

Government of Bihar
Urban Development & Housing Department

Date... 6/9/17

From,

The Special Secretary
Urban Development and Housing Department
Government of Bihar (GoB)
Vikas Bhawan, Patna
Bihar

To,

Mr. C S Reddy
President, Sadhikartha Foundation
CEO, APMAS
HUDA Colony, Tanesha Nagar
Telangana

Sub: Comments on the Project Completion Report submitted for the project "Formation and Establishment of Separate Town (45) 7 State Level (1) Federation for Self Help Groups in Bihar" (Contract No. SPUR- PMU/145/SHG/FDRN/2014/73).

Dear Mr. Reddy:

This has reference to the Project Completion Report submitted by your organization vide letter No. APMAS/SPUR/Final Report/17-18 dated June 20, 2017 on the captioned assignment. The report has been reviewed in context to ULB-wise relevant documents submitted to the department along with reports received from the ULBs. The comments of department are as follows:

1. Input based Deliverables

With reference to the Article 5.4 of Section 5: Schedule of Prices which reads "30% of the contract value will be paid on quarterly basis against Quarterly Reports in twelve equal installments over the period of Contract" and of the Article 8 (Para 8) of the Terms of Reference which delineates staffing requirement under the Contract, it was observed that;

- a) only 36 Project Officers against the total approved positions of 45 were engaged during the contract period. Similarly, only 8 Social Mobilisers were recruited against the strength of 17 as per the Project Completion Report;
- b) the position of Team Leader was required to be mobilized for 30 Man-Months; 15 man-months in field and 15 man-months at home office. Similarly the position of

Livelihood Coordinator was to be mobilized in field for 15 man-months. However, there was no record available to suggest that the Team Leader was mobilized for the said period as per Form 6- Personnel Schedule of the Contract. The attendance records for the position of Livelihoods Coordinator indicated that the position was mobilized only for two man-months;

- c) only 100 Community Organizers against the total requirement of 120 were engaged during the contract period; and
- d) the Team Leader or any other persons authorized to do so have not validated the attendance records submitted to department as confirmation of mobilization of human resource against the Input Based Deliverables;

The department is of the view that due to unavailability of Team Leader, Livelihoods Coordinator and enough number of Community Organizers in field, the desired results could not be achieved.

2. Output and Key Deliverables

Please refer to Article 5 of the Terms of Reference, which establishes project deliverables under the Assignment, Payment Schedule and Appendix to Payment Schedule at Section 5 and Minutes of the Pre-bid Meetings enclosed as Annexure 1 and 2 of the Contract. Following deficiencies in achieving the targets have been observed:

- (1) One of the deliverables of the assignment was to undertake Biometric Baseline Study of Households in Non-SPUR Towns (Annexure 2 of the Pre-bid meeting held on January 15, 2014). However, there was no reference found in the Completion Report to suggest that this activity was carried out.
- (2) **Deliverable: Mobilization and capacity Building of SHGs** - (i) Mobilization of 2000 existing SHGs, and Vision Building for formation of Federation; (ii) Formation of additional 2000 SHGs and Mobilization for membership of 2000 already to the Federation SHGs, (iii) Formation of 2000 additional SHGs and mobilization of 4000 SHGs, (iv) Formation/mobilization of 3000 SHG, capacity Building and membership to Federation. *(20% of the total contract value)*

Achievement: Against the aforementioned target, the documents submitted to support the numbers achieved corroborate formation of only 3323 SHGs with Bank Accounts. As per documents submitted, only 4177 members of the SHGs had paid the Membership and Share Capital.

- (3) **Deliverable: Preparation of Documents for Registration and Filing** – Preparation for TLF bylaws (1 No), registration document preparation for TLF (45 Nos.), preparation of registration documents for ALF (900 Nos), bylaws preparation for ALF (1 No), filing for registration of TLF (45 Nos.), TLF registration (34 Nos.), filing for Registration of ALF (900 Nos). *(10% of the total contract value)*

Achievement: The registration document and filing of registration papers, as per completion report was done for 5 City Level Federations only. Similarly against

the target of preparation of registration papers for 900 ALFs, only 126 papers were prepared and only 38 ALF could be registered.

One of the deliverables of the assignment was to have representation of 95% of the SHGs formed in the town level federations. However, since only one Town Level Federations had been registered, this objective was not achieved.

Formation of State Level Federation of SHGs, which was one of the main objectives of the assignment, was not taken up.

(4) Deliverable: Preparation of Operational Manual and Capacity Building of Office Bears (20% of the total contract value)

Achievement: The final documents provided to department did not have the details on capacity building programs. However, the quarterly reports submitted time-to-time confirms that the number of SHG members had gone through the capacity building. The capacity building exercise conducted for the SHG Federation members could not translate into registration of at least 33 TLFs that was required as per Contract.

(5) Deliverable: Rolling out revolving fund/ICF and leveraging other funds for livelihoods promotion - Facilitate revenue generation/fund/credit access to at least 50% of the federations formed and registered. (20% of the total contract value)

Achievement : Since only one TLF was registered during the project period, this activity was not completed for rest of the towns. The capacity building of identified members for fund management through micro finance activities were also not taken up. As per the completion report, 594 Micro Credit Plans were prepared against the target of 1800. However, the final documents submitted to the department could not substantiate this claim, as there was no record found to confirm the numbers.

However, the Revolving Funds were distributed to 3323 SHGs and CCL linkage was facilitated to 229 SHGs as per documents submitted with Completion Report.

(6) Deliverable : Mobilization for Skill Training (15% of the total contract value)

Achievement : The assignment required ensuring skill training of at least 10% of the SHG's Federation members numbering 10800 under various skill sectors identified under NULM. Though the completion report claims to have trained 2744, it was observed that these numbers pertained to the members of the SHGs that had been trained by RSETI under SEP component, which did not come under the purview of Skill Training. Further, the completion report suggested that the list of 958 candidates were forwarded to Skill Training Providers under EST&P component of NULM. However, there was no record found to suggest that even these numbers were actually trained and number of them suitably placed.

The assignment required identifying and developing at least 2 to 3 livelihoods activities with potential for scaling up the same. The documents submitted to department suggested that a study on value chain of selected livelihood activities

was undertaken and as a result 4 activities were identified. However, no further action was initiated to launch the livelihoods activities explored.

(7) Deliverable: Formation of 3-4 Producers Group- (10% of the total contract value)

Achievement : This deliverable was never attempted.

(8) Deliverable : Convergence with Social Schemes - (5% of the total contract value)

Achievement : Against the target of 10800 only 4317 members of the SHGs were assisted for availing benefits under social welfare schemes which included opening of *Jan Dhan* Accounts and Pension Schemes.

It was also noted that the Consortium of APMAS and Sadhikartha Foundation were mandated to work in 45 towns (25 SPUR and 17 Non-SPUR towns). However it could only start the work in 44 towns. It never initiated the work in Khagaul town.

On the basis of aforementioned observations it may be concluded that the Consortium of Sadhikartha Foundation and APMAS has failed to achieve significant part of the assignment.

Therefore, you are requested to submit relevant supporting documents within 15 days of receiving this letter to ascertain your achievement. In case no such documents are submitted by your organization within stipulated time, it will be assumed that the observations made by the department are factual and has been accepted by your organization. Accordingly, the final payment to your organization will be calculated taking into consideration the comments of the department mentioned in this letter without any further correspondence.

Regards,

Yours sincerely,


(Special Secretary)

