereby apply for Community Investment Fund (CIF-II) second tranche of Rs \_\_\_\_\_ (Rupees \_\_\_\_\_ only) for on lending to SHGs based on their Micro-Investment Plan (MIP). Details of MIPs prepared by SHGs are attached herewith for kind consideration. We request you to sanction the above amount.

Yours faithfully

President

Secretary/Treasurer

(N.B.: (i) attached a photo copy of GPLF (CIF) SB A/C Bank Pass Book, (ii) Resolution copy of GPLF-EC meeting and (iii) all forms under A.b)

(Contd.....annexure A.a &amp; A.b)

**Consolidated Fund Position of GPLF**

<b>Receipt</b>	<b>Rs.</b>	<b>Payment</b>	<b>Rs</b>
Savings from SHGs		Office Expenses (Stationary and others)	
Admission fees		Training and Exposure	
CIF		Furniture and Fixture	
IB and start up Fund		Payment to CRP/MBK/CC	
Donation		Office Rent	
Bank interest		Total Loan to SHGs	
Interest/income received from SHGs/IGA		Any other expenditure Specify	
Any other receipt Specify		Cash at Bank (IBF)	
		Cash at Bank (CIF)	
		Cash in Hand	
<b>Total</b>		<b>Total</b>	



(Contd.....annexure A.a & A.b)

**Consolidated Purpose Position of Recommended MIPs**

No.	S. No. of CLF	Consumptions		Agriculture		Loan Repayment		Health		Petty business	
		No SHG members.	Amount	No SHG members.	Amount	No SHG members	Amount	No SHG members	Amount	No SHG members	Amount

S. No.	Name of CLF	Dairy		Others		Others		Others		Total	
		No SHG members	Amount								

*Contd.....Annexure A.a & A.b*

### **Appraisal Note of GPLF**

#### **Inclusion:**

#### **Prioritization of CLFs/SHGs for Loans:**

#### **Action Plan on vulnerabilities of poor and EPVG (including convergence, entitlements, safety nets):**

#### **Action Plan on Livelihoods (including EMF opportunities convergence/ partnerships for backward and forward linkages, if any):**

Contd.....Annexure A.b

**Utilization Certificate**

This is to certify that, we \_\_\_\_\_ .Gram Panchayat level Federation (GPLF) have received Rs \_\_\_\_\_ ..(Rupees \_\_\_\_\_ ..)on dated \_\_\_\_\_ ..as CIF-I/II. we the authorized member of utilization verification committee has verified the utilization of CIF-I/II by GPLF and found that the fund has been properly utilized by the GPLF as per norms.). Out of total sanction funds we have utilized .....% amounting Rs \_\_\_\_\_ (Rupees \_\_\_\_\_ ..) and unspent balance an amount of Rs \_\_\_\_\_ (Rupees \_\_\_\_\_ ..) lying with GPLF for further need based utilization.

Name of the Utilization Verification Committee

Signature of Members

- 1.
- 2.
- 3.
- 4.
- 5.

- 1.
- 2.
- 3.
- 4.
- 5.

**Signature of President and Secretary of GPLF**



Contd.....Annexure A.b

**Abstract sheet of Fund Utilization by SHG members including Poor and EPVG**

Activity for which Loan Taken (1)	No. of W & M members taken Loan (2)	Amount of loan taken by Well off & Manageable (Rs.) (3)	Poor & EPVG				Total CIF Loan taken by Group members (8=3+5+7)
			No. of Poor members taken Loan (4)	Amount of loan by poor members (Rs.) (5)	No. of EPVG members taken Loan (6)	Amount of loan by EPVG members (7)	
Home Consumption							
Agriculture							
Debt Swapping							
Health							
Petty Business							
Dairy							
Poultry							
Goatery							
Fishery							
Education							
Any Other Specify							
<b>Total</b>							

**Signature of President and Secretary of GPLF**

**Annexure B**

**MIP Appraisal & Recommendation Sheet of GPLF/ CLF**

To

Date: \_\_\_\_\_ ..

The \_\_\_\_\_ GPLF,

**(Sub: Submission of MIP appraisal and recommendation sheet)**

Madam,

We the \_\_\_\_\_ ..Cluster level forum (CLF) have appraised and recommended the MIPs of following \_\_\_\_\_ .no. of SHGs with a sum of Rs \_\_\_\_\_ .. for on -lending to those SHGs.

Sl No	Name of the SHG	Grade passed (I or II)	Proposed loan amount	Recommended amount after appraisal	Remarks
1					
2					
3					
5					
6					
7					
8					
9					
10					
	<b>Total</b>				

Placed for kind consideration and necessary action.

Thanking You!

**Signature of President and Secretary of CLF /GPLF**

Contd í í .Annexure B

**Appraisal Note of CLF**

**Inclusion :**

**Prioritization of CLFs/SHGs for Loans:**

**Action Plan on vulnerabilities of poor and EPVG (including convergence, entitlements, safety nets):**

**Action Plan on Livelihoods (including EMF opportunities convergence/ partnerships for backward and forward linkages, if any):**

Annexure - C

Application for Loan against MIP

(Application to be submitted by SHG to GPLF through CLF)

- Name of the SHG:í í í í í í í í í í í í í í .....
- Address:í ..
- Date of formation:í í
- Name & address of the CLF:í .
- SHG SB A/c Noí í
- Branch name and addressí í

Date:

The President

í í í í í í í í ..Gram Panchayat Level Forum (GPLF),í í í í í í í ..

(Sub: Application for Loan through ..... CLF)

Dear Madam,

We the duly authorized representatives of the above SHG hereby apply for a loan of Rsí í í í í í í í ..(Rupeesí .í í í í í .onl y) for strengthening the financial position of members. The SHG details as on date as well as MIP documents are attached herewith for perusal and necessary action.

We hereby declare that the request for loan from GPLF has been discussed in the SHG meeting and resolved in the meeting book vide meeting noí í í í datedí í í í í í í and also agree to adhere the terms and conditions of GPLF for future course of actions.

We request for sanction of the above amount. Thanking You!

Yours faithfully

1.-----

2.-----

(Seal and signature of authorized representatives of SHG)

(N.B.: attached a photo copy of SB a/c Bank Pass Book, SHG details (A2 formats), SHG Grading sheet (prescribed by OLM), inflow and outflow statement of all members, Micro Investment plan etc )

Contd.....Annexure C

Financial Statement of SHG (Date :.....)

Balance Sheet as on date .....

Sl No	Name of the Members	Total Savings (Rs)	Loan Outstanding (Rs)	Default, if any (Rs.)
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
<b>Total</b>				

Liabilities	Rs	Assets	Rs
Total Member Savings		Cash in Hand	
Total Bank Loan O/S		Cash at Bank	
Total GPLF loan O/S		Savings at GPLF	
Other payables (if any)		Members loan O/S	
(1)		Others if (1)	
<b>Total</b>		<b>Total</b>	
(Add) Excess of cash inflow/income over Expenditure		XXXXXXXXXXXXXXXXXXXX	
		XXXXXXXXXXXXXXXXXXXX	
(Deduct) Excess of Expenditure over cash inflow / Income		XXXXXXXXXXXXXXXXXXXX	
<b>Total</b>		<b>Total</b>	

Signatures of President & Secretary or seal of SHG

Contd.....Annexure C

### SHG-Micro Investment Plan

Sl No	Name of Members	Well being Ranking (if any)	Activity Proposed	Investment Proposed	Loan Amount	No. of Monthly Installment (repayment)	Remarks/ Need for other non financial support/ other entitlement (PDS, Insurance, Pensions, etc

Signature of President

Signature of Secretary

**Tool for Household Analysis (for last one year)**

Name of the Member: .,í í í í í í í í í í .. Name of the SHG í í í í í í  
 No of family members active in wage earning: : \_\_\_\_\_ (Male \_\_\_\_\_ Type of engagement  
 \_\_\_\_\_ Female \_\_\_\_\_ Type of engagement \_\_\_\_\_.)

Particulars	Inflow (Rs)	Outflow (Rs)	Strategies
<b>Assets</b>			
House			
Land			
Livestock			
Equipment			
Skills/Wage			
Petty Business			
Savings			
<b>Liabilities</b>			
SHG Loans			
Bank Loans			
Informal Loans			
<b>Risks</b>			
Old age			
Disability			
Health			
Food Shock			
Migration			
<b>Other Expenses</b>			
Housing			
Food expenses			
Education			
Clothes			
Utility (Gas, machinery etc )			
Communication (postal, telephone, Cable TV others)			
Transport			
Social obligation			
Others			
<b>Entitlements</b>			
PDS			
MGNREGA			
Pensions			
Scholarships			
Insurance			
Others			
<b>Total</b>			

**Annexure :3 Activities that cannot be accepted in Livelihoods projects:**

Sector	Activities that cannot be supported
Forest	<ul style="list-style-type: none"> <li>• Any sub project that involves destruction, exploitation or removal of any wildlife.</li> <li>• Any activity located in a sanctuary, national park or protected natural habitat</li> <li>• Any activity requiring raw materials from a sanctuary, national park or protected natural habitat</li> <li>• Cause any damage, either willfully or due to negligence in felling or cutting any trees or dragging any timber</li> <li>• Any activity involving setting up of saw mills or any other timber processing mills without the permission of the Forest Department</li> <li>• Felling of prohibited tree/ reserved tree as per forest act or manual.</li> <li>• Collection or subjection to any manufacturing process, of any forest produces without license or permission.</li> <li>• Brick-making or extraction of soil from the forest area.</li> <li>• Charcoal production or burning of charcoal.</li> </ul>
Livestock	<ul style="list-style-type: none"> <li>• Any sub-project involving procurement of livestock in or within five km of a sanctuary without immunization of animals on communicable diseases.</li> <li>• Any sub-project that involves grazing of animals in plantation area in a sanctuary.</li> <li>• Rearing of poultry birds in more than thousand numbers within three km of a human habitat or residential colony.</li> <li>• Trespass; grazing of cattle or allowing cattle to trespass in the plantation area</li> </ul>
Agriculture/ Horticulture	<ul style="list-style-type: none"> <li>• Agriculture farming by using chemical pesticides, without any Integrated Pest Management (IPM) or Integrated Nutrition Management (INM) approach</li> <li>• Any tube well / dug well (except for public drinking purpose) to be installed in areas classified as critical / over exploited zone as identified by the ground water department is not permissible without prior approval from the District Collector / or the designated authority.</li> <li>• Any irrigation tube well / bore well that is within a distance of 200 meters from the nearest tube / bore well will not be supported.</li> </ul>

Sector	Activities that cannot be supported
	<ul style="list-style-type: none"> <li>• Any embankment / check dam exceeding 5 meters in height</li> <li>• Any agriculture project that intends to use banned pesticides and agro-chemicals falling under WHO class IA, IB and II.</li> <li>• Manufacturing or selling of insecticides without license.</li> </ul>
Aquaculture	<ul style="list-style-type: none"> <li>• Any sub-project involving intensive aquaculture involving harvest of fish/shrimp seed from the wild,</li> <li>• Pumping of saline water</li> <li>• Conversion of prime agricultural land in to aquaculture ponds</li> </ul>
Water	<ul style="list-style-type: none"> <li>• Any sub-project that involves sinking of any well in the vicinity of a public drinking water sources.</li> <li>• Any activities that involve polluting pond water, community tank and any other surface water area.</li> </ul>
Land	<ul style="list-style-type: none"> <li>• Any sub-project that involves quarry stone, crushing of stone and transportation of stone etc.</li> <li>• Brick kilns will not be permitted.</li> </ul>
Infrastructure	<ul style="list-style-type: none"> <li>• Any infrastructure activities without prior permission of respective authorities/ departments.</li> <li>• Any activities that damage alter or remove any wall, ditch embankment, fence, hedge etc.</li> <li>• Large clay brick kiln of captive burning unit.</li> </ul>
Coastal area	<ul style="list-style-type: none"> <li>• Conversion of natural wetlands into aquaculture ponds</li> <li>• Use of chemical inputs in wetlands and in coastal habitats</li> <li>• Any sub-project that intends to be set up within the Coastal Regulation zone</li> <li>• Any sub-project that involves expansion of fish processing including warehousing (excluding hatchery &amp; natural fish drying etc.)</li> </ul>
Cultural heritage, historical sites etc.	<ul style="list-style-type: none"> <li>• Any sub-project within the vicinity of tourist spots; religious places; cultural heritage etc. that adversely affects these sites.</li> <li>• Project activity should be at least 200 meters away from sites having historical/religious/archaeological importance. Project activity should be minimum 100 meters away from the railway line.</li> </ul>