

COMMUNITY BASED RECOVERY MECHANISM

**SMMU, ASRLMS,
GUWAHATI**

CONCEPT

- “ Mechanism for proper coordination between community and Bank branches for implementation of SHG bank linkage programme .
- “ Aim is to reduce the time gap between repayment of loans and renewal of loans.
- “ Facilitate regular credit flow to SHGs .
- “ Ensure 100% recovery by the community itself .

OBJECTIVE OF CBRM

- “ Facilitating and ensuring 100% recovery by the community itself
- “ Evolving a proper system for monitoring the SHG accounts of regular basis
- “ Close interaction between community and bank branches for financial needs of SHGs and recovery of loans
- “ Facilitate linkage of SHGs monthly with the bank branches to ensure timely availability of credit to SHGs.

FORMATION OF CBRM IN INTENSIVE BLOCKS

CBRM committee may be formed as per the service area of the banks.

MEMBERS

- ” 2 representatives from each VO Bank Linkage sub committee (selected by Executive committee of respective VO)
- ” 2 representatives from CLF as and when formed
- ” BDO or his representative
- ” Concerned Bank Branch Manager
- ” BPM of concerned BMMU
- ” Representative of DMMU

SALIENT POINTS

- “ Concerned BPM --- Convener of the CBRM meeting
- “ 1 Representative of VO/CLF --- Co-convener
- “ Respective Bank Manager --- Chairperson
- “ Concerned Bank Mitra will have to attend the meeting.

FORMATION OF CBRM IN NON-INTENSIVE BLOCKS

- “ CRPs/Active women looking after SHGs within the service area of the Bank Branch.
- “ Concerned BDO
- “ Concerned Bank Branch Manager
- “ Extension Officer(EO) looking after NRLM

SALIENT POINTS

- “ EO --- Convenor
- “ BDO--- Chairperson
- “ Concerned Bank Mitra will be attending the meeting after getting training
- “ 1 member each from 5 SHGs having bank account in the respective bank branch will be invited to attend the meeting on rotational basis.

DATE AND VENUE FOR MONTHLY CBRM COMMITTEE MEETING

- “ Meeting will be held once in a month between 25th and 30/31st for both intensive and non-intensive blocks.
- “ In case of holidays, meeting will be held on subsequent working day.
- “ Meeting will be held preferably in the bank premises or as per convenience of the committee members.

COST OF THE MEETINGS

- “ Travel cost of SHG/VO/CLF representatives may be borne by SHG/VO/CLF
- “ Tea ,snacks and other misc. costs may be borne by the bank branches concerned
- “ Travel cost of Bank Mitra will initially borne by ASRLMS and later on it will be shared by VOs/CLFs

INITIAL PREPARATION OF CBRM

- “ Bank Branch wise compilation of SHGs, VOs/VLFs/CLFs by Bank Mitra and BDO/BPM, which will be updated regularly (Format I)[CBRM Formats.docx](#)
- “ Compilation of details of SHG/VO and CLF representatives by Bank Mitra and BDO/BPM, which will be updated as per need (Format II)
- “ Fresh list shall be prepared, keeping the earlier one properly in record, in case if there is any change in the representatives

AGENDA OF CBRM MEETING

- Review of action taken for recovery of loans in previous months
- Recovery position in the current month
- Action plan for recovery from defaulted SHGs
- Nos. and amount of loan sanctioned in current month
- Nos. Of SHGs eligible for credit linkage
- Quantum of finance required as per MCP of each SHG
- Monitoring of credit linkage programme

CBRM BOOK OF RECORDS

1. Minutes book
2. Attendance register
3. Credit/ Loan register (Format IV)
4. Recovery register (Format V)

ROLE OF BANK BRANCH MANAGER

- Preparation of strategic plan for SHG Bank linkage for the SHGs having account in the respective bank with BPM
- Review of SHG Bank linkage in CBRM-Committee meeting
- Discuss recovery position for each loaned SHG
- Attend and discuss credit and recovery related matters in the monthly VO/CLF meetings in the intensive blocks.
- May submit the action taken report to Controlling Officers.
- Controlling office shall consolidate the positions of all branches and discuss in the DCC meeting
- Thus, Controlling offices will be able to monitor the over due positions of all branches

ROLE OF BDO/BPM

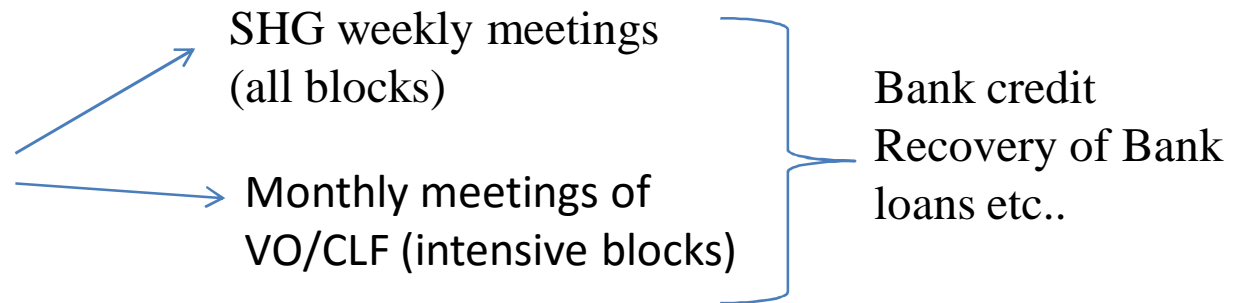
- “ Conduction of meeting on due date(if not, a next convenient date) in coordination with respective Bank Branch Manager
- “ Bringing the matter to the notice of PD/DPM, if Branch Manager keeps on postponing the meeting date, so that the matter can be discussed in DLRC meeting
- “ Compilation of outstanding loan accounts on monthly basis from concerned bank branch and discuss and resolve it in CBRM meetings

- “ Submission of report to the VOs/CLFs within 2 days as per format. In turn, VOs and CLFs shall consolidate the same branch wise and send to BMMU of intensive blocks within a week
- “ In non-intensive blocks, BDO will consolidate the reports and recovery measures in banks and branch wise and send to PD/DPM (intensive districts)/PD and SMMU(non-intensive districts)
- “ PD/DPM will review the progress of CBRM and loan recovery on monthly basis and shall consolidate bank wise position and place it before DLRC
- “ BDO/BPM shall facilitate attendance of SHGs/VO/CLF office bearers in CBRM meetings

TRAINING TO CBRM COMMITTEE

" STEP I :

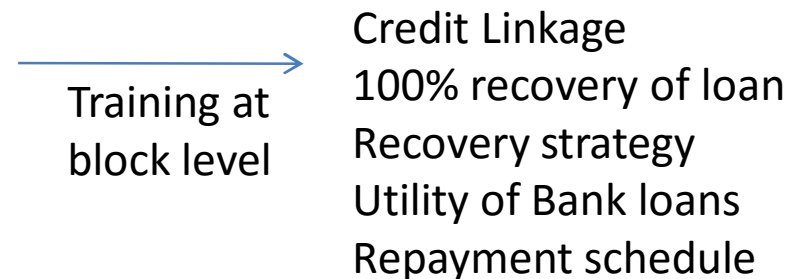
BDO/BPM/BC



This will help the executive members of VO/SHG members in selection of representative for CBRM Committee

" STEP II : After formation of CBRM committee

BDO/BPM/BC/Bank Branch Manager



TRAINING MODULE AND EXPENSES

1. **Trainee** : Members of CBRM Committee having Bank account in the same Bank Branch
2. **Nos. of Participants** : 15
3. **Bank Mitra** : Participation must if selected and trained
4. **Expenses**: Strictly as per cost norms in both intensive and non-intensive blocks
5. **Resource Person** :
 - a) DPM, DFE, BPM and BC
 - b) BDO/EO
 - c) Respective Bank Branch Manager
 - d) LDM/DDM(NABARD)
 - e) Representative from SMMU
 - f) Any other official assigned by SMMU

DURATION AND SESSION PLAN

Day : Initially 1 day training programme

Time: 6 hours/ day (excluding tea and lunch break)

Modified session plan will be formulated depending on the experience of CBRM meeting

Sl No.	Sessions	Duration
1.	Concept of CBRM	30 minutes
2.	Roles and Responsibilities of CBRM Members	30 minutes
3.	Importance of Credit Linkage	1.00 hour
4.	Term loan and Cash Credit loan	30 minutes
5.	PAR and Defaulter SHGs	30 minutes
6.	Strategy for 100% recovery	1.00 hour
7.	Discussion on Formats	1.50 hours
8.	Q and A session	30 minutes

MONITORING OF CBRM

- “ BDO/BPM shall report to PD/DPM on or before 3rd of succeeding month (Format III)
- “ BDO/BPM shall report to PD/DPM in case of non-conduction and unsatisfactory performance of CBRM meeting for a particular Bank Branch and subsequently PD/DPM shall immediately report to SMMU to undertake necessary measures.