For clarification

**Loan process methodology**

1. **Pre credit process**

**Srikanth to come back in two days with the final subjective and objective parameters and there will be less subjective data and where there is subjective data they will provide a scale (Tuesday)**

In grading indicators of the SHG/JLG ( available in grading sheet – Sujeevana programme)

* + 1. Plan for the weekly meeting
    2. Meeting discipline (attitudes)
    3. Group member participation in discussions
    4. Change of membership (group head)
    5. Preparation of work plan for the meeting
    6. Number of members who can sign
    7. Group member co-operation
    8. Group sustainability trainings
    9. Participation in farmers school/training
    10. Farmers school learning - follow up %

…................Need more information on the above items

Koota – currently there is no grading, but you foresee it coming. But objective parameters will remain the same. Frequency is weekly

At a GP level, there can be more Kootas. SHGs can be moved from one Koota to another when there is a need.

At a max allow 2 members from the same family to become members of SHG.

Capture soft version of templates only where there is reuse value

Grading logic to be provided for objective parameters

Insurance data and process to be provided by Srikanth, Medical, Life and Asset (just go with Name of insured, Name of Nominee, Nominee age, Nominee relationship, If Minor Gaurdian, Policy number, policy period, premium, date of payment, sum assured, receipt number, Name of the Insurer, linkage to loan

**2. Loan application**

Verification in the organization level – Will it be on office hierarchy level (designators)

Bank grading and other process information – completely external

(like pre sanction letter, inter-se letter, sanction document - How this data will available ?

Otherwise do we have to capture the same data what bank provides into this application - external process information)

…................Need more information on the above items

**3. Credit disbursement**

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**4. Loan repayment**

After group /individual repayment happens in group level (SHG) -

and the same koota deposits to bank in the next day or 2 days, how the reconciliation of group level payment to koota and the koota level payment to Bank account (if it delays in deposit due to some reason)

The bank repayment statements for a particular loan with the SHG repayment statements

E.g Interest variation ad penalties/over interest etc...

…................Need more information on the above items

Default in EMI payment, change in rate of interest how do you want to handle

SHG formation form needs to be provided by Srikanth. Srikanth said we do not have a code for the group, but use SBI account code. We rather have System generated code.

Others:

SSN

Templates for reports

As in the Xeroxed bunch

**CLARIFICATIONS to IT team**

1. Hierarchy Co-linearity between geographies and functionaries / clients

|  |  |  |
| --- | --- | --- |
| GEOGRAPHIES | CLIENTS | FUNCTIONARIES (Management team) |
| COUNTRY | Confederation | - |
| DISTRICT | Confederation | - |
| TALUK (BLOCK) | Federation | FED CEO |
| HOBLI | Samuha | Block Officer |
| GRAMA PANCHAYATH | Mandala | GP Coordinator (Field Officer) |
| TOWN | Members, SHG, Koota | SSP |
| REVENUE VILLAGE | Members, SHG, Koota | SSP |
| Village/Habitation/Hamlet | Members, SHG | SSP |

1. Formats – specifications – specimens

| # | Format no | Format title | Particulars | From | To | No. of copies  Nature of copy | Remarks |
| --- | --- | --- | --- | --- | --- | --- | --- |
| 1 | BS 17 | Village Family list | Spatial and sequential list of the families in the villages, giving temporary numbers to each family for ease of identification while doing FMP  Done through PRA | SSP | GP Coordinator | One  Hard copy | Held in custody by SSP |
| 2 | BS 18 | FIF (OLD FDP) | Comprehensive base line data of the Family in a village, including assets, liabilities, cash flows | SSP | GP Coordinators | Hard copy now  Soft copy proposed |  |
| 3 | GR 19 | Group bye law – constitution | First resolution to constitution giving the name of the group, date of constitution, members list, resolving the frequency of meeting, place of meeting, day of the meeting; amount of savings; penalty terms for indiscipline; who are the group representative | SHG  Kept in the group |  |  | Data  Collected and kept by SSP/GP Coordinator |
| 4 | GR 20 | SE profile | Socio economic profile of Group | SHG |  | Hard copy  Soft copy | Can be drawn from BS 18 (s.no. 2) |
| 5 | GR 21 | Group resolution for opening/operation bank SB account | Specifying bank where savings account would be opened; who are the authorized signatories | SHG | Bank | 2  Hard copy to be printed | Done by the group usually in the oversight of SSP/ GP Coordinator.  Along with KYC document (proof of identity and address of the group members) this is attached to the Savuings Bank application of the bank with photoes of the Office bearers/specimen signature.  Under Kiosk banking, this may be changed as biometrics are used. |
| 6 | GR 22 | Group resolution for drawing money from bank SB account | Resolution to withdraw money from SB account | SHG | Bank | 2  Hard copy to be printed | Do |
| 7 | GR 23 | Group resolution to be the member of the Federation | Resolution to be the member of the Federation (Koota, Mandala, Federation) | SHG | Koota  Mandala  Federation | 2  Hard copy to be printed | This goes along with GR 19 |
| 8 | GR(Ac) 24 | Meeting minutes | Member attendance /receipt & payment statement in Group meeting | SHG |  |  | Now done under the oversight of SSP  To be digitized using mobile technology |
| 9 | GR(Ac) 25 | Internal loan application group/sanction | By members to group | Member | SHG |  | DO and the GP Coordinator  To be digitized using mobile technology |
| 10 | GR(Ac) 26 | Internal loan ledger of member | Loan ledger of each member | SHG |  |  | To be digitized using mobile technology |
| 11 | GR(Ac) 27 | Group grading | Group grading form | GP Coordinator | Group  Federation (BC/BF)  Bank | 3 hard copies | Under iteration process to rationalize/ broad base |
| 12 | GR(Ac) 28 | External Loan application by member | By each member of the group seeking the loan | SHG | Bank through SHG | 2 hard Copies | One copy to bank, 2nd copy with Federation (=BF) |
| 13 | GR(Ac) 29 | LHTI Member declaration for bank loan | Declaration by illiterates seeking bank loan | Illiterate borrowing Member | Bank through SHG | One copy | To be signed by all illiterate borrowing member  *The changed format will be sent in the next installment* |
| 14 | GR(Ac) 30 | Member affidavit for bank loan | Declaration by each borrowing member | Borrowing Member | Bank through SHG | One copy | To be signed by only borrowing members |
| 15 | GR(Ac) 31 | Member declaring Joint liability | Declaration by each group member | Member | Bank through SHG | One copy | To be signed by all members of the group including those not borrowing |
| 16 | GR(Ac) 32 | Group loan application resolution | Resolution | Group | Bank | 3 copies | Bank  Federation (BF)  Group copy |
| 17 | GR(Ac) 33 | SBI loan application | SBI loan application - sanction – inter se agreement | Group | Bank | I copy | The application is sum total of individual members credit requirement and has documents from sl.no. 11 to 16 along with KYC documents (Proof of identity/address) as supporting documents.  Facilitated by SSP, GP coordinator. This includes   1. Bank loan application to be signed by all the group members 2. Loan sanction letter in duplicate by bank 3. Inter-se agreement to be signed by all members of the group |