



Investing in rural people

India

Tejaswini Rural Women's Empowerment Programme

Supervision Report

Main report and appendices

Mission Dates: 12 - 19 April 2018

Document Date: 29/05/2018

Project No. 1100001314

Report No. 4774-IN

Asia and the Pacific Division
Programme Management Department

Abbreviations and Acronyms

ADPM	Additional District Programme Manager
AWPB	Annual Work Plan and Budget
BAIF	BAIF Development Research Foundation (formerly registered as the Bharatiya Agro Industries Foundation)
BPL	Below Poverty Line
BRS	Bank Reconciliation Statement
CAAA	Controller of Aid Accounts and Audit
CHC	Custom Hire Centre
CRP	Community Resource Person
DEA	Department of Economic Affairs
DPD	Deputy Programme Director
DPO	District Producer Organization
DPR	Detailed Project Report
DPM	District Programme Manager
DPMU	District Programme Management Unit
DWCD	Department of Women & Child Development
PFS	Project Financial Statement
FNGO	Facilitating Non-Governmental Organization
GoI	Government of India
GoMP	Government of Madhya Pradesh
ICDS	Integrated Child Development Services
IFAD	International Fund for Agriculture Development
ISM	Implementation Support Mission
INR	Indian Rupee
MFI	Microfinance Institution
MCCs	Milk Collection Centres
MCM	Mahila Chetna Manch
MPCON	Madhya Pradesh Consultancy Ltd
MPDAYSRLM	Madhya Pradesh Deedayal Anthyoday Yojna State Rural Livelihoods Mission
MPLUN	Madhya Pradesh Laghu Udyog Nigam
M&E	Monitoring & Evaluation
MIS	Management Information System
MoU	Memorandum of Understanding
MVVN	Mahila Vitta Evam Vikas Nigam
NGO	Non-Governmental Organization
NIFT	National Institute of Fashion technology
NABARD	National Bank for Agriculture and Rural Development
NTFP	Non-timber Forest Products
PCR	Project Completion Report
PD	Programme Director
PPU	Planning and Policy Unit
REIL	Rajasthan Electronics and Instruments Ltd
RNGO	Resource Non-Governmental Organization
RSETI	Rural Self Employment Training Institute
SARDA	Social Action for Rural Development
SC/ST	Scheduled Castes/ Scheduled Tribes
SDR	Special Drawing Rights
SHG	Self Help Group
SM	Supervision Mission
SOE	Statement of Expenditure
SPC	State Planning Commission
SPMU	State Programme Management Unit
SRI	System of Rice Intensification

SWI	System of Wheat Intensification
Tejaswini-MP	Tejaswini-Madhya Pradesh
ToR	Terms of Reference
TRIFED	Tribal Cooperative Marketing Development Federation of India Limited
USD	United States Dollar
VLC	Village Level Committee
WAs	Withdrawal Applications

A. Project Overview

Region:	Asia and the Pacific Division	Project at Risk Status:	Not at risk
Country:	India	Environmental and Social Category:	B
Project Name:	Tejaswini Rural Women's Empowerment Programme	Climate Risk Classification:	not available yet
Project Id:	1100001314	Executing Institution:	Maharashtra State Women Development Corporation
Project Type:	Credit and Financial Services	Implementing Institutions:	not available yet
CPM:	Rasha Omar		
Project Director:	not available yet		
Project Area:	not available yet		

Approval Date	13/12/2005	Last audit receipt	01/03/2018
Signing Date	12/10/2006	Date of Last SIS Mission	19/04/2018
Entry into Force Date	23/07/2007	Number of SIS Missions	41
Available for Disbursement Date	23/07/2007	Number of extensions	2
First Disbursement Date	20/09/2007	Extension 1	30/09/2017
MTR Date	not available yet	Extension 2	30/09/2018
Original Completion Date	30/09/2018	Effectiveness lag	19 months
Current Completion Date	30/09/2018		
Financial Closure	31/03/2019		

Project total financing

IFAD Financing breakdown	IFAD	\$39,448,488
	IFAD	\$15,000,000
Domestic Financing breakdown	Beneficiaries additional financing	\$1,819,500
	Beneficiaries	\$13,943,937
	Domestic Financing Institutions additional	\$479,500
	Domestic Financing Institutions	\$142,306,732
	Local Government (additional)	\$2,440,300
	Local Government	\$159,136
	National Government	\$12,562,507
Co-financing breakdown,		
Project total financing		\$228,160,100

Current Mission

Mission Dates: 12 - 19 April 2018

Days in the field: 12

Mission composition: Shreekantha Shetty, Mission Leader (Institutions, Livelihoods and Project Management); Girija Srinivasan, Consultant (Microfinance and Grassroots Institution building); Aneesh Jain (Marketing and Enterprise Development), Carlo Spinello (Financial Management and Audit), Meera Mishra, Country Coordinator, IFAD-ICO and Sankarasubramaniam Sriram, Programme Support Analyst, IFAD-ICO

Field sites visited: Pawai, Khamaria, Simrkala and Saleh of Panna district; Bijore, Dhawa Bangra, Mahua Bhagh and Bamhorikala of Taikamgarh district; Lugasi, Bagota, Peera, Kateera, Panagar Bada Malhera and Ghuvara of Chhatarpur district; Kohanidevri, Mehandwani, Paraswaha of Dindori district; Khikiri, Khata, Koko, Bichhia and Fok of Mandla district; and Gadi, Mundesra and Narayanganj of Balaghat district.

B. Overall Assessment

Key SIS Indicator #1	Ø	Rating	Key SIS Indicator #2	Ø	Rating
Likelihood of Achieving the Development Objective		5	Assessment of the Overall Implementation Performance		5

Effectiveness and Developmental Focus	Ø	Rating	Project Management	Ø	Rating
Effectiveness		4	Quality of Project Management		4
Targeting and Outreach		4	Knowledge Management		6
Gender equality & women's participation		5	Value for Money		5
Agricultural Productivity		4	Coherence between AWPB and Implementation		3
Nutrition		5	Performance of M&E System		3
Adaptation to Climate Change		4	Requirements of Social, Environmental and Climate Assessment Procedures (SECAP)		5

Sustainability and Scaling-up	Ø	Rating	Financial Management and Execution	Ø	Rating
Institutions and Policy Engagement		5	Acceptable Disbursement Rate		3
Partnership-building		5	Quality of Financial Management		4
Human and Social Capital and Empowerment		5	Quality and Timeliness of Audit		5
Quality of Beneficiary Participation		5	Counterparts Funds		3
Responsiveness of Service Providers		4	Compliance with Loan Covenants		4
Environment and Natural Resource Management		5	Procurement		3
Exit Strategy		4			
Potential for Scaling-up		5			

Relevance		5
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C. Mission Objectives and Key Conclusions

Background and Main Objective of the Mission

1. Tejaswini-MP is being implemented by Mahila Vitta Vikas Nigam (MVVN) covering three southern tribal districts (Balaghat, Mandla, and Dindori) and the three northern districts of Bundelkhand region (Chhatarpur, Panna, and Tikamgarh). This programme had a total outlay of USD 56.77 million financed by an IFAD Loan of SDR 9.15 million (USD 13.00 million) and an IFAD additional financing of SDR 9.74 million (USD 15.00 million) and the balance USD 28.77 million contribution from the Government of Madhya Pradesh (GoMP), local financial institutions and participating communities. This programme was scheduled for completion originally on 30 September 2015 and extended to 30 September 2017 with the approval of additional financing in 2014. The completion date of this project, was subsequently extended by one year to 30 September 2018 and the loan closing is scheduled for 31 March 2019. The overall goal of the project is to enable poor women make use of choices, spaces and opportunities in economic, social and political spheres for their improved well-being.

IFAD fielded a final Supervision Mission (SM) during 12-23 March 2018 to review progress and agree on a priority set of activities to accelerate programme implementation and also to agree on project completion related activities. The mission undertook field visits in three groups and visited all the project districts during 13-16 March 2018. The mission held extensive discussions with the State Project Management Unit (SPMU) team and the District Project Management Unit (DPMU) teams. Mr J.N. Kansotia, Principal Secretary, Department of Women and Child Development (DWCD) was briefed on the project's achievements, challenges and pathways for future growth on 22 March 2018. This report contains the findings and recommendations of the mission discussed and agreed with the project in a wrap up meeting chaired by Ms Jaishri Kiyawat, Commissioner- Empowerment and Managing Director, MVVN on 23 March 2018 and also presented to the Department of Economic Affairs, Ministry of Finance, GoI.

Key Mission Agreements and Conclusions

1. The project is in its last year of implementation. MVVN will have to take steps for project completion related activities and also plan for supporting 60 existing federations in their next level of growth. MVVN remains keen to continue with its support to federations to maintain its footprint in these districts so as to use their organizational strength to experiment with new concepts related to empowerment and nutrition. MVVN intends to prepare and submit a Detailed Project Report (DPR) to GoMP for obtaining a new budget line for supporting the federations and also to use balance GoMP funds available with MVVN at the time of project completion. The federations have started the process of collecting service charges and have established federation owned enterprises with the goal of achieving financial self-sustainability. Though MVVN promoted federations cover about 20-40% of the costs, introduction of this concept of sustainability in a GoMP funded programme itself is unique. The Principal Secretary, DWCD also strongly supported the continued support to federations by MVVN beyond project closure.
2. The main goal of continued support by MVVN is to supervise the investments already made in the existing federations and to facilitate them to achieve self-sustainability by pursuing a growth trajectory of realizing higher incomes to both members and federations. Towards this end, MVVN will establish district level producer organizations (DPOs) immediately so that capable district level staff are engaged by these DPOs to ensure continuity during the next phase of support. MVVN will also restructure the staffing at the state, district and federation level keeping in view the impending closure of the project and also the need to maintain a lean staffing structure beyond project completion until project closure. Within the next 2-3 years, with the initial investments from the project as well as GoMP investments thereafter, the DPOs are expected to be self-sustainable. DPOs will also be able to attract funds from National Bank for Agriculture and Rural development and National Cooperative Development Corporation for future growth. The evolution of Tejaswini-MP promoted federations and DPOs will also provide MPDAYSRLM an appropriate framework to support SHGs being promoted under their aegis.
3. MVVN will also start activities related to end-line survey, case study preparation and Project Completion Report (PCR) preparation. It was agreed that MVVN will engage experienced and qualified consultants for PCR and preparation of case studies and engage State Planning Commission to recruit a competent agency for undertaking end-line survey. All surveys, case studies and reports need to be completed latest by 31 October 2018. The project will have to prepare and submit an AWPB for 2018-19 and obtain IFAD's no-objection prior to 31 March 2018 otherwise the expenditure made will not be reimbursed.

D. Overview and Project Progress

- 1. Component 1: Grassroots Institution Building:** The key initiatives undertaken during 2017-18 are: (i) strengthening 2,233 CRPs through training on SHG functioning, financial literacy, book keeping; (ii) forming 3,911 new SHGs as against target of 5,948 on a saturation mode (target for 2016-17 and 17-18); (iii) sensitisation, training and refresher training for federation leaders on roles and responsibilities (794 members), and business planning and enterprise promotion (839 members); (iv) facilitating the development of business plans for services to be provided, resource mobilisation and cost coverage; (v) all VLCs (in total 2,624 members) trained in SHG management, book keeping, collective enterprise; and (vi) realigning the SHG meetings till 16th of every month to facilitate flow of MIS data. Performance of this component is rated satisfactory (score=5) with very good progress reported for VLC and Federations and more attention needed to improve the performance of SHGs. Tejaswini-MP has facilitated three tier structure of member owned organisations – 16,498 SHGs with 208,837 members against the target 20,000 SHGs with 246,000 members have been mobilized. 13,804 SHGs have opened a bank account and have savings linked to banks. 2,624 VLCs covering 2635 villages are functional against the target of 2,400. Sixty federations are operational in 46 blocks. As per the grading exercise carried out by federations in November 2017 covering 14,674 SHGs, 7,329 SHGs (44%) are in “A” and 4201 (25%) are in “B” category and the rest in “C” and “D” categories. The audit of SHGs for the year 2016-17 has been pending and has to be taken up together for the years 2016-17 and 17-18. Since during the last audit, the auditors did not undertake cash audit and took the figures of cash in hand as correct, the next round of audit should undertake cash on hand verification, bank reconciliation and member confirmation of balances. VLCs and Federations: 2,624 VLCs are functional with most of them addressing social issues and acting as pressure groups. VLCs are now reviewing the functioning of SHGs and are also monitoring the repayment of federation loans thus the organic linkages of the three tier structure are getting strengthened. As per the grading carried out in November 2017, 17 federations are in “A” grade, 32 in “B” grade, 10 in “C” grade and 1 in “D” grade. The average attendance in meetings of Governing Bodies is 80%. The business planning capacity of federations is improving and with more federation level enterprise activities getting grounded, the cost coverage of federations is also increasing. As of February 2018, 4 federations are covering 61% to 80% of costs, 4 federations are covering 41% to 60% of the costs (of these 8 are in Dindori district), 13 federations are covering 21% to 40% of the cost coverage and the rest 39 federations are covering less than 20% of their costs. 10,157 SHGs (72%) of the 14,642 active SHGs have paid their membership fee for the year till February 2018; however, the membership fee / SHG related service fees need to be set in such a way that they cover at least the cost of CRPs. Other areas that need focus include: (i) developing systematic linkages with banks/MFIs and earn a commission on these linkages; (ii) establishing federation level enterprise such as agri-service centres, agriculture machinery centres, output aggregation and other SHG level enterprise on a partnership mode; and (iii) systematic implementation of financial intermediation. Support cost to federations for 2018-19: With project related activities coming to a close and CRP system getting established, Governing Body should have the flexibility to review the staffing needs and restructure staff strength facilitated by DPMUs. The support cost for 2018-19 will be performance related with built in incentives for well performing ones.
- 2. Component 2: Microfinance services:** During the year the key initiatives undertaken are: (i) ensuring that revolving fund provided to the federations by SPMU in 2016 and 2017 are disbursed to the groups with software development for tracking loan portfolio; (ii) monitoring of the micro finance portfolio; and (iii) initiation of lending by ICICI Bank in Tikamgarh district. Some of the key recommendations of SM of 2017 and ISM of 2018 are yet to be acted upon which include: (i) systematic credit planning for the groups through CRPs to improve internal lending and facilitate additional loans from banks/MFI/federation; (ii) hiring of a micro finance specialist at SPMU to ensure loan documentation, accounting and loan monitoring systems are established in all the federations; and (iii) firm partnerships between banks and federations for lending to SHGs. The performance of this component is rated moderately satisfactory (score=4) on account of idle funds in SHG, partial achievement of SHG bank linkages, and the need to develop the systems for financial intermediation.
- 3. Savings and internal lending:** The total savings of 16,498 SHGs is reported to be to the tune of INR 338.27 million as compared to INR 304.75 million as of March 2017. The average savings per SHG works out to INR 20,514. While meeting regularity of the groups is reportedly high at 90%, the regularity of compulsory savings is much lower with only 79% of SHGs saving during February 2018. As of February 2018, only 8,222 SHGs (49%) have internal lending with INR 46.44 million in outstanding loans. Thus 87% of the savings are lying idle either at bank or as cash in hand. Low utilisation of savings amount for internal lending limits the potential to invest in income generation activity. As a result, income for SHGs does not increase and results in reduced ability to pay for the services of the federation. Bank Credit: Cumulatively, 6,977 SHGs have received INR 421.73 million (INR 351.10 million) as credit from banks and MFIs. During the year, target for credit linkages was 8,723 SHGs against which 600 SHGs have received credit to the tune of INR 58.91 million till February 2018. The number of SHGs with active bank/MFI loan is 2,347 (16%) with INR 59.67 million as loan outstanding as of 28 February 2018. With Tally not fully operational, the bank/MFI loan details are tracked manually and on the basis of reports submitted by Sanghamitra (a MFI operating in Bundelkhand region), the on-time repayment rate ranges between 62% in Tikamgarh to 87% in Chhatarpur as of February 2018. Financial intermediation by federations: During the year, the federations have commenced lending the revolving fund grant provided to SHGs as per NRLM norms by aggregating the same at the federation level. The systems and processes for loan appraisal, documentation, record keeping (no loan registers in some federations visited) and monitoring systems remain rudimentary. These systems have to be put in place urgently. The software developed in house needs to improve the repayment tracking and inputs for the same have been provided by the mission. Good practices in lending to ensure credit discipline need to be adopted by the programme which include: (i) monthly repayment by member to SHG and SHG to federation; (ii) out of the repayments, accounting for interest first before principal; (iii) monitoring loan repayment and immediate action when one instalment falls overdue; and (iv) advising groups to first use their internal savings for loans before approaching federation for loan. As of 28 February 2018, INR 59.47 million loans

are outstanding with 2,112 SHGs. Thus 65% of the total amount released as grants to SHGs has been released as loans from federations to SHGs. NRLM guidelines allow use of society legal framework of Tejaswini-MP federations for financial intermediation. The average size of the loan is INR 40,000 per SHG. Federations have released loans with bullet repayment provision at the end of 12 month loan term.[1] This has now been changed to monthly repayment and the same is being implemented. A circular has been issued about interest rates - federations charge 8% per annum interest to SHGs which includes 2% per annum to VLCs and SHGs charge 12% per annum to members. There exists scope for increasing resources for financial intermediation to federations with credit demand after establishing proper systems and also after review of the performance of federations in June 2018.

4. **Component 3: Livelihoods and Enterprise Promotion:** The project has taken up substantial amount of livelihood related work. The major activities implemented include: (i) a large dairy intervention with about 5 Milk Collection Centres (MCC); (ii) supply of kodo-bars as breakfast to school children; and (iii) training of Pashu Sakhis in goat clusters using Goat Trust. The project has undertaken preliminary activities related to double the dairy related activities. Livelihood activities cover 193,630 households. Dairy, kodo-kutki, goat rearing, vegetable farming, SRI, SWI are the major activities with about 2% households taking up off-farm activities. Income gains vary from 30% in dairy, 20% in goat rearing and 100% in vegetable cultivation and agriculture (Kodo-kutki, SRI and SWI). The performance of this component is rated satisfactory (score=5).
5. **Dairy:** The project has tied up with Bundelkhand Sahakari Dugdh Sangh, Sagar to supply milk to them 39 village level MCCs at Chhatarpur, 3 at Tikamgarh and 2 at Panna have been established with an investment of INR 15.6 million, INR 1.2 million and INR 0.8 million respectively. 2 bulk milk coolers have also been established at Chhatarpur with an investment of INR 1.8 million which collect 2,600 litre milk daily. About 400 litre milk in Chhatarpur and 250-400 litre in Tikamgarh & Panna is supplied directly to the Dugdh Sangh. The project has finalized a plan for training para vets with the support of BAIF. The first batch of 25 para-vets has been selected and training is expected to start in April 2018. 6,270 SHG members have been trained on dairy activities and a total of 21,470 members have benefitted during the programme lifetime with income gains of almost INR 10-15 per litre of milk sold. **Vegetables:** The project approved 60 projects across the 6 districts to support groups of landless SHG members in leasing agricultural land and cultivating vegetables with an investment of INR 5.3 million. In Dindori, all 9 Federations, have a 2-year contract with the 138 tribal hostels in the district to regularly supply vegetables to them. These hostels have 8,084 students residing in them. The total weekly demand for vegetables is 11,320 kg and the Federations are expected to realize a margin of INR 3 per kg on this transaction. 61,201 SHG members have been trained by the project on vegetable cultivation and a total of 51,081 members have benefitted from the project. The net income from 0.5 acre of land from this intervention is estimated at INR 28,500 per season. **Agriculture:** The project has supported 17,672 households in kodo-kutki cultivation, 33,169 under SRI and 38,207 under SWI. The productivity gains are reported to be 50% and reduction of inputs costs is estimated to be about 50%. The federations in Dindori district have a 2-year contract to supply spices to the tribal hostels in the district. The monthly demand is 1,247 kg and 7 spice processing units have been set up in the district for the same. Besides this, supply of spices for Mid-Day-Meals in Dindori is also being explored. A Kodo-Kutki milling unit in Medhwani block of Dindori has been upgraded in November 2017 and became operational in February 2018. This federation has started supplying Kodo bars as breakfast to kids in Anganwadis of Mendhwani block. This was initiated in November 2017 and currently reaches 5,126 kids every day. This project is now being expanded across the district and all 9 Federations of the district shall start supplying Kodo bars to 57,025 children across 1,913 Anganwadis. Currently the margins are low, but with streamlining of input supplies and an expected increase in the Kodo bar prices, the margins should improve. **Goat rearing:** In total 104 pashu sakhis and 70 project staff have been trained on goat rearing activities. They have a total outreach of 348 villages. A total of INR 18.1 million has been spent on this activity. 11,001 SHG members have been trained by the project on goat rearing and a total of 25,362 members have benefitted during the programme lifetime. The project has engaged Goat Trust for conducting training on goat rearing and also to train Pashu Sakhis. Income gains are reported from 10% decline in mortality and also an increase of INR 500 per goat sold due to weighing. **Custom Hire Centres:** 7 custom hiring centres with basic agri-machinery have been handed over to the project promoted federations by the district administration of Dindori. 2 more are expected to be handed over soon. A total of 713 farmers have availed farm support services through the programme which has generated INR 537,600 in revenue and INR 213,000 in profits for the Federations. **Other livelihoods:** The project has also initiated activities such as flaxseed purchase and roasting, oil expellers, jaggery unit and gond art fabric painting. 19 women artists have undergone two rounds of trainings at NIFT Bhopal on transferring Gond art to silk. 2 units have been established at village Patangarh in Dindori and orders for 100 dupattas / stoles have been received from TRIFED, a GoI organization. The programme conducted several training in dress making, handloom manufacturing and collection, primary-processing and marketing of NTFP produce.
6. **Component 4: Women Empowerment and Social Equity:** VLCs and *Shaurya Dals* have continued the initiatives for social and political empowerment of women. VLCs plan and execute several initiatives to address a wide range of local social issues. There is high level of self-confidence and improved capacity of women leaders to articulate their issues, including at high level meetings and in negotiations with Government representatives. The project has organised interface of 13,190 *Shaurya Dal* members with police station, hospitals, shelter homes, courts and government offices during the year. *Shaurya Dals* continue to function in all the project villages with additional responsibilities like health awareness, sanitation, toilet construction, afforestation, etc., assigned by GoMP. GoMP has also decided to position *Shaurya Dals* in each *Anganwadi* Kendra which has been vested with the primary responsibility of selecting members of *Shaurya Dal*. It is not clear whether the old members of *Shaurya Dal* still continue to be members of newly constituted *Shaurya Dals*. During the field visits it was observed that in some cases *Shaurya Dals'* focus on prevention of crime against women, resolution of disputes and conflict through consultation is on the decline. Overall, the performance of this component is rated as highly satisfactory (score=6) on account of sustained high performance over the years and overachievement of the output targets. UNWOMEN

has carried out an impact assessment of the operations of the *Shaurya Dals* in the state which conclude that: (i) *Shaurya Dal* has been effective in creating awareness and identification of issues related to women and girls; (ii) in the Tejaswini-MP supported districts, the initiative had a strong foundation based on SHGs and cluster coordinators facilitated understanding the role of *Shaurya Dals*; (iii) In the non-Tejaswini-MP districts, these elements were largely missing, and hence, these *Shaurya Dals* were not confident about taking the initiative forward; and (iv) Many of the erstwhile members have done good work, and their inclusion could benefit the new *Shaurya Dals*. Drudgery reduction - Drudgery reduction activities planned for the year have been for supply of agricultural implements to 500 villages and water harvesting structures in 100 villages; the contract for supply of agricultural implements has been placed in only March 2018. Work on 100 water harvesting structures have been initiated (50 each in Panna and Chhatarpur districts). The repair of drinking water sources initiated in 2016-17 have been completed in 400 villages benefitting 40,655 villagers. Drudgery reduction activities have been undertaken in 2610 villages against the target of 500 villages.

[1] Bullet repayment is a lump sum payment for the entire loan amount paid at maturity.

Agreed Action	Responsibility	Agreed Date
<p>Software improvement</p> <p>Improve the in house software tracking revolving fund to generate loan repayment reports and complete data input into the software and DPMs to use the same in monthly reviews.</p>	DPD/DPMs	04/2018
<p>CRP mentoring</p> <p>Mentor CRPs during monthly meetings for improving credit absorption by members by facilitating discussions on credit usage in each meeting. Set up a system of payment to CRPs linked to SHG performance.</p>	PD/DPD/DPMs	04/2018
<p>Systematize SHG functioning</p> <p>Systematise the functioning of SHGs by realigning the meetings in the village so that the federation staff also attend these meetings.</p>	PD/DPD and DPMs	04/2018
<p>Technical support</p> <p>Identify and engage an experienced banker with hands on experience in lending to SHGs to prepare lending procedures, simple loan appraisal techniques, documentation for loan disbursement, accounting and monitoring system for revolving funds.</p>	PD/DPD	04/2018
<p>Protocols for use of funds</p> <p>Develop clear protocols for use of funds available with the federations and get them approved in AGM.</p>	MD/PD/DPD	05/2018
<p>Dairy activity in Chhatarpur</p> <p>The dairy activities are currently managed through Chhatarpur DPMU including management of milk collection centres, milk routes and payments. The current thinking is to get payments from the milk dairy into the project account which is not acceptable. A DPO at Chhatarpur district level needs to be incorporated to transfer functions and funds related to dairy activity are paid to this organization.</p>	PD/DPD	05/2018
<p>Uniform financial statements</p> <p>In the SHG audit of 2016-17 and 17-18, implement uniform financial statements with verification of cash in hand and member balance confirmation.</p>	PD/DPD and DPMs	05/2018

<p>Supply of livelihoods related equipment</p> <p>Include purchase of micro-irrigation sets and crates for vegetable marketing into the AWPB for procurement through MP Agro. These needs to be supplied to federations for renting the same to members with partial cost recovery to DPOs.</p>	PD/DPD	06/2018
<p>Custom hire centres</p> <p>Coordinate with the district administrations of other districts and identify the custom hire centres that will be handed over to Tejaswini-MP. Make plans for its renovation and purchase of additional equipment (Reaper binder) through MP Agro.</p>	PD/DPD	06/2018
<p>DPO formation</p> <p>Develop proposals for establishing DPOs and seek Government funding. Build DPOs' regulatory and supervisory functions over federations.</p>	MD/PD/DPD	06/2018
<p>Staff cost support</p> <p>Provide support cost to the federations for 2018-19 based on: (i) governing body's assessment of staff requirement and other costs; and (ii) agreed milestones for performance.</p>	MD/PD	06/2018
<p>Livestock resource centres</p> <p>Include establishment of 3 Livestock resource centres in the AWPB of 2018-19 through federations and DPOs. Identify at least 3 agencies from whom the federations/DPOs can source services for this activity and federations/DPOs to procure services from one of the shortlisted agencies.</p>	PD/DPD	08/2018
<p>Dairy activity expansion</p> <p>Expand the dairy activity by establishing at least additional 50 more MCCs and taking over milk routes in Panna district. Promote milk processing in Tikamgarh in location without milk routes.</p>	PD/DPD	09/2018
<p>Top up funds</p> <p>Provide top up funds of INR 1.5 million to each federation for use as revolving fund by entering into a tripartite agreement between federations, DPOs and MVVN after review of revolving fund performance in June 2018.</p>	PD/DPD	09/2018
<p>Shaurya Dal Scaling up</p> <p>GoMP has scaled up Shaurya Dal through Anganwadi workers which has diluted the roles of original Shaurya dal members and in some instances several Shaurya Dals have come up in a village. It is necessary to review the current scaling up modality taking into account the suggestions in the UNWOMEN report.</p>	MD/PD	09/2018

E. Project implementation

a. Development Effectiveness

Effectiveness and Developmental Focus		
Effectiveness	Rating: 4	Previous rating: 5

Justification of rating

27. The overall achievements against outputs are fairly satisfactory. The federations have started making belated progress towards sustainability. The project's achievements in women empowerment and Shaurya Dal's effectiveness in resolving issues related to the women have been highly satisfactory. The project efforts in bank linkage have not yielded adequate results. Livelihood activities have shown an uptrend during the last two financial years. The project tweaked the MPDAYSRLM's modality of providing revolving fund grants to SHGs into a system of giving loans to SHGs which will partly address credit access issues.

Log-Frame Analysis & Main Issues of Effectiveness

1. The project's expenditure during 2017-18 until end February 2018 has been only INR 169.7 million against INR 403.9 million during 2016-17. There is substantial amount of advance lying with the districts which hampers the absorption of project funds during this year. It is estimated that there is likelihood of USD 2.5 million getting cancelled.
2. **Outcome 1:** *Mobilising and empowering 246,000 households to effectively make progress on social and economic growth trajectory by developing self-sustainable three tier institutions by mobilizing 20,000 SHGs, 2,400 Village Level Committees (VLCs) and 60 federations which includes the targets of additional financing.* Cumulative performance of Tejaswini-MP as at 28 February 2018 includes support to 16,498 SHGs with a total membership of 208,837 households, 2,624 VLCs and 60 federations. MIS indicates that about 78% of the SHGs are in "A" and "B" based on grading during 2017. VLCs largely undertake empowerment and social equity related activities apart from SHG monitoring. As of February 2018, 4 federations are covering 61 to 80% of costs, 4 federations are covering 41 to 60% of the costs, 13 federations are covering 21 to 40% of the cost coverage and the rest 39 federations are covering less than 20% of their costs. The ability of Tejaswini-MP to achieve the first outcome is moderately satisfactory.
3. **Outcome 2:** *Training of a total of 90,000 SHG members in financial service, linking all eligible SHGs (more than six months of age) to bank credit and USD 19.30 million in gross loan portfolio to undertake various income generating activities.* Tejaswini-MP continues to struggle to facilitate bank linkages. Tejaswini-MP has trained 208,027 persons, linked 49% (6,977 SHGs) of savings linked SHGs (13,804 SHGs) to bank and MFI credit at least once and has achieved 35% of the target in terms of loan disbursement. Tejaswini-MP has started financial intermediation at the federation level which will partly address the bank linkage constraints. Major concern is 87% of idle cash with SHGs. The ability of Tejaswini-MP to achieve second outcome is moderately unsatisfactory.
4. **Outcome 3:** *Training of a total of 98,240 and 24,560 SHG members in various on farm and off-farm activities respectively with benefits accruing to 130,000 members from rain-fed agriculture activities, 75,000 members from vegetable and horticulture cultivation, and 41,000 households from livestock interventions with mobilization of INR 1,000.00 million in funding to its members through convergence.* In total the project has trained 194,084 members on on-farm activities being 198% of the target and 24,065 members on off-farm activities being 98% of the target. The achievement with regard to rain-fed agriculture activities is 119%. The performance with regard to achievement of targets related to vegetable & horticulture cultivation, and livestock development has improved to 133% and 153% respectively. Total funding from convergence of livelihood activities is estimated at INR 2,444 million against the target of INR 1,000 million. Tejaswini-MP's ability to achieve the third outcome is satisfactory.
5. **Outcome 4:** *Reinforcing empowerment processes by sensitization programmes in 2,779 villages, functional literacy for 31,800 members, health training for 14,400 women. Local governance training for 14,400 women and drudgery reduction activities in 2,400 villages. Shaurya Dals continue to function in all the programme villages though with widened focus as directed by the Government. Drudgery reduction activities now cover 2624 VLCs. All targets with the exception of local governance training targets have been achieved. Tejaswini-MP's ability to achieve the fourth outcome is highly satisfactory.*

Development Focus		
Targeting and Outreach	Rating: 4	Previous rating: 5

Justification of rating

33. The project has a sharp poverty focus both geographically and socially. Women from 208,837 poor households in six districts form the target group. While the three southern districts are poorer consisting of scheduled tribe population, the three northern districts lagged behind in gender indices and hence were purposefully chosen at the design stage. While 112,279 (53.7%) households are BPL card holders, 96,558 are identified as BPL through participatory rural appraisal techniques. There are no members from above poverty line households at the time of initial mobilisation into SHGs. As far as social composition is concerned, 17% are scheduled castes, 32.5% is scheduled tribes, 44.5% are from other

backward castes and 6% are from upper castes.

Gender equality & women's participation

Rating: 5

Previous rating: 5

Justification of rating

34. Women are the primary target group of programme's interventions. The approach is to build the capacities of the women SHG members so that they are able to understand and identify the issues of inequality and discrimination. Women's control over resources and also their participation in decision making has been steadily increasing. SHGs, VLCs and federations have given space to women to exhibit their skills in leadership and management and have started gaining acceptance as leaders and decision makers in the society as well as in their households. Women are yet to make a substantial entry as staff of these women owned organizations. Shaurya Dals continue to take lead in conflict resolution and have required gender balance in terms of membership of both men and women.

Main issues

The VLCs are effectively mainstreaming gender concerns. VLCs plan and execute several initiatives to address local social issues such as mid-day meals quality, drinking water availability, toilet construction (swacha bharaat), reducing alcoholism, addressing violence against women. VLCs also engage with Panchayats so that a favourable environment for the SHG members to demand their rights is developed.

- Women have shown commitment and enthusiasm providing time and resources to manage their institutions and also participate in project activities. While more than 90% of SHGs are meeting regularly, the attendance rate in Governing Body meetings of federations is also high with more than 80% attendance overall. Tejaswini-MP has motivated women to contest Panchayat elections held in 2015 and 2,285 SHG women are representing the community at PRIs, local committees and sub - committees. The participation of SHG women in local gram Panchayats has been steadily increasing and is 85%.

Agricultural Productivity

Rating: 4

Previous rating: 4

Justification of rating

37. The project has made substantial efforts to improve agricultural and livestock productivity during the current financial year. The major activities implemented during this financial year include: (i) promotion of vegetable cultivation amongst landless SHG members, (ii) productivity improvement of livestock, and (iii) introduction of spices cultivation. These activities with substantial outreach to the members have been taken up. In addition, the project has developed trained human resource within the community to provide technical support going forward.

Main issues

Vegetable: The programme has identified 60 groups of landless SHG members, and assisted them in leasing agricultural land for vegetable cultivation. The project has assisted in developing the necessary support infrastructure and has trained these women. 51,081 SHG members have benefitted and 61,201 members have been trained by the project during its lifetime. The average increase in productivity during that period is approximately 49% or 4.5 MT / hectare.

Livestock: The programme has conducted multiple trainings on dairy in Tikamgarh, Panna and Chhatarpur, and on goat rearing across the project area. Training of 30 para-vets specializing on dairy management shall commence soon, and 104 pashu-sakhis and 70 project staff have already been trained on goat rearing. 21,856 SHG members have benefitted and 6,270 members have been trained by the project on dairy activities during its lifetime. This has improved the lactation period by 3%. 25,362 SHG members have benefitted and 11,001 members have been trained by the project on goat rearing during its lifetime. This has decreased mortality of goat kids by 10% and improved sale realization on account of weighing by 5%.

Nutrition

Rating: 5

Justification of rating

40. This project did not have any specific intervention to improve nutrition security of the beneficiaries. Empowerment related activities of the project coupled with institution building have facilitated the SHG members to take up activities

related to nutrition. MVVN conducted a campaign amongst the SHG members on aspects related to chronic malnutrition and its impact on the cognitive capabilities of children. As a part of this, a system of identifying and adopting malnourished children in the villages by the SHGs evolved. As a corollary to this, the SHG members have taken keen interest in proper delivery of home ration and midday meals schemes. Saat Din Saat Ghar and Tiranga Thali have been replicated in all the 6 districts that add to nutrition security of the families.

Main issues

Federations have continued the initiatives on health and nutrition and the trainings on health were scaled down during the year. Federations organised health camps to screen 9,541 adolescent girls for anaemia. 67,617 households are adopting vegetable growing practices under *Saat Din Saat Ghar* and 113,913 families are adopting *Tiranga Thali*. Hands on training on how to get maximum nutrition from available local resources have cumulatively covered 43,856 women in 1652 villages. Tejaswini-MP has facilitated convergence with 6 departments; the major areas of social sector convergence include toilet construction, kitchen gardens, micro irrigation works, health check-ups, etc. In 2016-17, 8,818 members have benefitted and INR 40.89 million was mobilised through social sector convergence.

A three day international conference on Nutrition Sensitive Agriculture and Nutrition Literacy is proposed to be organised under the aegis of MVVN in May 2018. The current concept note for the conference requires fine-tuning with greater clarity on expected outcomes of the conference. A key outcome should be a framework for action for Kuposhan Mukh Evam Swasth Madhya Pradesh (Malnutrition free and Healthy Madhya Pradesh). Accordingly, the list of speakers and participants would need to be matched to the objectives of the conference. The Core Committee finalising these details should include all key funding and knowledge partners and should meet at the earliest to finalise the plans.

Agreed Action	Responsibility	Agreed Date
Nutrition workshop Establish a core committee as soon as possible and conduct a meeting to chart out the plans for the workshop. Include a representative from IFAD.	MD/PD	04/2018

Adaptation to Climate Change

Rating: 4

Previous rating: 5

Justification of rating

43. The social sector activities taken up by SHGs and federations include water, sanitation and cleanliness. With a large number of women elected to the local governance structures, social sector activities of SHGs and federations are mainstreamed into the regular Government activities. These are all significant contributors to climate change adaptability. Agriculture related activities are largely low external input oriented. These have direct positive impact on the environment and natural asset improvement. Other livelihood related activities are relatively small and low input oriented efforts. These will not have any considerable negative impact on environment sustainability.

b. Sustainability and Scaling up

Institutions and Policy Engagement

Rating: 5

Previous rating: 4

Justification of rating

44. The members of the project promoted SHGs have high visibility in the state and have become focal point for not only women centric activities but also for livelihood and market promotion activities. The Government order to allocate buildings for offices and warehouses to the VLCs/federations have improved the asset base of these institutions.

Main issues

1. The Chief Minister of the state has ordered that the custom hiring centers comprising agriculture machinery established by the Agriculture department be handed over to the federations for effectively delivering the services to the small and marginal farmers. 7 federations in Dindori district have taken over custom hire centres from the Agriculture department, repaired the machinery with project funds and are now operating custom hiring services which benefit SHG members as well as non-member farmers. Another 2 federations shall commence this activity soon.
2. GoMP has also utilised the strength of the Tejaswini-MP federations to provide nutritious food to children under ICDS in Mehandwani block in Dindori district. With Tejaswini-MP funds, the machinery and working capital have been provided to the federation in December 2017 for establishing kodo patti (a nutrition bar) unit. Utilizing local resources such as kodo millet grown and jaggery produced by SHG women, and other local ingredients. GoMP is

- keen to upscale this initiative of engaging the federations to supply nutritious food to children.
3. The District Collector, Dindori recognising the livelihood related work of the federations has enabled MOUs between 9 federations and hostels managed by Government departments for supply of spices and vegetables. He is also facilitating corporate linkages for NTFP marketing of products collected by the federations.
 4. The federations are scaling up nutrition related initiatives such as the *Sath Din Sath Ghar* (7 day-7 plots) initiative which now covers 67,617 members. Families are growing at least 7 different vegetables in 7 different plots (10 m x10 m) and harvesting from a different plot every day. A total of 113,913 households have been trained in practicing “*Tiranga Thal*” using a three-colour-rule of white, saffron and green essentially representing rice, dal, and vegetables /fruits in every meal.

Partnership-building

Rating: 5

Justification of rating

49. Tejaswini-MP’s partnership with various government programmes remains satisfactory. MVVN has entered into an agreement with MPDAYSRLM to implement the latter’s activities in Balaghat and Mandla districts. In Dindori, Mahendwani federation has entered into an agreement with the district administration to produce millet bars for supply to students as a part of the breakfast supply scheme of the government. This modality is expected to be expanded to other federations in the district. Instructions were issued by the state government to allocate office space and also custom hire centres to Tejaswini-MP federations and VLCs. The project has entered into a new partnership with the Milk Marketing Federations to expand the milk route and milk collection centres.

Human and Social Capital and Empowerment

Rating: 5

Previous rating: 5

Justification of rating

50. MVVN has invested resources in building the capability of the women. SHG and VLC mobilisation by MVVN has enhanced the ability of women to voice and share their difficulties with other group members. SHGs, VLCs and federations have given space to women to exhibit their skills in leadership and management and have started gaining acceptance as leaders and decision makers in the society as well as in their households. 90% of the members participate regularly in the SHG meetings and 80% of Governing Body members attend General Body meetings at the federations regularly. However, discipline in financial management requires further nurturing.

Quality of Beneficiary Participation

Rating: 5

Previous rating: 5

Justification of rating

51. Field visit interaction indicates high level beneficiary participation. The project initially provided 100% support for livelihood activities and thereafter support for household level investment has been reduced to 15% and the project provides 100% support for support services that benefit large number of households. The beneficiary participation is quite high in the dairy activity which has been launched during the last year in the northern districts. The project has already established 51 milk collection centres and the success of this intervention is evident from the demand to further increase the number of milk collection centres.

Responsiveness of Service Providers

Rating: 4

Previous rating: 4

Justification of rating

1. MVVN had engaged FNGOs and RNGOs for mobilization of SHGs and federations. The contracts with NGOs have ended in 2015 and their accounts have been finalized with the exception of SARDA which is under litigation. Other service providers are government agencies. During this year, MVVN has entered into an agreement with BAIF to train para vets. Performance of Government agencies and BAIF is moderately satisfactory and they are on target to deliver as per scope of work.

Main issues

1. The contracts with all the NGOs has come to an end in 2015. There was a dispute between SARDA and MVVN relating to settlement of accounts and SARDA has filed a case in the local court against MVVN for payment of about INR 1.8 million. This case is yet to be settled. It is expected that this case will not get finalized before project closure. It is necessary that MVVN allocate funds out of GoMP contribution for payment of this amount in the event court delivers a judgement in favour of SARDA.
2. MVVN uses MPCON for providing required human resource and also MPLUN which supplies goods on a GoMP approved rate contract. Both these agencies are government agencies and their services are being used as and when needed. MVVN has also engaged BAIF for training 100 persons as para vets on a single source basis after

obtaining approval from IFAD. MVVN is also in the process of signing an agreement with MP Agro services for supplying drudgery reduction equipment. There are no issues related to performance of the service providers with the exception of SARDA.

Environment and Natural Resource Management

Rating: 5

Previous rating: 5

Justification of rating

55. This project is not focussed on natural resources management related activities. However, the project has taken up four initiatives that had positive impact on the natural resources management: (i) SRI and SWI covering 41,376 households, (ii) an organic village initiative cultivation was implemented by the SHG members covering 7,000 households; (iii) women's participation in taking up temporary water harvesting structures such as check dams constructed using sand filled bags to prevent run off; and (iv) construction of farm ponds to assist the tribal villages to harvest rain water and mitigate the risks of water shortage.

Exit Strategy

Rating: 4

Previous rating: 4

Justification of rating

56. The project has taken steps to introduce a system of CRPs for managing savings and accounts of SHGs. The project in total has recruited 2,635 CRPs and these CRPs are being paid INR 500 per month by the federation. Financial intermediation has been introduced and this activity is proceeding satisfactorily in many federations but issues related to maintenance of books of accounts remain. Efforts related to increased collection of service charge and also investment in federation level enterprise are lagging. Only in two districts there are visible signs of focus on enterprise development; all the 19 federations in the districts of Chhatapur and Dindori have large focus on enterprise development.

Main issues

The project is in its last six months of implementation and all activities that require IFAD funding need to be wrapped up prior to 30 September 2018. Most of the SHGs and Federations have started becoming active only during the last 1.5 years with the introduction of livelihood activities and also introduction of revolving fund concept instead of release of grants to SHGs. These federations require another 2-3 years of support beyond project life. MVVN's sub-project to the Tribal Welfare Department with a total outlay of INR 420 million for assisting SHGs and federations in the southern districts for a period of 3 years has been approved which allocated INR 23 million as management costs that can be used for covering part of operating costs but is not adequate for maintaining a basic support structure for three years beyond project life. Additional funding is required for this activity beyond project life.

Two options exist for accessing continued support to the SHGs and federations. The first option is to get funding from GoMP for continued handholding of federations for at least three years beyond April 2019. MVVN will have to prepare and submit a detailed project report to DWCD covering costs related to: (i) 50% of the salary costs of federations; (ii) salary and operating costs of DPOs; and (iii) salary and operating costs of state level federation. These operating costs need to be part of the proposed new investments with federations and DPOs to achieve full financial sustainability. In order to the achieve this, MVVN will have to initiate steps to streamline operations of district level and state level project management units which include: (i) restructuring staff of federations; (ii) establishment of DPOs in all the districts; (iii) engagement of competent district level staff as staff of DPOs; and (iv) establishment of state level federation with minimal staff structure to support DPOs.

In the event, MVVN is able to obtain administrative approval from DWCD for continued support to the federations and SHGs, in order to ensure sustainability beyond project life, projects funds can be used as a stop gap arrangement for the following activities subject commitment of funds and release of funds prior to project completion: (i) release of salary cost to the federations covering the period October 2018 - March 2019 by amending the grant agreement between federations and MVVN subject to completing the staff restructuring exercise of federations – release through DPOs; (ii) release matching grant not exceeding INR 3.00 million per DPO from IFAD resources to raise capital subject to equal contribution from the state government including share capital contribution from federations; and (iii) release of a sum of INR 5.00 million as the matching grant to the state level federation subject to state government releasing equal amount from its resources. DPOs will be able to access funds from the National Cooperative Development Corporation and NABARD leveraging the capital available with them.

Tejaswini-MP federations are at an advanced stage and handing them over at this stage to MPDAYSRLM may slow down their progression towards evolution as producers organizations. However, in another three years when MPDAYSRLM's policy and operating processes on federations would become clear and handing over federation and DPOs at that stage would be smoother and this would be the second option for exit. In the event, MVVN is not able to source funds from GoMP, the options available will be to either have an agreement with MPDAYSRLM to provide funding to MVVN for exclusively implementing MPDAYSRLM activities in the Tejaswini-MP blocks or to handover all SHGs and federations to MPDAYSRLM.

Agreed Action	Responsibility	Agreed Date
<p>State Level Apex</p> <p>Establish a state level apex comprising federation leaders. MVVN to provide the secretarial assistance. Allocate INR 5.00 million to state level apex subject to equal contribution from GoMP.</p>	PD/DPD	05/2018
<p>District Level Producer Organizations (DPO)</p> <p>Deliberate on the legal framework and other statutory obligations for establishing district level producer organization. Engage a CEO and Accountant for each DPO. Allocate matching grant the Producer Organization not exceeding INR 3.00 million per DPO subject to mobilizing equal amount from GoMP including federations.</p>	PD/DPD	05/2018
<p>Proposal for GoMP funding</p> <p>Prepare and submit a detailed project report for funding by GoMP to provide next level growth opportunities to the federations by forming DPOs with a view to drive them towards self-sustainability.</p>	PD/DPD	06/2018
<p>Federation Staff restructuring</p> <p>Restructure staff of federations with a view to achieve sustainability. Provide lump sum grant to federations with a minimum grant for basic maintenance and a performance based grant towards achievement of targets. Salary for October 18 to March 2019 to be parked with the DPOs.</p>	PD/DPD	06/2018
<p>MPDAYSRLM collaboration</p> <p>In the event, MVVN fails to obtain GoMP funding, negotiate with MPDAYSRLM to provide funding to MVVN to exclusively implement MPDAYSRLM in Tejaswini-MP area. If this negotiation fails, hand over all the SHGs and federations to MPDAYSRLM.</p>	PD/DPD	03/2019

Potential for Scaling-up

Rating: 5

Previous rating: 5

Justification of rating

61. The project had implemented three interventions on a pilot basis during 2016-17. They are: (i) Tiranga Thali (promotion of meals comprising food with three colours); (ii) Sath Din Sath Ghar (7 day-7 plots) scheme; and (iii) supply of millet bars as breakfast to school children. These three interventions have been scaled up. In addition, the interventions related to dairy and CHCs have also been scaled up.

Main issues

Tiranga Thali concept was initially seeded in Dindori district and it has now been expanded to all districts covering 113,913 households. Similarly, the Sath Din Sath Ghar (7 day-7 plots) initiative has been expanded to 67,617 households in all the districts. Dindori district administration had allocated to Tejaswini-MP federations 7 CHCs that were in dilapidated condition. Based on the experience gained and the performance of federation operating these CHCs, 2 additional CHCs have been allocated. The Chief Minister of Madhya Pradesh has issued instructions to allocate the CHCs presently owned and managed by the Agriculture Department to SHG federations. Dairy development activities have seen rapid scaling up. The project has promoted in total 51 milk collection centres and this will be expanded to 151 centres. GoMP based on the experience of supplying millet bars (kodo-patti) as breakfast to the school children has scaled up the activity to the entire Dindori district. Plans are now afoot to scale up this activity to the entire state. Tejaswini-MP federations in six project districts will be able to avail this opportunity.

Marketing of farm produce: The District Collector Dindori has facilitated MOUs between federations and hostels and schools for weekly supply of vegetables which has commenced from March 2018. Through this initiative women are learning the techniques of seasonality mapping, supply chain management, billing etc., which will come handy for marketing of produce to other markets, shops as well. These tie ups where the prices are set based on the previous year's high and low values, are likely to fetch reasonable profits to the federations. The other two southern districts of Mandla and Balaghat where vegetable clusters are promoted can look out for such tie ups.

Door step delivery of support services: The federations are at present implementing livelihood plans with embedded support services for crop/ animal care. The project is developing a cadre of CRPs from SHG members, training them in advisory services / veterinary care and these CRPs are providing services to the members. A structure of payment for services is being put in place. With linkages with local agriculture and animal husbandry departments for continuous upgradation of their knowledge and skills in place, this cadre can continue to provide effective services. There is potential to upscale this initiative under MPDAYSRLM as well as under other livelihood based programmes.

c. Project Management

Quality of Project Management	Rating: 4	Previous rating: 5
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Justification of rating

65. The project has seen staff stability during the current financial year. The project management invested considerable time and efforts in rolling out the milk route, milk collection and para vet training and Pashu Sakhi training after obtaining necessary permissions from line departments. However, there is considerable weakening of the regulatory and supervisory control over the federations leading to slippages in governance of the federations. In addition, the project also suffered from fund release issues to implement project activities which has now been resolved.

Main issues

- MVVN will have to rationalize staff at the district level and maintain key staff comprising either a DPM or ADPM, an Accountant and M&E Asst in the DPMUs beyond the date of project completion until 31 March 2019. There is a possibility that all the Managers on deputation posted with the SPMU will find posting during April-May which is the regular transfer season. This requires, the project to identify two professionals and also a MIS expert at the state level to support DPD. Similarly at the federation level, staff management will have to be handed over to the federation's governing body with a fixed grant to cover salary and operating costs based on achieving milestones and not based on staff salary reimbursements. Such a restructuring will enable the project to dovetail into the exit policy of the project of establishing DPOs to handhold federations for next level of growth. The project will be able to fund staff costs through MPCON until 30 September 2018. Beyond this, it is necessary that the project identify key staff requirements and engage these staff directly through MVVN.
- The project will have to undertake three activities that include: (i) A PCR preparation team comprising at least four specialists to prepare PCR and submit it to IFAD before 31 October 2018; (ii) an end-line survey that will feed into the PCR; and (iii) thematic case studies. It may be difficult for MVVN to engage a capable agency and provide technical support and supervision for conducting end-line survey. Policy and Planning Unit (PPU) of State Planning Commission (SPC) has indicated its interest to carry out this study. This unit was initially built by DFID and has conducted several studies for the state and has engaged private sector agencies to carry out studies. It has a team of trained enumerators across the state and tablet based data collection system. Terms of reference (ToR) for the end-line survey is provided in Appendix 4.
- MVVN will have to seek administrative approval for a proposal to engage a team of three PCR consultants: (i) Team leader – Project Management and Economic analysis; (ii) GIB and Micro-finance; (iii) Livelihoods and enterprise development; and (iv) Empowerment and Gender. This proposal will have to include details of level of compensation and the procurement process. It is not possible to get highly qualified and experienced persons in the currently approved compensation of INR 4,000 per day and this needs to be increased to a range of INR 10,000 to INR 15,000 per day excluding board, lodge and travel. The project will have to follow the process of getting references from other IFAD funded projects in India, IFAD - ICO and also from the State Planning Commission, seek resume from these candidates with copies of similar reports prepared by them, evaluate the resume and select the Consultants in consultation with IFAD-ICO. Terms of reference for the PCR consultants is provided in Appendix 4.
- MVVN will have to undertake conduct a set of case studies detailing the processes, outreach, outputs, outcomes, impact, best practices, lessons and innovations. The themes to be covered include: (i) SRI; (ii) Goat value chain; (iii) Vegetable cultivation; (iv) Kodo Kutki; (v) dairy; and (vi) financial intermediation. The overall framework for conducting these studies is provided in Appendix 4. This apart, it is advisable for MVVN to undertake a study to calculate social return on investment as MVVN has invested heavily on women empowerment and social equity related aspects. Normally project's return on investment is calculated based on the economic returns. In the event social return on investment is added to the economic return it will truly reflect the return on project investment. ToR is provided in Appendix 4.

Agreed Action	Responsibility	Agreed Date
End-line Impact Assessment study Engage Planning and Policy Unit of SPC to conduct an end-line survey Planning by entering into a MoA to engage agencies to conduct the study and submit the draft reports to MVVN by 31 Dec 2018.	PD/DPD	03/2018
Staff restructuring – district level Review performance of district staff and continue either DPM, Accountant and M&E or Project Assistant beyond 2018.	MD/PD	05/2018
Social return on investment Study IFAD to explore the possibility of engaging an international organization to undertake SROI study. In the event, this does not succeed MVVN to request SPC to engage an agency for conducting this study.	IFAD/PD/	05/2018
Staff restructuring – State level Engage two Consultants with regional responsibility and a data management expert at the state level to directly supervise and monitor the DPMUs. The State Managers will deal with the DPMUs through these Consultants. Only key staff will continue beyond 30 September 2018 at the state level.	MD/PD	05/2018
Case studies Engage Economics department of Agriculture College for SRI and Kodo-kutki, NABCONs for Financial intermediation, Horticultural college for Vegetable cultivation; Veterinary/Animal Husbandry College for Goat and dairy value chain and related case studies. Complete all the studies by 30 September 2018.	PD/DPD	05/2018
Engagement PCR Consultants Engage a PCR Consultant team to prepare the PCR by 31 December 2018.	PD/DPD	09/2018

Knowledge Management

Rating: 6

Previous rating: 5

Justification of rating

70. The project has undertaken substantial work related to knowledge management. Documentation related to various training programmes, publications and study materials have been prepared. The project has also prepared films on dairy development and kodo-kutki processing. Regular knowledge management activities related to identifying best practices, preparation of success stories and dissemination best practices through facebook, whatsapp and through physical interactions with the beneficiaries and other stakeholders continues.

Main issues

The project continues to issue Tejaswini-MP brochure and quarterly newsletter on project activities. Documentation related to training on “Design development and product diversification”, Mahila e-hat and marketing”, and “Training on pattern making and garment construction” have been completed. Tejaswini facebook page has been designed and videos related to livelihood interventions, innovations and success stories have been uploaded into this page for dissemination. A whatsapp group has been created for dissemination and sharing on knowledge between the SPMU and DPMU staff. As a part of knowledge management, exposure visits have been conducted to gain knowledge on non-woven fabric bags, and dairy development.

Value for Money

Rating: 5

Justification of rating

72. The project activities are largely targeted towards capacity building to empower the rural households. The project did not provide initial grants to the SHGs and facilitated internal lending using their own savings and credit linkage with banks albeit on a lower scale as result of risk aversion of SHG members from lower economic strata. Even the grants provided to match MPDAYSRLM's modality was transformed into a revolving loan fund. Similarly, under livelihoods, the project only provided 15% of the cost of investment as project support under household level investment. Only under support services which benefit large number of households, the project provided 100% support. The activities supported generally meet the value for money criteria.

Main issues

The project conducted training programmes during 2017-18 with a cost of INR 4000 per person for a 5 day training. The cost of training for CRPs is estimated at INR 500 per day. These costs are reasonable. The approach was largely based on the training of trainers model. The trainers after receiving training from the project go back to the federations and train the governing board members who in turn train the SHG members in villages. The project has set up a cost effective modality of engaging the CRPs for supporting SHGs. The project has trained and allocated a CRP for each village and the federation pays INR 500 per month for the services rendered by the CRPs.

Coherence between AWPB and Implementation

Rating: 3

Previous rating: 3

Justification of rating

74. The project had an approved revised budget of INR 636.8 million for 2016-17 and the achievement was INR 404.0 million being 63.4% of the approved budget. Similarly, in 2017-18, the approved budget was INR 497.9 million and the expenditure till 18 Feb 2018 is only INR 169.7 million being 34% of the target. The achievement of the project in terms of expenditure during 2017-18 has been much below expectation. The project is yet to prepare AWPB for 2018-19 and this needs to be immediately prepared taking into account the project closure requirements.

AWPB Inputs and Outputs Review and Implementation Progress

1. The project is yet to prepare and submit AWPB for 2018-19 despite getting a budgetary allocation. This needs to be finalized urgently.

Agreed Action	Responsibility	Agreed Date
Submission of AWPB and Procurement plan MVVN will have to submit immediately AWPB for 2018-19 and also a procurement plan	PD/DPD	03/2018

Performance of M&E System

Rating: 3

Previous rating: 4

Justification of rating

76. Basic data collection related to project continues on a quarterly basis and the data is aggregated at the district and state level. The project has conducted an Annual Outcome Survey (AOS) in 2017. The project has been unable to streamline the Tally software despite substantial work on migration of all SHG data into the software and entry of data into the software.

M&E System Review

There is a need to immediately start the process of collecting data required for preparation of PCR as Tejaswini-MP is scheduled for completion on 30 September 2018. SM of 2017 had provided data collection formats for consolidation of data on outreach, physical progress, financial progress, outputs and outcomes including log frame indicators. These formats were reviewed during this mission along with the project team. Data until March 2018 needs to be collected and compiled.

The federations have implemented a unique modality of aggregating SHG grants provided under the project into revolving fund to give loans and recovering loans. MVVN has developed an in-house software for tracking the loans given to SHGs using revolving fund. This software needs to be fine-tuned to get a demand, collection and balance details for each SHG. Required templates have been provided by the mission and the in house specialists have started working on this and it is expected to be completed within the next 15 days.

The project's data management systems depend largely on the manual reports to be generated from the ledgers and other documents. Substantial proportion of the data needs to be generated from the SHG accounts and in the absence of computerization it is difficult to get accurate data on the performance of SHGs. Despite efforts to streamline the SHG accounting using Tally software, on account of non-cooperation by the Tally developer and also inability of the local

partner to make changes to the software, the project has been unable to operationalize the software. The developer of Tally based in Chennai has provided an additional quotation of INR 2.8 million which is very high. At this stage, it is necessary that basic reporting formats are designed using this developer.

Agreed Action	Responsibility	Agreed Date
Revolving fund software Revise the reporting templates of the revolving fund software. This needs to be completed and a review of the repayments based on this data needs to take place to assess the performance of federations.	Manager-MIS	04/2018
Tally software Engage Yennes Software to develop basic reporting formats in Tally software and ensure entry of SHG data in full by training CRPs in data entry and also linking CRP payments to SHG entry updation.	Manger-MIS /DPD	04/2018
Data Collection for PCR and AOS Complete data collection as per the formats provided for PCR preparation and conduct AOS for 2018.	Manager-MIS	05/2018

Requirements of Social, Environmental and Climate Assessment Procedures (SECAP)

Rating: 5

Justification of rating

80. This project was classified as Category B at the time of sanction. As on date, the strategy adopted for implementation and impact of activities undertaken do not necessitate its re-classification.

SECAP Review

The project has adopted an inclusive approach and identified areas, communities and groups that are relatively poor, living in environmentally degraded areas that are vulnerable to climate change. A targeted approach to beneficiary selection has largely been followed and the bulk of beneficiaries are demonstrably from the poorest and poor sections of society. The project has established village level committees and cluster level federations to put in place a system to facilitate transparency and accountability grassroots level in order to address not only livelihoods related activities but also on the community needs. The project has taken steps to mitigate climate change risks by promoting stall-fed goat rearing and growing fodder plots for large ruminants.

d. Financial Management & Execution

Disbursement by financier

Type	Name	Current Amount	Disbursed Amount	Actual Rate
Domestic Financing breakdown	Beneficiaries additional financing	\$1,819,500		
	Beneficiaries	\$13,943,937		
	Domestic Financing Institutions additional	\$479,500		
	Domestic Financing Institutions	\$142,306,732		
	Local Government (additional)	\$2,440,300		

	Local Government	\$159,136		
	National Government	\$12,562,507		

Acceptable Disbursement Rate **Rating: 3** **Previous rating: 3**

Justification of rating

Tejaswini-MP is approaching completion after 11 years. It is funded by IFAD with an initial loan of SDR 9.2 million (USD 13.0 million) and an additional loan of SDR 9.7 million (USD 15.0 million). As of 28/2/2018, overall programme disbursement rate is 74%. Considering that 1 year extension has already been provided and that only 6 months remain to completion, disbursement performance is rated moderately unsatisfactory. The risk of cancellation of unutilised funds is estimated at USD 2.5 million.

Main issues

- The initial financing completed on 30/9/2017 and disbursed fully (99.9% rate). The initial advance to the Designated Account for the initial loan (USD 1.0 million) is fully recovered.
- The additional financing was extended for 1 year to 30 September 2018. As at 28 February 2018, disbursement rate is 50%, including WAs no. 7-8, pending disbursement at IFAD, for the expenditures incurred in Q2-Q3 of fiscal year 2017-18. Residual balance of the Additional Loan amounts to SDR 4.9 million. No initial advance is to be recovered; funds are replenished by IFAD on a reimbursement basis directly to the GoMP account. Low disbursement performance affected by slow and low release of funds vs AWPB, by GoMP and MVVN.
- A liquidity of USD 4.7 million (receipts minus expenditures) accumulated throughout the lifetime of the project and is now readily available to fund implementation.
- A new budget provision 2018-19 has been made and GoMP has approved INR 276.9 million equivalent to USD 4.26 million
- Urgent sign off of AWPB 2018/19 is required to confirm liquidity needs to support implementation delivery by completion.
- Since project completion is imminent (6 months) payments on overdrawn categories, if any, will be made on an exceptional basis, with no need of reallocations. In the six months period between completion and closure, only expenditures and/or payments made or due for activities concluded by completion date, as well as expenditures for winding up the project (such as auditor’s fees, limited operating costs, salaries of core staff, project completion report), are considered eligible.

Fiduciary Aspects

Quality of Financial Management **Rating: 4** **Previous rating: 4**

Justification of rating

Financial Management improved by addressing most of the observations raised during previous supervision mission and latest audit report. Delay was experienced in the (i) finalization of the AWPB and (ii) timely submission of the Audit Report.

Main issues

Organization (Satisfactory): The finance function is staffed adequately. The new Finance Manager (appointed last December) is staffed from the GoMP and is in charge also for other governmental assignments. District level activities are centrally coordinated by an efficient SPMU team, composed by a qualified/experienced Finance Assistance (Consultant, since 2011) and the Internal Auditor (Chartered Accountant externally recruited on Feb 2016) who are in daily contact with DMPU finance teams, which they visit on a quarterly basis. The vacancy gap in Baghalat District has been filled. Strong focus is required, up to completion, to support implementation delivery with effective finance support in clear book keeping and timely reporting to management.

Budgeting: Tejaswini-MP is late with the submission of the draft AWPB for 2018-19, already due by end January. It is yet to be finalised. This is urgent in order secure adequate liquidity levels to run operations smoothly.

Accounting/Reporting/Internal Control (Mod Satisfactory). Process is performed manually, from order to payment, and maintained in Tally on a double accounting basis. CoA is detailed by component/category. SMPU/DPMUs accounts are not on an integrated IT platform. Reconciliation are carried out monthly at SPMU/DPMUs. Supporting documentation is available at district level. Fixed assets register is maintained off-Tally: the poor inventory/tagging should be improved by completion date. Some reporting (by component/category) is available in Tally which keeps records since 2012. Progress vs Budget is performed manually (excel) regularly, however reasons of deviations must be explained. Internal controls are efficient being duties adequately segregated (including financial powers as per PIM).

Flow of funds (Mod. Unsatisfactory). Tejaswini-MP accesses funds from the GoMP, following State budgeting and treasury procedure. Resources are advanced to the project from the GoMP account. The process is lengthy and has

delayed resources to the project. Incurred eligible expenditures are then claimed back, quarterly, from IFAD through the CAAA which monitors the flow of funds. WAs to IFAD are regularly prepared, generally within 2-3 weeks after quarter closure, in compliance with IFAD procedure. WAs are supported by adequate documentation.

Revolving funds to SHGs. As part of category "Grants and Subsidies", in 2015, the programme (SPMU) has released through Districts (DPMU) a one off advance of USD 1.5 million to all Federations to be re-transferred as revolving funds (loans) to SHGs for financing beneficiaries' activities. The Memorandum of Understanding (MOU) sets that SPMU/DPMU may transfer resources to Federations as grants. Federations then transfer resources to SHGs as loans to be revolved (with interest). It is also provisioned that the Federations maintain a separate ledger to account for such funds. As of 28/02/2017, about 65% of the advances has been gradually transferred to SHGs. Continuous monitoring is required to ensure that funds do not remain idle at Federations and are used for the intended purpose. *Residual balance must be disclosed by completion date.*

Further FM details in APPENDIX 1 (1.a/b/c/d Financial performance, 1.e FMAQ, 1.f ACTIONS, 1.g Achievements).

Agreed Action	Responsibility	Agreed Date
Flexibility to use amounts released to Federations DPMs to identify the amounts unused by the federations under non-achievement of targets and recover this amount. Provide flexibility to federations to change the activities and beneficiaries in case of livelihood activities	MD/PD	03/2018
Flexibility to use old advances with DPMUs DPMs to identify amount of old advances lying with the districts and prepare a plan for utilization and get approval from SPMU.	MD/PD	03/2018
AWPB MVVN will have to submit immediately AWPB for 2018-19	PD/DPD	03/2018
Segregation of taxes Segregate taxes in the accounting software Tally	FO/FC	06/2018
Fixed Asset Register Fixed asset register is maintained manually and tagging of assets is poor. Complete the register with complete mapping/tagging of assets (particular focus on hardware e.g. PC, printers).	FO/FC	09/2018
Taxation Identify any additional ineligible tax amount charged to IFAD for the period 1 Jan 2016 to 31 March 2018 and deduct the same from future WAs under intimation to IFAD.	FO	09/2018

Quality and Timeliness of Audit

Rating: 5

Previous rating: 3

Justification of rating

MH - The final audit has been submitted on time and is of good quality. The audit has been performed in accordance with the standards on auditing issued by the institute of chartered accountants of India

Main issues

MH - The set of financial statements documentation is complete and informative.

The audit has been performed in accordance with the standards on auditing issued by the institute of chartered accountants of India.

The internal control system is sufficiently solid with some shortfalls in the management of "utilization certificates". No actions required as the project is closing.

MP - **Quality and timeliness of audit** (*moderately satisfactory = 4*). The assessment of the financial reporting and audit (fiscal year 2016/17) is moderately satisfactory as the set of Programme Financial Statements (PFS) is almost complete with the exception of the SOE schedule. PFS sufficiently disclose the financial position of the entity. PFS were prepared according to cash basis of accounting, and were audited by A.K.Surana a private firm, which conducted the audit according to Standards on Auditing issued by the Institute of Chartered Accountants of India. They expressed an unqualified opinion on the financial statements and the SOEs.

1. Key achievements vs latest Audit report observations:

1. Advances to Federations registered as expenses but certificates of utilization were not provided at the time of the Audit: completed, certificates of utilization are available at district – Spot checks carried out during visit at Chhattapur DPMU).
2. Taxation: loan proceeds should not be used to pay taxes but taxes are routinely claimed in the WA sent to IFAD. As ineligible, these have to be refunded to IFAD: completed, for the period 2007-end 2015, the ineligible tax amount of approximately USD 40,000 charged to IFAD has already been reimbursed through reduction of WA No.34 (documentation was annexed to WA).

Agreed Action	Responsibility	Agreed Date
MP - Taxation Identify any additional ineligible tax amount charged to IFAD for the period 1 Jan 2016 to 31 March 2018 and deduct the same from future WAs under intimation to IFAD.	FO/FC	05/0030

Counterparts Funds **Rating: 3** **Previous rating: 3**

Justification of rating

Total expenditure pertaining to the components funded by GoMP is USD 2.1 million, that is 58% of the agreed GoMP financing of USD 3.6 million. Moreover, the slow and low release of funds by government, throughout the life period of the project, contributed to the overall poor disbursement performance of the project (including IFAD's, as a consequence).

Main issues

- Tejaswini-MP receives one single flow of funds from GoMP which is inclusive of both IFAD and GoMP contributions. No segregation by financier is available. During first 5 years, GoMP released funds on average for 75% of the AWPBs. From the 6th year onwards, programme receipts, as % of AWPBs, declined on average to 30%. IFAD has regularly reimbursed the claimed amounts as eligible expenditures occurred.
- Despite low funding vs planned, Tejaswini accumulated a positive liquidity balance (receipts vs expenditures) of USD 4.7 million of which USD 4.2 million is laying at SPMU/DPMU accounts and USD 0.5 million at Federations as advances. Such liquidity is inclusive of cumulative bank interests self-generated on the balance itself, about USD 0.8 million. This amount is expected to be fully spent for the intended purposes of the programme. Therefore, at completion date, any interest accrued in the project accounts at both state/district level will have to be determined and a decision be taken by GoMP on its utilization. Two options exist for its utilization: (i) use of these funds to further hand hold federations in their next level growth; and (ii) returning funds to government treasury.
- The mentioned liquidity buffer will enable the project to immediately spend/deliver against next 6 months AWPB, regardless of any delay in the release of funds from GoMP. In the meantime, GoMP has already approved an additional budget line of INR 276.9 million, about USD 4.26 million.

Agreed Action	Responsibility	Agreed Date
Budget release Follow up with new identified budget provision for timely release of funds as needed.	DPMT/PMU	09/2018
Bank Interest Interests generated on idle funds at bank to be disclosed by completion. A decision to be taken by GoMP on its use.	IFAD/GoMP	09/2018

Compliance with Loan Covenants

Rating: 4

Previous rating: 3

Justification of rating

97. The programme has been mostly compliant with the Financing Agreement covenants relating to financial management and has implemented prior mission recommendation such as (i) the submission of half year – interim unaudited financial report (IUFR) and the timely appointment of the external auditor for the past fiscal year (March 2107). Key actions required on covenants include: (i) Section 3.02 - AWPB: draft to be submitted to IFAD by 31 Jan. As of 22/3/2018 the AWPB still has to be finalised and submitted.; and (ii) Section 5.02 (b) - Audit Report: timely submission to IFAD by 30 September 2018 (past fiscal year the report was provided late by three months)

Procurement

Procurement

Rating: 3

Previous rating: 4

Justification of rating

98. In the revised Procurement Plan for the year 2017-18, the project has proposed procurement of goods, works and consultancy services with the estimated cost of INR 129 million. However, till 15 March 2018, only INR 40 million worth of procurement was undertaken. The achieved procurement value comes from 3 contracts. None of the works procurement proposed to be undertaken through Federations were undertaken. This indicates poor planning and unsatisfactory execution of the proposed procurements.

Procurement Review

1. The procurement of drudgery reduction items from M.P. Agro Services was prior reviewed by IFAD and no objection was provided on 22 January 2018, but the project signed the contract only on 15 March and the delivery of goods may take another 2-3 months to complete. The ISM in January 2018 recommended that Tally MIS be expedited and IFAD also provided its no objection to engagement of M/s Yeness Solutions (Tally Knowledge Partner) for enlarged scope and also for customising the Finance Module. No action has been taken in this regard.
2. In the procurement of equipment for the milk collection centres, the MVVN Committee under the Chair of the Managing Director selected Rajasthan Electronics and Instruments Ltd (REIL) and asked the federations to buy the equipment from this company. Under the dairy activity, the MVVN has signed lease agreement for rental of Bulk Milk Coolers with Mahila Chetna Manch, whereas the Federation should have entered into the lease agreement. There is no insurance taken for these leased assets, thereby putting the project at risk of replacement cost in case of any loss/damage to the assets.
3. In the dairy activity, the project is incurring expenditures paid to Sanchi Milk Federation for the Security Deposit, Milk Parlours, whereas these should have been done through grant agreement with the concerned Federations. DPMUs manage the working capital and the project plans to receive funds for the milk supplied to the State Milk Federations to the SPMU account. This is not a correct practice and Programme Account cannot be used for these transactions.
4. The project has engaged about 20 persons through MPCON (HR outsourcing agency of Government of MP) and deployed them in various positions in the districts and PMU. The Service provider contracts cannot be continued beyond project completion date. A restructuring of the staff positions and re-engagement of essential and key staff required for project closing through individual contracts from the project is necessary.
5. The details of the procurement actions which were reviewed and guidance notes on PCR procurement are provided in Appendix 4.

Agreed Action	Responsibility	Agreed Date
Community procurement MVVN to only facilitate the federations in identifying the suppliers by providing a shortlist of reputed suppliers and not to suggest a single supplier for procurement.	PD/DPD	04/2018
Agreements and with MCM and Sanchi Milk Federations The agreements with MCM and Sanchi will have to be transferred to the DPOs.	PD/DPD	06/2018
Shift of dairy activities All dairy activities currently being undertaken through the project account needs to be transferred to the account of the DPOs that are being proposed.	PD/DPD	06/2018

F. Agreed Actions

Agreed Action	Responsibility	Agreed Date
MP - Taxation Identify any additional ineligible tax amount charged to IFAD for the period 1 Jan 2016 to 31 March 2018 and deduct the same from future WAs under intimation to IFAD.	FO/FC	05/0030
End-line Impact Assessment study Engage Planning and Policy Unit of SPC to conduct an end-line survey Planning by entering into a MoA to engage agencies to conduct the study and submit the draft reports to MVVN by 31 Dec 2018.	PD/DPD	03/2018
Submission of AWPB and Procurement plan MVVN will have to submit immediately AWPB for 2018-19 and also a procurement plan	PD/DPD	03/2018
Flexibility to use amounts released to Federations DPMs to identify the amounts unused by the federations under non-achievement of targets and recover this amount. Provide flexibility to federations to change the activities and beneficiaries in case of livelihood activities	MD/PD	03/2018
Flexibility to use old advances with DPMUs DPMs to identify amount of old advances lying with the districts and prepare a plan for utilization and get approval from SPMU.	MD/PD	03/2018
AWPB MVVN will have to submit immediately AWPB for 2018-19	PD/DPD	03/2018
Community procurement MVVN to only facilitate the federations in identifying the suppliers by providing a shortlist of reputed suppliers and not to suggest a single supplier for procurement.	PD/DPD	04/2018

<p>Systematize SHG functioning</p> <p>Systematise the functioning of SHGs by realigning the meetings in the village so that the federation staff also attend these meetings.</p>	PD/DPD and DPMs	04/2018
<p>Revolving fund software</p> <p>Revise the reporting templates of the revolving fund software. This needs to be completed and a review of the repayments based on this data needs to take place to assess the performance of federations.</p>	Manager-MIS	04/2018
<p>Technical support</p> <p>Identify and engage an experienced banker with hands on experience in lending to SHGs to prepare lending procedures, simple loan appraisal techniques, documentation for loan disbursement, accounting and monitoring system for revolving funds.</p>	PD/DPD	04/2018
<p>Tally software</p> <p>Engage Yennes Software to develop basic reporting formats in Tally software and ensure entry of SHG data in full by training CRPs in data entry and also linking CRP payments to SHG entry updation.</p>	Manager-MIS /DPD	04/2018
<p>Nutrition workshop</p> <p>Establish a core committee as soon as possible and conduct a meeting to chart out the plans for the workshop. Include a representative from IFAD.</p>	MD/PD	04/2018
<p>Software improvement</p> <p>Improve the in house software tracking revolving fund to generate loan repayment reports and complete data input into the software and DPMs to use the same in monthly reviews.</p>	DPD/DPMs	04/2018
<p>CRP mentoring</p> <p>Mentor CRPs during monthly meetings for improving credit absorption by members by facilitating discussions on credit usage in each meeting. Set up a system of payment to CRPs linked to SHG performance.</p>	PD/DPD/DPMs	04/2018
<p>Case studies</p> <p>Engage Economics department of Agriculture College for SRI and Kodo-kutki, NABCONs for Financial intermediation, Horticultural college for Vegetable cultivation; Veterinary/Animal Husbandry College for Goat and dairy value chain and related case studies. Complete all the studies by 30 September 2018.</p>	PD/DPD	05/2018
<p>Uniform financial statements</p> <p>In the SHG audit of 2016-17 and 17-18, implement uniform financial statements with verification of cash in hand and member balance confirmation.</p>	PD/DPD and DPMs	05/2018
<p>Staff restructuring – district level</p> <p>Review performance of district staff and continue either DPM, Accountant and M&E or Project Assistant beyond 2018.</p>	MD/PD	05/2018

<p>State Level Apex</p> <p>Establish a state level apex comprising federation leaders. MVVN to provide the secretarial assistance. Allocate INR 5.00 million to state level apex subject to equal contribution from GoMP.</p>	PD/DPD	05/2018
<p>Social return on investment Study</p> <p>IFAD to explore the possibility of engaging an international organization to undertake SROI study. In the event, this does not succeed MVVN to request SPC to engage an agency for conducting this study.</p>	IFAD/PD/	05/2018
<p>Staff restructuring – State level</p> <p>Engage two Consultants with regional responsibility and a data management expert at the state level to directly supervise and monitor the DPMUs. The State Managers will deal with the DPMUs through these Consultants. Only key staff will continue beyond 30 September 2018 at the state level.</p>	MD/PD	05/2018
<p>Dairy activity in Chhatarpur</p> <p>The dairy activities are currently managed through Chhatarpur DPMU including management of milk collection centres, milk routes and payments. The current thinking is to get payments from the milk dairy into the project account which is not acceptable. A DPO at Chhatarpur district level needs to be incorporated to transfer functions and funds related to dairy activity are paid to this organization.</p>	PD/DPD	05/2018
<p>Data Collection for PCR and AOS</p> <p>Complete data collection as per the formats provided for PCR preparation and conduct AOS for 2018.</p>	Manager-MIS	05/2018
<p>District Level Producer Organizations (DPO)</p> <p>Deliberate on the legal framework and other statutory obligations for establishing district level producer organization. Engage a CEO and Accountant for each DPO. Allocate matching grant the Producer Organization not exceeding INR 3.00 million per DPO subject to mobilizing equal amount from GoMP including federations.</p>	PD/DPD	05/2018
<p>Protocols for use of funds</p> <p>Develop clear protocols for use of funds available with the federations and get them approved in AGM.</p>	MD/PD/DPD	05/2018
<p>DPO formation</p> <p>Develop proposals for establishing DPOs and seek Government funding. Build DPOs' regulatory and supervisory functions over federations.</p>	MD/PD/DPD	06/2018
<p>Staff cost support</p> <p>Provide support cost to the federations for 2018-19 based on: (i) governing body's assessment of staff requirement and other costs; and (ii) agreed milestones for performance.</p>	MD/PD	06/2018
<p>Proposal for GoMP funding</p> <p>Prepare and submit a detailed project report for funding by GoMP to provide next level growth opportunities to the federations by forming DPOs with a view to drive them towards self-sustainability.</p>	PD/DPD	06/2018

<p>Agreements and with MCM and Sanchi Milk Federations</p> <p>The agreements with MCM and Sanchi will have to be transferred to the DPOs.</p>	PD/DPD	06/2018
<p>Supply of livelihoods related equipment</p> <p>Include purchase of micro-irrigation sets and crates for vegetable marketing into the AWPB for procurement through MP Agro. These needs to be supplied to federations for renting the same to members with partial cost recovery to DPOs.</p>	PD/DPD	06/2018
<p>Shift of dairy activities</p> <p>All dairy activities currently being undertaken through the project account needs to be transferred to the account of the DPOs that are being proposed.</p>	PD/DPD	06/2018
<p>Custom hire centres</p> <p>Coordinate with the district administrations of other districts and identify the custom hire centres that will be handed over to Tejaswini-MP. Make plans for its renovation and purchase of additional equipment (Reaper binder) through MP Agro.</p>	PD/DPD	06/2018
<p>Federation Staff restructuring</p> <p>Restructure staff of federations with a view to achieve sustainability. Provide lump sum grant to federations with a minimum grant for basic maintenance and a performance based grant towards achievement of targets. Salary for October 18 to March 2019 to be parked with the DPOs.</p>	PD/DPD	06/2018
<p>Segregation of taxes</p> <p>Segregate taxes in the accounting software Tally</p>	FO/FC	06/2018
<p>Livestock resource centres</p> <p>Include establishment of 3 Livestock resource centres in the AWPB of 2018-19 through federations and DPOs. Identify at least 3 agencies from whom the federations/DPOs can source services for this activity and federations/DPOs to procure services from one of the shortlisted agencies.</p>	PD/DPD	08/2018
<p>Shaurya Dal Scaling up</p> <p>GoMP has scaled up Shaurya Dal through Anganwadi workers which has diluted the roles of original Shaurya dal members and in some instances several Shaurya Dals have come up in a village. It is necessary to review the current scaling up modality taking into account the suggestions in the UNWOMEN report.</p>	MD/PD	09/2018
<p>Top up funds</p> <p>Provide top up funds of INR 1.5 million to each federation for use as revolving fund by entering into a tripartite agreement between federations, DPOs and MVVN after review of revolving fund performance in June 2018.</p>	PD/DPD	09/2018
<p>Dairy activity expansion</p> <p>Expand the dairy activity by establishing at least additional 50 more MCCs and taking over milk routes in Panna district. Promote milk processing in Tikamgarh in location without milk routes.</p>	PD/DPD	09/2018

<p>Engagement PCR Consultants</p> <p>Engage a PCR Consultant team to prepare the PCR by 31 December 2018.</p>	<p>PD/DPD</p>	<p>09/2018</p>
<p>Fixed Asset Register</p> <p>Fixed asset register is maintained manually and tagging of assets is poor. Complete the register with complete mapping/tagging of assets (particular focus on hardware e.g. PC, printers).</p>	<p>FO/FC</p>	<p>09/2018</p>
<p>Bank Interest</p> <p>Interests generated on idle funds at bank to be disclosed by completion. A decision to be taken by GoMP on its use.</p>	<p>IFAD/GoMP</p>	<p>09/2018</p>
<p>Taxation</p> <p>Identify any additional ineligible tax amount charged to IFAD for the period 1 Jan 2016 to 31 March 2018 and deduct the same from future WAs under intimation to IFAD.</p>	<p>FO</p>	<p>09/2018</p>
<p>Budget release</p> <p>Follow up with new identified budget provision for timely release of funds as needed.</p>	<p>DPMT/PMU</p>	<p>09/2018</p>
<p>MPDAYSRLM collaboration</p> <p>In the event, MVVN fails to obtain GoMP funding, negotiate with MPDAYSRLM to provide funding to MVVN to exclusively implement MPDAYSRLM in Tejaswini-MP area. If this negotiation fails, hand over all the SHGs and federations to MPDAYSRLM.</p>	<p>PD/DPD</p>	<p>03/2019</p>

Tejaswini Rural Women's Empowerment Programme

Logical Framework

Results Hierarchy	Indicators							Means of verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Annual Result (2017)	Cumulative Result (2017)	Cumulative Result % (2017)	Source	Frequency	Responsibility	
Outreach	1.b Estimated corresponding total number of households members							GRIPS			
	Household members			6 160 000							
	1.a Corresponding number of households reached							RIMS	Annual		
	Non-women-headed households			1 130 000	48 297	498 720	44.1				
	Women-headed households										
	1 Persons receiving services promoted or supported by the project							RIMS	Annual		
	Females			1 940 000	113 210	1 804 992	93.0				
	Groups receiving project services							RIMS	Annual		
No. of groups			74 675	3 842	89 712	120.1					
Goal Poor Women make use of choices, spaces, and opportunities in economic, social and political spheres for their improved well-being	Households with improvement in household assets ownership index (%)							RIMs survey Impact Assessment Survey MIS		SPMU DPMU	Empowerment of women will benefit all members of the household particularly children. Level of income generated will be sufficient for households to cross poverty line.
	% improved HHs assets										
	% reduction in child malnutrition by gender							RIMs survey Impact Assessment Survey MIS		SPMU DPMU	
	% reduction child malnutrition										
	Households experiencing one hungry season (%)							RIMs survey Impact Assessment Survey MIS		SPMU DPMU	
	Households										

	Month duration of first hungry season						RIMs survey Impact Assessment Survey MIS		SPMU DPMU	
	No. of months									
	Percentage of women representation in local governance against total representation in local governance						RIMs survey Impact Assessment Survey MIS		SPMU DPMU	
	% of women									
Objective (i) Create strong and sustainable SHGs and SHG apex organisations who provide their members with economic and social support; (ii) Provide access to savings, credit and insurance services and build up financial security; (iii) Provide access to new and improved livelihoods options with market linkages and support services; (iv) Provide access to functional education and social services, labour saving infrastructure and participation in local governance.	% of SHGs with on-time recovery rate of more than 95%						RIMs survey Impact Assessment Survey MIS		SPMU DPMU	Favourable Bank/MFI policy in SHG lending will be formulated. Programme will be able to foster entrepreneurship spirit amongst women. Programme will be able to foster strong convergence with other govt departments
	% of SHGs			95						
	% of SHGs members with individual bank accounts (Jan Dhan)						RIMs survey Impact Assessment Survey MIS		SPMU DPMU	
	% of SHGs members									
	% of CMRCs with 100% cost recovery						RIMs survey Impact Assessment Survey MIS		SPMU DPMU	
	% of CMRCs									
	% of households out of poverty as per BPL norms						RIMs survey Impact Assessment Survey MIS		SPMU DPMU	
	Households									
	Percentage of SHG women representation in local governance						RIMs survey Impact Assessment Survey MIS		SPMU DPMU	
	% of SHGs									
Outcome Community institutions mobilised and strengthened as people owned /governed institutions to achieve sustainable social – economic development of community	% of A grade SHGs						MIS	Quarterly	SPMU DPMU	
	% of SHGs									
	% of Federation with more than 50% cost recovery (Target 40%)						MIS	Quarterly	SPMU DPMU	
	% of Federations			40						

Output Federation staff recruited and trained	No. of VLCs formed						MIS	Quarterly	SPMU DPMU	SHG members will be willing to pay for the services rendered by CMRCs. Favourable support from local institutions will be forthcoming to foster convergence
	No. of VLCs			8 701						
	No. of functional SHGs formed						MIS	Quarterly	SPMU DPMU	
	No. of SHGs			12 044						
	No. of Federations established						MIS	Quarterly	SPMU DPMU	
	No. of federations			100						
	No. of persons trained in VLC and Federations governance						MIS	Quarterly	SPMU DPMU	
	No. of persons trained			54 814						
	No. of Federations staff trained in governance						MIS	Quarterly	SPMU DPMU	
	No. of federations staff trained			582						
	No. of CRPs trained						MIS	Quarterly	SPMU DPMU	
	No. of CRPs trained			1 161						
	Community groups formed/strengthened - Planning						RIMS	Annual		
	No. of community groups			15 424						
	Community groups formed/strengthened - Self Help						RIMS	Annual		
	No. of community groups			30 085	14 223	47.3				
	Community workers/volunteers trained						RIMS	Annual		
	Females				498	71 473				
	Community workers/volunteers trained - Others						RIMS	Annual		
	Females									
	Apex organizations formed/strengthened						RIMS	Annual		
No. of apex organizations			375	375	100.0					

People in community groups formed/strengthened - Planning						RIMS	Annual	
Females								
People in community groups formed/strengthened (Self Help)						RIMS	Annual	
Females			245 469					
Village community plans formulated						RIMS	Annual	
No. of village community plans			26 421		15 017	56.8		
Drinking water systems constructed/rehabilitated						RIMS	Annual	
No. of water systems				0	735			
People trained in infrastructure management						RIMS	Annual	
Females					61 871			
Groups managing productive infrastructure formed/strengthened						RIMS	Annual	
No. of groups				60	8 545			
People in groups managing productive infrastructure						RIMS	Annual	
Females								
Other social infrastructure / facilities constructed /rehabilitated						RIMS	Annual	
No. of social infrastructures			546		7 388	1353.1		
Groups managing infrastructure with women in leadership position						RIMS	Annual	PMU
No. of groups				60	8 545			
2.1.2 Persons trained in income-generating activities or business management						RIMS	Annual	PMU
Females				11 500	62 807			
Persons trained in IGAs or BM (total)				87 395	394 980			
Community groups with women in leadership position						RIMS	Annual	PMU
No. of groups formed			62 675	2 591	78 318	125.0		

	People trained in community management topics						RIMS	Annual	PMU		
	Women trained in other			9 893		224 093				2265.2	
	Women trained in health					76 933					
	Women trained in bookkeeping			420 357		161 351				38.4	
	Women trained in leadership					10 526					
	Women trained in planning				1 042	27 772					
Outcome On-farm and off-farm production based income enhanced/ improved, New or expanded enterprises developed and new types of linkages developed between SHGs, markets and support services. Micro and macro level marketing tie ups developed and enhanced marketing opportunities created	% of members participating in MLPs						MIS	Quarterly	SPMU DPMU	Women will gain confidence to invest in diversified livelihoods. Sufficient market demand exists to absorb increased production	
	% of members										
	% of SHG members with more than 50% increase in income compared to baseline						MIS	Quarterly	SPMU DPMU		
	% SHG members										
	% of SHGs supported for livelihood through Convergence						MIS	Quarterly	SPMU DPMU		
	% of SHGs										
Output SHG members identified and provided EAP and EDP. Resource NGOs appointed to provide capacity building and expertise support. Micro-livelihood plans implemented	No. of persons trained in EAP and EDP						MIS	Quarterly	SPMU DPMU	Training coupled with credit will promote entrepreneurship. NGOs have capacity to facilitate growth of entrepreneurship	
	No. of persons trained			43 990							
	No. of persons trained under Livelihood Plans						MIS	Quarterly	SPMU DPMU		
	No. of persons trained										
	No. of persons starting new enterprise with bank loan and convergence						MIS	Quarterly	SPMU DPMU		
	No. of persons starting new enterprise										
	No. of persons provided with support services						MIS	Quarterly	SPMU DPMU		

	No. of persons provided support services			674 268									
	Staff of service providers trained							RIMS	Annual				
	Females					7 220							
	Financial institutions participating in project							RIMS	Annual				
	No. of Financial Institutions				10	38							
	Staff of financial institutions trained							RIMS	Annual				
	Females					380							
	1.1.4 Persons trained in production practices and/or technologies							RIMS	Annual	PMU			
	Women trained in fishery			2 400		2 358	98.3						
	Women trained in crop			75 000	1 200	218 042	290.7						
	Women trained in livestock			41 000	0	26 204	63.9						
Outcome Women enabled to access rural financial and insurance services and develop and independently manage thrift and credit services for their members and build up financial security	% of functional SHGs with regular savings and credit							MIS	Quarterly	SPMU DPMU	Banks and MFIs will be interested in providing financial services to the poorest households and in remote locations		
	% of functional SHGs												
	% of SHGs with at least two bank linkages							MIS	Quarterly	SPMU DPMU			
	% of SHGs												
Output SHGs members trained on micro credit aspects. SHGs linked to banks for loans. SHGs linked to MFIs or other corporations for loans	No. of SHG members trained in savings and credit							MIS	Quarterly	SPMU DPMU	SHGs will get adequate funding support from Banks and MFIs. SHGs of the project will prove to be credit worthy compared to SHGs promoted under other govt programmes		
	No. of SHGs members trained												
	No. of Federation staff trained in savings and credit							MIS	Quarterly	SPMU DPMU			
	No. of federations staff trained												

% of SHG members with savings bank accounts							MIS	Quarterly	SPMU DPMU
% of SHG members									
% of SHG members with insurance							MIS	Quarterly	SPMU DPMU
% of SHG members									
Value of voluntary savings mobilized (USD'000)							RIMS	Annual	
USD' 000 currency				55 197	55 197				
Value of gross loan portfolio (USD'000)							RIMS	Annual	
USD'000 value of gross loan portfolio				28 033	28 033				
People in savings and credit groups formed strengthened							RIMS	Annual	
Females			1 196 000	14 437	206 850	17.3			
Savings/credit groups formed/strengthened							RIMS	Annual	
No. of groups			82 675	3 842	89 162	107.8			
Savings/credit groups with women in leadership position							RIMS	Annual	PMU
No. of groups			62 675	2 591	78 318	125.0			
2.1.2 Persons trained in income-generating activities or business management							RIMS	Annual	PMU
Females					45 275				
1.1.7 Persons in rural areas trained in financial literacy and/or use of financial products and services							RIMS	Annual	PMU
Females			783 350	498	409 730	52.3			
1.1.5 Persons in rural areas accessing financial services							RIMS	Annual	PMU
Women in rural areas accessing financial services - credit				39 839	1 066 239				

	Women in rural areas accessing financial services - savings			180 000	952 773	2 989 532	1660.9				
Outcome Women are aware and actively working to remove gender based discrimination in family and community settings with enhanced status (equity wise) of women within family, community, and panchayat	% of SHG members participating in Gram Sabhas							MIS	Quarterly	SPMU DPMU	Women will garner support of men for empowerment and community related activities
	% of SHG members										
	% of SHGs taking up gender and community issues							MIS	Quarterly	SPMU DPMU	
	% of SHGs										
Output Radio and other mass communication programs organised. Sensitisation programs organised for men in leading /influential role. Para legal training organised for the SHGs. Village level drudgery reduction models operational and functional. Functional literacy training program organised for women	% of backward class members in SHGs (OBC+SC+ST+NT)							MIS	Quarterly	SPMU DPMU	Women will be able to handle increased workload to take up empowerment and community related issues
	% of backward class members										
	No. of persons trained in functional literacy							MIS	Quarterly	SPMU DPMU	
	No. of persons trained			601 493							
	No. of mass communication programmes							MIS	Quarterly	SPMU DPMU	
	No. of communication programmes			8							
	No. of persons trained as Kayda sathis and Shaurya Dal members							MIS	Quarterly	SPMU DPMU	
	No. of persons trained										
	No. of drudgery reduction sub-projects taken up / Villages							MIS	Quarterly	SPMU DPMU	
	No. of drudgery reduction sub-projects taken up / Villages										
	People receiving vocational training							RIMS	Annual		
	Females				82	264 242					
	Number of groups operational/functional - Self Help							RIMS	Annual		
	No. of groups										

	Number of groups operational/functional						RIMS	Annual	
	No. of groups								
	People trained in community management topics						RIMS	Annual	PMU
	Women trained in literacy			26 072		216 439			



Investing in rural people

India

Tejaswini Rural Women's Empowerment Programme

Supervision Report

Appendix 1: Financial: actual financial performance; by financier by component and disbursements by category

Mission Dates: 12 - 19 April 2018

Document Date: 29/05/2018

Project No. 1100001314

Report No. 4774-IN

Asia and the Pacific Division
Programme Management Department



Investing in rural people

APPENDIX 1

1.a. Financial performance by FINANCIER

Appendix 1.a

Financial performance *by FINANCIER* - (as on **28 Feb 2018**)

Currency: **USD '000**

ORIGINAL FINANCING

Financier	Appraisal	Disbursement	% disbursed
IFAD Loan	13 000	12 990	99.9%
NABARD	290		0.0%
Government MP	1 240	1 240	100.0%
UNICEF	40		0.0%
Beneficiary contribution	3 160	52	1.6%
Banks	19 300	5 685	29.5%
TOTAL	37 030	19 967	53.9%

ADDITIONAL FINANCING

Financier	Appraisal	Disbursement	% disbursed
IFAD Additional Loan	15 000	7 446	49.6%
Government MP	2 319	840	36.2%
Beneficiary contribution	1 819	5 152	283.2%
Banks	479	803	167.7%
Convergence	121		0.0%
TOTAL	19 738	14 242	72.2%

1.b. Financial performance by FINANCIER and COMPONENT

Appendix 1.b

Financial performance *by FINANCIER and COMPONENT* - (as on **28 Feb 2018**)

currency: **USD 000**

ORIGINAL FINANCING

Components:	IFAD LOAN			Government			Beneficiaries			Banks			TOTAL		
	Appraisal	Actual	%	Appraisal	Actual	%	Appraisal	Actual	%	Appraisal	Actual	%	Appraisal	Actual	%
Grassroots Institution Building	4 860	8 197	168.7%	40		0.0%	2 960		0.0%				7 860		0.0%
Women Empowerment and Social Equity	1 220	1 699	139.2%	110		0.0%	200	39	19.5%				1 530		0%
Livelihood & Micro Enterprised development	3 990	1 100	27.6%	430		0.0%							4 420		0%
Micro Finance Services	790	79	9.9%	50		0.0%				19 300	4 950	26%	20 140		0%
Programme Management	2 140	1 916	89.5%	610	1 240	203.2%							2 750		0%
TOTAL	13 000	12 990	99.9%	1 240	1 240	100.0%	3 160	39	1.2%	19 300	4 950	26%	36 700	0	0%

ADDITIONAL FINANCING

Components:	IFAD LOAN			Government			Beneficiaries			Banks			TOTAL		
	Appraisal	Actual	%	Appraisal	Actual	%	Appraisal	Actual	%	Appraisal	Actual	%	Appraisal	Actual	%
Grassroots Institution Building	4 150	3 433	82.7%										4 150		0.0%
Women Empowerment and Social Equity	6 340	604	9.5%				1 819	5 113	281.1%				8 159		0%
Livelihood & Micro Enterprised development	4 070	2 497	61.3%										4 070		0%
Micro Finance Services		26		121		0.0%				479	1 538	321%	600		0%
Programme Management	440	886	201.5%	2 198	840	38.2%							2 638		0%
TOTAL	15 000	7 446	49.6%	2 319	840	36.2%	1 819	5 113	281.1%	479	1 538	321%	19 617	0	0%

1.c. IFAD Loan Disbursement

Appendix 1.c

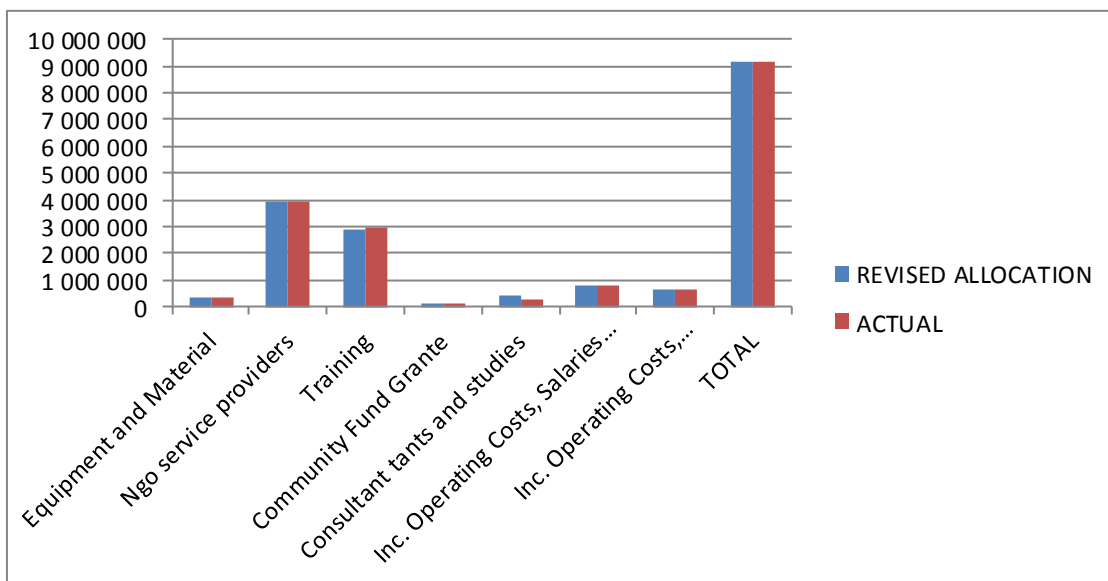
IFAD Loan DISBURSEMENT - (as on 28 Feb 2018)

<u>Original Financing - IFAD</u>	REVISED ALLOCATION		YTD DISBURSED	WA pending		Tot DISBURSEMENT		YTD BALANCE
<i>Currency</i>	(SDR)	%	(SDR)	(INR)	(SDR)	(SDR)	%	(SDR)
1 Equipment and Material	370 000	4%	368 320		0	368 320	4%	1 680
2 Ngo service providers	3 950 000	43%	3 968 320		0	3 968 320	43%	-18 320
3 Training	2 860 000	31%	2 966 536		0	2 966 536	32%	-106 536
4 Community Fund Grante	120 000	1%	114 974		0	114 974	1%	5 026
5 Consultant tants and studies	410 000	4%	282 470		0	282 470	3%	127 530
6 Inc. Operating Costs, Salaries and Allowances	830 000	9%	829 333		0	829 333	9%	667
7 Inc. Operating Costs, Operation and Maintenace	610 000	7%	608 740		0	608 740	7%	1 260
TOTAL Original	9 150 000	100%	9 138 693	0	0	9 138 693	99.9%	11 307
Disbursement Rate%			99.9%					0%
<u>Additional Financing - IFAD</u>	ALLOCATION		YTD DISBURSED	WA pending		Tot DISBURSEMENT		YTD BALANCE
<i>Currency</i>	(SDR)	%	(SDR)	(INR)	(SDR)	(SDR)	%	(SDR)
1 Equipment and Material	510 000	5%	183 141	16 616	183	183 324	2%	326 676
2 Goods, Services, Inputs	2 090 000	21%	197 524	5 810 179	64 098	261 622	3%	1 828 378
3 Training	3 160 000	32%	1 034 799	31 258 034	344 840	1 379 639	14%	1 780 361
4 Grants ans Subsidies	3 470 000	36%	2 699 961	24 360 078	268 741	2 968 702	30%	501 298
5 Consultancy	510 000	5%	26 011	1 148 424	12 669	38 680	0%	471 320
TOTAL Additional	9 740 000	100%	4 141 435	62 593 331	690 532	4 831 967	49.6%	4 908 033
Disbursement Rate%			43%					50%
TOTAL IFAD	18 890 000		13 280 128	62 593 331	690 532	13 970 660		4 919 340
Disbursement Rate%			70%			74%		26%

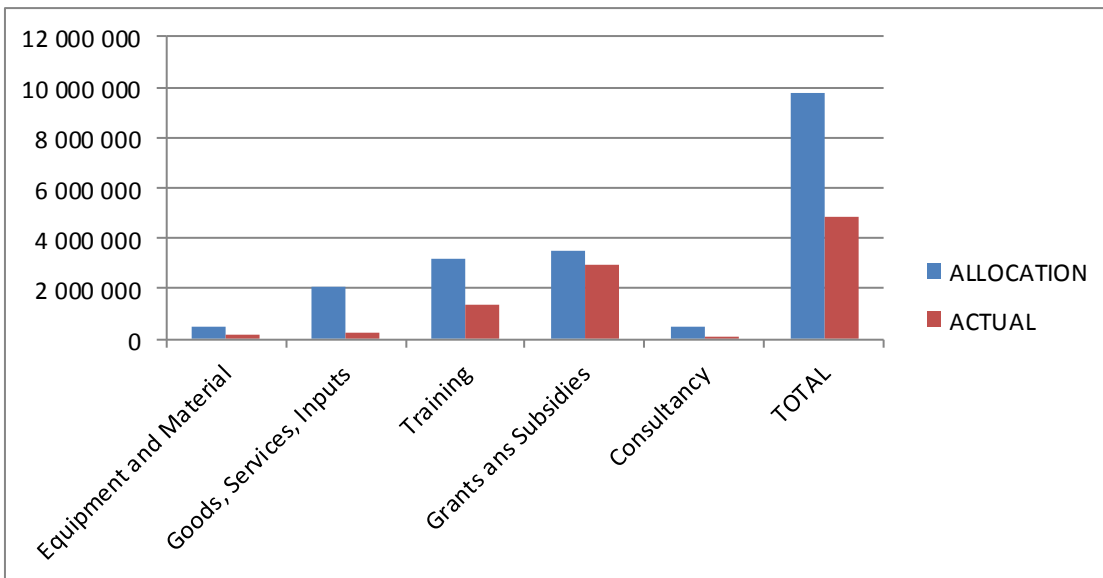
Appendix 1.d

IFAD - Comparison Revised allocation vs Actual disbursement

ORIGINAL Loan (SDR)



IFAD - ADDITIONAL Loan (SDR)



APPENDIX 1.e - Financial Management Assessment at Supervision – FMAQ

Country: INDIA	Loan /Grant ID: Loan 682-IN; Additional Loan 2000000634
Project Name:	TEJASWINI RURAL WOMEN EMPOERNMENT PROGRAMME (MADHYA PRADESH)
Executing Agency: M P MAHILA VITTAEVEM VIKAS NIGAM	CPM: RASHA OMAR
Reviewing FMS: CARLO SPINELLO	Date of this review: 23 March 2018

Topic		Risk Rating (H/M/L)	Issues / Comments / Recommendations
A. Inherent Risks			
B. Control Risks			
1. Organization and Staffing			
a.	Adequacy of organizational structure to meet functional needs of the project.	L	Adequate staff to meet the functional need of the project. Managing director and Programme Director staffed from the Gov (with other responsibilities) and Project Manager staffed from Gov but fully dedicated to Tejaswini.
b.	Availability of clear job description for key project positions, including fiduciary positions.	L	Available in Finacial Manual (orginal version 2007 was amended in March 2014 relating to Delegation of Authority and Financial Powers)
c.	Adequacy of project financial management staff (numbers and skill) matching functional needs of project.	L	Adequate. SPMU: 1 Finance Manager and 1 Assistant Finance Manager (from Government and covering other Governmental Assignment on top of the project) , 2 Finance Assistant (External Consultants); 1 Internal Auditor (Chartered Accountant recruited on Feb 2016) extensively involved in overseeing the Accounting Process SPMU/DPMU level). DPMU (6Districts): 1 Finance Officer (from Gov. with other gov activities) and 1 Finance Assistant (consultant full time dedicated). FOLLOW UP from prior SM: fin Assistance vacancy in district Baghalat is filled.
d.	Availability and adequacy of operating manuals and guidelines for staff.	L	Available in Finacial Manual (pag 20)
e.	Existence of a performance based evaluation system in place and timely completion of performance evaluation for all staff.	L	Individual Profiles and Evaluations are kept in the Confidential Character Report available. Profiles are cleared by reporting manager, programme director and managing director.
f.	Adequacy of health insurance coverage for all staff (where applicable).	L	Health Insurance not specifically provided by the Project. Individual insurance (health, life) is as per Gov Scheme.
g.	Timely payment of social security fees (where applicable).	L	Government Staff is applicable however no Provident Fund on Contractual Staff (Consultants)

h.	Staff adequately informed about Ifad's national and anti-corruption policy and relevant contact details.	L	Yes informed, at recruitment.
2. Budgeting			
a.	Timely preparation and approval of AWPB.	M	AWPB 2018-19 not finalised yet. Substantial delay vs deadling (60 day before start of new fiscal year). Urgent submission to IFAD for no-objection is required, in view of programme completion on September 2018.
b.	AWPB in line with expenditure categories in Financing Agreement Schedule 2.	L	Yes fully compliant
c.	Financing sources and implementing agencies for each category in the AWPB are identified.	L	Yes. Total budget provision (27,69 INR crore) identified at GoMP (including IFAD 19,4 INR crore)
d.	Linkage between AWPB and Procurement plan are identified (for cost estimate and activities). Check assumptions to support cost estimates. Test check high value items.	M	Generally well identified. Total pack (AWPB and PP) is communicated by the state DWCD department to IFAD for no objection. Current pack yet to be finalised.
3. Fund flows and Disbursements / Withdrawals			
a.	Timeliness of funds disbursed by different sources (and co-financiers funding if applicable).	M	Delayed disbursement of funds from the State Gov to the programme throughout the entire life period of the programme. Prompt approval of the budget provision and release of fund from GoMP is required in view of Completion on Sept.
b.	Timeliness of counterpart funds disbursed.	M	Same as above. Funds provided by State Gov are inclusive of both IFAD and Counterpart Gov with no split available to the project.
c.	Efficiency of the funding channels. Timeliness and traceability of funds flows.	M	Traceability (bank, accounting software, manual documentation) is fully available at total project level (no split of funds between IFAD and counterpart GOV), however the process is lengthy.
d.	Efficiency of the funding channels for credit lines. Timeliness and traceability of funds flows, if applicable.	NA	N.A.
e.	Special Account(s)/Dedicated Account(s) Management, Disbursements.	NA	N.A. the project does not have direct control of the SA (for the Loan) nor for the State government account which received directly Funds from IFAD.
	i) Adequacy of the authorized allocation to ensure a smooth flow of funds		
	ii) Appropriateness of disbursement methods used		
	iii) Adequacy of documentary support for SOE disbursements, reimbursements, direct payments and Special Commitments. (refer to Appendix IV and complete, reflecting finding in rating).		

	iv) Timely preparation and accuracy of Withdrawal Applications		
	v) Authorization of WA preparation.		
	vi) Status on expenditures withdrawn from Special Account but not yet claimed for replenishment (old cases to be noted)		
	vii) Regularity of Special Account(s) monitoring and monthly reconciliations signed by the project manager. Review and assess the reconciliations		
	viii) Disbursement rate compared to the AWPB and whether satisfactory given the remaining implementation time. Provide comments as appropriate		
	ix) Recovery of SA balances by loan closure		
4. Internal Controls			
a.	Segregation of duties - are the following functional responsibilities performed by different units or persons: (i) authorization of a transaction (ii) execution of a transaction (iii) recording of the transaction; and (iv) custody of assets involved in the transaction.	L	Yes fully.
b.	Clarity and adequacy of decision processes and sequence of events for control functions in project implementation reflected in the Financial Manual (or equivalent thereof).	L	Yes adequate
c.	Adherence to Financial Manual.	L	Adhered
d.	Effectiveness and efficiency of internal controls over inflows of funding sources other than IFAD.	L	There is only one source of Funds which is the GoMP which is transferring both IFAD and Counterpart GoMP funds.
e.	Adequacy of contract management (use of contracts register and monitoring form) and filing there-of.	L	Adequate and form C-10 available.
f.	Effectiveness and efficiency of internal controls over expenditures (full cycle from commitment, payment, receipt of good and services, approval of payments, classification, etc.)	L	Adequate and documents are available
g.	Documentary evidence to confirm delivery and acceptance of contracted goods, works or services.	L	Adequate

h.	Physical controls over cash, documents and records. Adequacy of filing systems. Is the petty cash subject to monthly reconciliation as well as surprise checks; custody of cash box and control of keys.	L	Adequate. Cash book is maintained in Tally, petty cash is reconciled in Tally, physical verification carried out at DMPU.
i.	Adequacy of physical management of cash.	L	Adequate. Carried out at DPMU and corrects.
j.	Timely payment to suppliers and consultants.	L	Adequate.
k.	Eligibility of expenditures with respect to Financing Agreements.	L	No ineligible expenditure identified during supervision.
l.	Legality/eligibility of advances from project funds and timely justification for use there-of.	L	Timely. Verified at DPMU level: advances maintained in Tally and settled upon receipts of utilization certificate.
m.	Compliance with financial management covenants in the Financing Agreements and LTB.	M	Improve compliancy on timeliness of AWPB preparation and Audit report submission
n.	Adequacy of up-to-date record keeping for fixed assets and inventories.	M	Fixed assets register available (manual register – excel), poor tagging.
o.	Adequacy of controls concerning project assets including: i) Vehicle and other assets management (are assets property tagged, is a physical inventory count done on a regular basis?) ii) Fuel management (do drivers maintain a log book?) iii) Travel authorisations (incl. DSA paid to staff)	L	No vehicle in the proect
p.	Adequacy of vehicles and assets insurance.	L	Insured (no vehicle in Project)
q.	Workshops: i) Availability of list of participants ii) DSA paid to participants iii) Receipts for workshop expenditure	L	Reports are Available
r.	Adequacy of controls and authorization process for use of funds (payments, transfers, Cash/Bank balance management) / and other operational accounts – non-special account.	L	Adequate and Financial power available as per Finance Manual (PIM).
s.	Banking arrangement and controls (reconciliation of bank statements with financial accounts).	L	Reconciled up to 28 th February. Reconciliation is carried out at SPMU/DPMU level, on a monthly basis,
t.	Existence of a proper IT support unit in place.	L	Exist both at SPMU and DPMU, but it is not an integrated sytem (including Tally)
5. Accounting			

a.	Basis of accounting (cash, accrual) and whether accounting standards are in line with IFAD'd requirements (e.g. IFRS/IPSAS/IPSAS cash).	L	Cash basis of Accounting Yes accounting standrad followed.
b.	Adequacy and reliability of accounting system, (is double entry accounting used, specify software used, is budget data entered into the accounting system, can the accounting system produce regular automated financial reports?).	L	Tally Software of Double accouting entry system. Budget is not available from Tally. Reports available on Tally by Component/Category (DPMU) and Component (SPMU).
b.	Recordkeeping (including documentation and filing/archiving)	L	Adequate, available at SPMU/DPMU in tally from 2011 (prior to – manual recordkeeping is available).
c.	Fixed assets register maintained and reconciled (sample and physical check).	L	Register is only MANUAL, poor tagging, no vehicles.
d.	Adequate documentation and controls for Information Systems, including documented accounting procedures, backup of financial records, integration of all sub-systems.	L	Adequate and proper back up has been kept. No system integration between SPMU and DPMU.
e.	Adequacy of chart of accounts for project accounting purposes	L	Adequate and based on chart consolidation has been done. Mapping component/category is available as per approved AWPB.
f.	Timeliness of recording transactions, regularity of performance and approval of reconciliations, controls on erroneous recordings.	L	Timely
g.	Appropriate/ adequate accounting and reporting of counterpart funds contributions (incl. tax and tax exemptions) as well as beneficiary contributions.	M	Counterpart not segregated and Beneficiary funds are not available in Tally. System allows segregation of tax, though it was not carried out by the project. Overall amount of 2,585,677 INR (about 40 k – as raised in audit report 2016/17) has already been refunded to IFAD via reduction of WA 34 . TAX CALCULATION FOR 2016-UPTODATE WILL HAVE TO BE PERFORMED AND ANY AMOUNT REFUNDED TO IFAD.
6. Financial Reporting & Monitoring			
a.	Completeness, accuracy, usefulness, and timeliness of financial reports.	L	Accurate except Audit report not submit on time.
b.	Interim FM reports and linkage to progress reports - timely preparation, submission to IFAD.	L	Adequate, now Half year IUFR is being sent to IFAD.
c.	Preparation of reports showing actual vs budget income/expenditure and AWPB execution rate.	L	Available and also produced.

d.	Follow up of previous aide-memoirs fiduciary recommendations.	L	Follow up prior Aide Memoire (PFS 2016/2017) observations: (i) YES cumulative source/use of funds available;(ii) YES cumulative status of funds by Category, (iii) NOT available cumulative SOEs by WA; (iv) YES comparison actual vs budget, although still NOT available reason of variation (actual was 33% of budget).
e.	Reasonable alignment between disbursement rate of recurrent versus investment cost categories.	L	Resonable
7. Internal Audit			
a.	Existence of Internal Audit arrangements.	L	From February 2016 a chartered accountant was appointed as an internal auditor who apart from overall supervision of the finance and accounts of project also undertakes internal audit based on field visits in the districts from time to time. Adequate reply to the Management Letter from the Audit Report 2016/17 was provided
b.	Adequacy of internal audit arrangements (organization - staff capacity).	L	
c.	Adequacy of internal audit scope of work and quality of reports.	L	
d.	Assessment of matters raised in audit reports.	L	
8. External Audit			
a.	Adequacy of scope and ToR.	L	Adequate
b.	Adherence to ToR.	L	Adhered
b.	Timeliness of audit report.	M	No – late submission
c.	Quality of audit.	L	Mod satisfactory
d.	Implementation of audit recommendations/agreed action plan in place to address these.	L	Almost all recommendation implemented: still missing SOE statements cumulative and Reason for actual/budget variation, to be incorporated in the next audit report.

Summary of Project Fiduciary Risk Assessment at Supervision

Project # : M P TEJASWINI RURAL WOMEN EMPOERNMENT PROGRAMME

Implementing Agency : M P Mahila Vitta Evem Vikas Nigam

	Risk H/M/L	Proposed Mitigation
Inherent Risk		N/A
Control Risks		
1. Organization and Staffing	L	
2. Budgeting	M	Immediate finalization of AWPB 2018/19 and submission to IFAD (deadline: March 2018)
3. Funds flow & Disbursement Arrangements	L	Follow up with GoMP budget provision 2018/19 for timely release of liquidity when needed.
4. Internal Controls	L	
5. Accounting	L	Complete fixed asset register with proper inventory/tagging (focus on hardware, e.g. PC, Printers) by completion date.
6. Financial Reporting and Monitoring	L	
7. Internal Audit	L	Timely submission of audit report by Sept 2018. Include in next reports: (i) SOE/WA list and (ii) reason for deviation Actual vs Budget.
8. External Audit	L	Calculate any additional ineligible tax amount charge to IFAD <u>from 1 Jan 2016 to Closing date</u> and refund any identified amount to IFAD.
Overall Project Fiduciary Risk	L	
H=High, M=Medium, L= Low		

Comments: The programme fiduciary risk is overall low. The programme is approaching completion in 6 month. Any weakness of the fiduciary environment has already been flagged and the programme has gradually improved. Some areas of improvement persist but are deemed not to substantially influence the overall risk. Main risk is relating to the substantial unutilised financing and the fact that the AWPB 2018/19 still has to be finalised and submitted to IFAD. By completion date, particular attention will be given to use of funds for the intended purposes through (i) verification of the outstanding balances of the advances given to Federations and (ii) verification of the residual liquidity available at SPMU/DPMU bank accounts (including active interests generated).

APPENDIX 1.f. ACTIONS (to be followed up at Completion):

- Budget related:

Actions	Responsibility	Deadline	Status
Submission of AWPB and Procurement plan MVVN will have to submit immediately AWPB for 2018-19 and also a procurement plan	PD/DPD	31 March 2018	Agreed

- Audit related:

Actions	Responsibility	Deadline	Status
Taxation Identify any additional ineligible tax amount charged to IFAD for the period 1 Jan 2016 to 31 March 2018 and deduct the same from future WAs under intimation to IFAD.	FO/FC	30 Sept 2018	Agreed
Segregation of Taxes Segregate taxes in the accounting software TALLY.	FO/FC	30 June 2018	Agreed
Fixed Asset Registers Fixed asset register is maintained manually and tagging of assets is poor. Complete the register with complete mapping/tagging of assets (particular focus on hardware e.g. PC, printers).	FO/FC	30 Sept 2018	Agreed
Flexibility to use amounts released to federations DPMs to identify the amounts unused by the federations under non-achievement of targets and recover this amount. Provide flexibility to federations to change the activities and beneficiaries in case of livelihood activities.	MD/PD	31 March 2018	Agreed
Flexibility to use old advances with DPMUs DPMs to identify amount of old advances lying with the districts and prepare a plan for utilization and get approval from SPMU.	MD/PD	31 March 2018	Agreed

- Counterpart funds related:

Actions	Responsibility	Deadline	Status
Bank interest Interests generated on idle funds at bank to be disclosed by completion. A decision to be taken by GoMP on its use.	IFAD/GoMP	Sept 2018	Agreed
Budget release Follow up with new identified budget provision for timely release of funds as needed.	DPMTs/PMU	continuing	Agreed

APPENDIX 1.g. Achievements (versus observations from prior Supervision/Audit report):

- Key achievements vs previous Supervision Mission observations:
 - a) SPMU Finance Unit to review the bank reconciliation statements (BRS) of the district offices based on scanned copy of Bank Statements and the Cash Book Balance per Tally: completed
 - b) FAs vacancy at district Bhagalat: fulfilled
 - c) Cash Book updated for every issue of cheque and every receipt: completed
 - d) Liquidate old advances to Federation lying outstanding in the district: completed, as at 28/02/18, Backlog of advances at districts reduced by 40% vs 31/12/16 (INR 29 mln vs 48 mln).

- Key achievements vs latest Audit report observations:
 - a) Advances to Federations registered as expenses but certificates of utilization were not provided at the time of the Audit: completed, certificates of utilization are available at district – Spot checks carried out during visit at Chhattapur DPMU).
 - b) Taxation: loan proceeds should not be used to pay taxes but taxes are routinely claimed in the WA sent to IFAD. As ineligible, these have to be refunded to IFAD: completed, for the period 2007-end 2015, the ineligible tax amount of approximately USD 40,000 charged to IFAD has already been reimbursed through reduction of WA No.34 (documentation was annexed to WA).



Investing in rural people

India

Tejaswini Rural Women's Empowerment Programme

Supervision Report

Appendix 2: Physical progress measured against AWP&B

Mission Dates: 12 - 19 April 2018

Document Date: 29/05/2018

Project No. 1100001314

Report No. 4774-IN

Asia and the Pacific Division
Programme Management Department

Appendix 2: Physical progress measured against AWP&B

Component Sub-Component or Output	Indicator	Unit	FY 2017-18			28.02.2018 Cumulative Actual	Appraisal Target (Revised)	%
			Actual	AWPB Target	%			
Grassroots Institution Building	No. of SHG established	No.	199	3701	5%	16,498	20,000	82%
	No. of VLCs established	No.	10	175	6%	2,624	2,779	94%
	No. of Federations established	No.	-	-		60	60	100
	No. of households reached	No.	3,896	41,059	9%	208,837	246,000	85%
	No. of households accessing benefits of Govt. social security scheme	No.	5,782			140,607	90,000	156%
	No. of VLCs accessing funds from other than programme sources for taking up social and community development issues.	No.	262	300	87%	569	1,500	38%
	Amount mobilize through convergence for social sector activities	No.	89,627,900	-		1,075,534,800	600,000,000	179%
Micro Finance	No. of SHG members trained in financial services	No.	3,086	5400	57%	208,027	90,000	231%
	No. of location centres/federation staff trained in financial services	No.	60	60	100%	60	60	100%
	No. of training programmes and exposure visits for bank managers	No.	35	85	41%	105	51	206%
	No. of SHGs linked to banks for credit	No.	600	5,623	11%	6977	12,000	58%
	Value of gross loan portfolio of SHGs from Bank and MFIs	USD Million	0.91	-		6.76	19.3	35%

	Average saving per SHG	INR	1,555	6,303	25%	20,214	25,000	81%
	Average inter-lending loan portfolio per SHG	INR	1,137	29,329	4%	21,808	50,000	44%
Livelihood and Enterprise Development	No. of women trained in on-farm activities	No.	13,138	18000	73%	194,084	98,240	198%
	No. of women trained in off-farm activities	No.	6,898	7,393	93%	31,458	24,560	128%
	No. of women benefitting from rain fed agriculture intervention	No.	11,926	-		154,438	130,000	119%
	No. of women benefitting from vegetable cultivation	No.	7,549	6,468	117%	51,081	50,000	102%
	No. of women benefitting from horticulture interventions	No.	270	2000	14%	49,093	25,000	196%
	No. of women benefitting from poultry interventions	No.	7,029	--		15,980	1,000	1,598%
	No. of women benefitting from dairy interventions	No.	9,145	7,675	119%	21,470	20,000	107%
	No. of women benefitting from goat rearing interventions	No.	9,093	3,731	244%	25,362	20,000	127%
	Amount mobilized through convergence for IGA activities	INR	158,452,835	--		1,369,186,698	1,000,000,000	137%
	Women Empowerment And Social equity	No. of members trained in functional literacy	No.	4,607	--		192,413	31,800
No. of women trained in health		No.	42,934	52000	83%	207,982	14,400	1,444%
No. of women trained in local governance		No.	90,145	--		150,372	14,400	1,044%
No. of villages with drudgery reduction interventions		No.	78	135	58%	2,682	2,739	98%

India

Tejaswini Rural Women's Empowerment Programme

Supervision Report

Appendix 3: Compliance with legal covenants: status of implementation

Mission Dates: 12 - 19 April 2018

Document Date: 29/05/2018

Project No. 1100001314

Report No. 4774-IN

Asia and the Pacific Division
Programme Management Department

Appendix 3: Compliance with legal covenants: Status of implementation

Section	Covenant	Target/Action Due Date	Compliance Status/Date	Remarks
Section 2.03	<i>Special Account</i> The Borrower, through MOF, shall open and maintain in a bank proposed by the Borrower and accepted by the Fund, an account denominated in USD for the purpose of financing the Programme.	On Loan effectiveness	Complied with	
Section 2.04	<i>Use of Proceeds</i> The Borrower shall ensure that the proceeds of the Loan are used exclusively to finance Eligible Expenditures in accordance with this Agreement and the General Conditions	Throughout the programme period	Ongoing compliance	
SECTION 3.02	<u><i>Annual Work Plans and Budgets and Procurement Plans.</i></u>			
	(a)The MVVN shall prepare a consolidated draft AWPB for each Programme Year for Programme activities . Each draft AWPB shall include, among other things, a detailed description of planned Programme activities during the coming Programme year and the sources and uses of funds thereof , based on work plans and Budgets prepared	On an annual basis throughout the programme period	Ongoing compliance	
	b) The MVVN shall submit the draft AWPB and to the Fund for its comments and approval, no later than 60 days before the beginning of the relevant Programme Year.	By 31st January each year	Not complied	First draft has not been submitted to IFAD yet, at 24 March 2018. AWPB of 2018-19 is in the process of being prepared
	c) Notwithstanding para (b) above, the MVVN shall submit the AWPB for the first Programme Year not later than 90 days from the Effective Date.	On Loan effectiveness	Complied with	
	d) The BOD of MVVN shall adopt the AWPB substantially in the form agreed by the Fund, and the MVVN shall provide copies thereof to the Fund, prior to the commencement of the relevant Programme Year.	On an annual basis throughout the programme period	Ongoing compliance	
SECTION 3.03	<u><i>Programme Accounts</i></u> The Lead Programme Agency shall open and thereafter maintain in a commercial bank accepted by the Fund, an account denominated in INR for Programme operations (the "Programme Account) . The persons duly authorized by the Lead Programme Agency pursuant to their respective internal procedures shall operate the Programme Account.	Prior to commencement of programme activities	Complied with	
SECTION 3.04	<u><i>Availability of Loan Proceeds</i></u>			
	(a) The Borrower shall make the proceeds of the Loan available to the Lead Programme Agency to carry out the Programme.	Throughout the programme period	Complied with	
	(b) The Borrower shall ensure that the Lead Programme Agency makes the proceeds of the Loan available to other Programme Parties in accordance	Throughout the programme period	Complied with	

Section	Covenant	Target/Action Due Date	Compliance Status/Date	Remarks
	with the AWPB and any subsidiary agreement to carry out the Programme			
SECTION 3.05.	<u>Availability of Additional Resources.</u> In addition to the proceeds of the Loan, the Borrower shall make available to the Lead Programme Agency and each other Programme Party, promptly as needed, additional funds as required under Section 7.03 (Availability of Additional Funds) of the General Conditions, as may be required from time to time to carry out the Programme in accordance with this Agreement.	Throughout the programme period	Is being complied with	
SECTION 3.06.	<u>Channelling of Programme Resources.</u> The MVVN shall transfer available funds and other resources for certain activities called for, in the AWPB s to the respective District Offices to carry out the Programme.	Throughout the programme period	Complied with	
SECTION 3.07	<u>Procurement.</u> All procurement financed from the proceeds of the Loan shall be carried out in accordance with Schedule 4.	Throughout the programme period	Complied with	
SECTION 4.01.	<u>Monitoring.</u> The MVVN shall establish, as soon as practicable but in no event later than 180 days after the Effective Date, and thereafter maintain an appropriate information management system in accordance with the Fund's "Guidelines for Programme Monitoring and Evaluation" and using the Fund's Results Impact Monitoring Systems (RIMS) indicators to enable it to continuously monitor the Programme in accordance with paragraph 2 of Schedule 3A and Section 8.02 (Monitoring of Programme Implementation) of the General Conditions.	Within 180 days of effective date)	Complied with	
SECTION 4.02	<u>Progress Reports.</u> The MVVN shall prepare and submit to the Fund consolidated six-monthly and annual progress reports on Programme implementation, as required by Section 8.03 (Progress Reports) of the General Conditions, based on progress reports prepared and submitted by each programme party in accordance with paragraph 4 of Schedule 3A, no later than two months after the end of each six-monthly and annual period during the Programme Implementation Period. In addition to the matters described in Section 8.03 of the General Conditions, the progress reports shall address financial progress of the Programme, as recorded against the AWPB for the relevant Programme Year.	By 31 st May and 30 th November each year	Complied with	Annual Progress Report of 2016-17 is available and it was sent on 14.06.2017 Half yearly Progress Report for the half year ended 30 th September 2017 been sent. On 27.11.2017
SECTION 4.03.	<u>Mid-Term Review.</u> (a) The Borrower, the Lead Programme Agency and the Fund, shall jointly carry out a review of Programme implementation no later than the end of the thirty six months following the Effective Date (the "Mid-Term Review" or "MTR") based on terms of reference prepared by the MVVN and approved by the Fund. Among other things, the Mid-Term Review shall consider: (i) the achievement of Programme objectives and the constraints thereon, and the performance of the Programme Parties; (ii) the conclusions of the various assessments of Programme impact and progress and recommend such reorientation as may be required to achieve such objectives and remove such constraints.	Due September 2010	Complied with	

Section	Covenant	Target/Action Due Date	Compliance Status/Date	Remarks
	(b) The Borrower shall ensure that the recommendations resulting from the Mid-Term Review are implemented within the specified time therefor and to the satisfaction of the Fund. Based on the findings of the Mid-Term Review, a mutually acceptable action plan for the remainder of the Programme shall be prepared. It is agreed and understood that such recommendations may result in modifications to the Loan Documents.	Within the time frame agreed as per MTR	Complied with	
SECTION 4.04.	<u>Completion Report.</u> The MVVN shall submit to the Fund a consolidated completion report on the Programme based on the reports prepared by each programme party as required by Section 8.04 (Completion Report) of the General Conditions, no later than six months after the Programme Completion Date.	6 months from the programme closing date	Not yet applicable	
SECTION 4.05.	<u>Evaluations.</u> The Borrower and each Programme Party shall facilitate all evaluations and reviews of the Programme that the Fund may carry out during the Programme Implementation Period and for ten years thereafter, as required by Section 10.05 (Evaluations of the Programme) of the General Conditions.	During the programme period and for ten years after that	Ongoing compliance	
SECTION 5.01.	<u>Financial Statements.</u> The MVVN shall prepare financial statements of the operations, resources and expenditures related to the Programme required by Section 9.02 (Financial Statements) of the General Conditions in respect of each six-month and annual period (the latter, the "Consolidated Financial Statements") during each Fiscal Year, and deliver such Consolidated Financial statements to the Fund within six months after the end of each such period.	6 months from the end of the financial period/period/year	Complied	Half Yearly accounts (interim unaudited financial statements-IUFR) for the period ended Sept 2017 sent on 16.08.2017 Un-audited Accounts for the year ended 31 st March 2017 were sent on 10.03.2018
SECTION 5.02 (a)	<u>Audit Reports.</u> Subject to Section 5.02 (c), within 90 days after the Effective Date, the MVVN shall appoint, in consultation with the Fund, independent auditors in accordance with the procedures and criteria set forth in the Fund's "Guidelines on Project Audits (Borrowers' Use)" (2003, as may be amended from time to time) to audit the annual Financial Statements relating to the Programme for the First Fiscal year. Thereafter, as soon as practicable but in no event later than 30 days after the beginning of each succeeding Fiscal Year, the MVVN with the prior approval of the Fund, shall confirm such auditors' appointment or so appoint new independent auditors for such Fiscal Years.	By 30 th April each year	Complied with	Auditors for 2016-17 were appointed on 11 April 2017. Auditors for 2017-18 to be appointed.
SECTION 5.02 (b)	Subject to Section 5.02 ©, the MVVN shall have the annual Consolidated Financial Statements relating to the Programme audited each Fiscal Year by such auditors in accordance with the International Standards on Auditing and the Fund's "Guidelines on Project Audits (Borrowers' Use)" (2003, as may be amended from time to time) until the Loan Closing Date. In accordance with	By 30 th September each year	Not Complied with	The Audited Accounts for 2016-17, were sent to IFAD with delay on 18 th December, 2017

Section	Covenant	Target/Action Due Date	Compliance Status/Date	Remarks
	Section 9.03 of the General Conditions, in addition to the audit report on the Financial Statements, the auditors shall provide: (i) an opinion on the certified statements of expenditure and the operation of the Special Account and the Programme Accounts; and (ii) a separate management letter, addressing the adequacy of the accounting and internal control systems. The MVVN shall deliver the above-mentioned items to the Fund within six months of the end of each such Fiscal Year. The MVVN shall submit to the Fund the reply to the management letter of the auditors within one month of receipt thereof.			
SECTION 5.02 ©	The audit of the Special Account shall be performed by the Comptroller & Auditor General.	No date specified as such	Not Applicable at this level	
SECTION 7.01	<u>Conditions Precedent to Effectiveness</u> This Agreement shall become effective in accordance with Article XIII of the General Conditions (Effectiveness and Termination) subject to the fulfilment of the following conditions precedent:			
	(a) the Senior Adviser of MVVN shall have been appointed in accordance with the provisions of paragraph 8.1 of Schedule 3	Prior to loan effectiveness	Complied with	
	(b) the Borrower shall have duly opened the Special Account in accordance with Section 2.03	Prior to loan effectiveness	Complied with	
	(c) the MVVN shall have duly opened the Programme Accounts in accordance with Section 3.03.	Prior to loan effectiveness	Complied with	
	(d) the Loan Agreement has been duly signed and the signature and performance thereof by the borrower shall have been duly authorized and ratified by all necessary administrative and governmental action.	Prior to loan effectiveness	Complied with	
	(e) The Programme Accounts have been duly signed and a favourable legal opinion shall have been issued by competent legal counsels in respect of the Programme Agreement's legally binding nature upon the state and delivered to the fund	Prior to loan effectiveness	Complied with	
	(f) A copy of the signed MVVN/ DWCD MOU , in accordance with the procedure described in paragraph 3.3.1 of Schedule 3 shall have been delivered to the Fund .	Prior to loan effectiveness	Complied with	
	(g) a favourable legal opinion, issued by the Solicitor General of the Borrower in respect of the matters set forth in Section 7.02 hereof and in form and substance acceptable to the Fund, shall have been delivered by the Borrower to the Fund.	Prior to loan effectiveness	Complied with	
Schedule 2 Paragraph 3	<u>Statements of Expenditure.</u> Withdrawals from the Loan Account may be made against certified statements of expenditures in respect of Eligible Expenditures. The records evidencing such expenditures need not be submitted to the Fund, but shall be retained by the Borrower for inspection by the representatives of the Fund, in accordance with Sections 4.07 (Statements of Expenditure) and 10.03 (Visits, Inspections and Enquiries) of the General Conditions.	During the programme period and up to ten years thereafter	Complied with	

Section	Covenant	Target/Action Due Date	Compliance Status/Date	Remarks
Schedule 2 Paragraph 5	<u>Conditions Precedent to Withdrawals.</u> (a) No withdrawals shall be made until :			
	(i) the Lead programme Agency shall have appointed the Finance Manager	Prior to the First Withdrawal Application request	Complied with	
	(ii) the Lead programme agency shall have established the State programme Advisory Committee	Prior to the First Withdrawal Application request	Complied with	
	(iii) until the Programme Implementation Manual shall have been approved by the Fund in draft; a copy of the Programme Implementation Manual as adopted by MVVN in the form so approved and certified as true and complete by a competent officer of the MVVN shall have been delivered to the Fund	Prior to the First Withdrawal Application request	Complied with	
Schedule 2 Paragraph 5	(b) No withdrawal shall be made for any fiscal year from the loan account in respect of any expenditure under the programme until the borrower shall have confirmed its counterpart fund contribution including that to cover taxes and the contribution in Section 3.05 for each fiscal year of the programme has been included in the Borrower's Budget for the said Fiscal Year	Prior to the First Withdrawal Application request	Complied with	
Schedule 2 Paragraph 6	<u>Conditions Precedent to Withdrawals</u> No withdrawal shall be made from the loan until the MVVN shall have recruited a Human Resource Development Consultant to draw up Staff Terms of Reference and reengineer working systems and processes.	Prior to the First Withdrawal Application request	Complied with	
Schedule 3 Part A	<u>Programme Implementation</u> Para 2.1 and para 3.3(a) The Borrower shall cause each state to enter into a MOU with the respective Lead programme Agency (MVVN) which shall provide, among other things, that:			
	(a) the state shall transfer Loan proceeds, counterpart funds and other resources to the MVVN Lead Programme Agency for the purposes of implementing the Programme.as follows: The state through the DWCD shall release Loan and other resources to MVVN on the basis of the AWPBs quarterly in advance. The first advance shall be made to the Programme Account of MVVN to cover the first six months of Programme operations in accordance with the AWPB, and the second and subsequent advances shall be made as replenishments to the Programme Accounts on a quarterly basis upon the submission by MVVN to DWCD of Maharashtra a statement of expenditure relating to the previous advance wherein at least 60% of such previous advance shall be accounted for;	On Loan Effectiveness	Complied with	
		On Loan Effectiveness	Complied with	

Section	Covenant	Target/Action Due Date	Compliance Status/Date	Remarks
	(b) the Borrower, through DWCD , shall make budgetary allocations to facilitate integration of the Borrower's contribution for Programme implementation into the Borrower's annual budget.	On Loan Effectiveness	Complied with	
Schedule 3 Part A	(c) MVVN shall release Loan proceeds to their respective district offices on the basis of the AWPB s quarterly in advance in accordance with this Agreement;	On Loan Effectiveness	Complied with	
	d) the proceeds to be utilised for, <i>inter alia</i> , procurement and recruitment, budget preparation, operation of the Programme Account, release/flow of funds, accounting, audit and reporting obligations; and	On Loan Effectiveness	Complied with	
	d) the proceeds to be utilised for, <i>inter alia</i> , procurement and recruitment, budget preparation, operation of the Programme Account, release/flow of funds, accounting, audit and reporting obligations; and	On Loan Effectiveness	Complied with	
	Para 3.3.1 The MVVN shall submit a draft of the MOU to the fund for its comment before its signature	On Loan Effectiveness	Complied with	
Schedule 3 Part A	<u>Programme Coordination</u>			
	Para 4.1(a) (ii) <u>State Program Advisory Committee.</u> A State Program Advisory Committee (SPAC) Committee, chaired by the MD of MVVN shall be established. This Committee will meet at least once in three months a year.	Once in three months annually	Not Complied with	No meeting of SPAC has been held during the year .
Schedule 3 Part A	Para 4.1(a) (iii) <u>Empowered Committee</u> The committee shall be chaired by the Chief Secretary , The Principal Secretaries/ Secretaries of the Finance , Rural Development , Revenue, Agriculture , Women and Child Development , Justice and Tribal development Departments shall be members. The MD of MVVN shall be the member secretary. This committee shall meet at least once every in every six months.	Once in six months annually	Partly Complied	No such meeting held during the year
	Para 4.1(b) <u>District Programme Advisory Committee (DPAC)</u> A DPAC shall be established at the district level to facilitate bank linkage and convergence with other State government programmes. The DPAC shall meet at least once every quarter to assess the performance of SHGs and their linkage to the financial institutions and convergence with other government programmes at the district/block levels.	Once in every quarter	Complied With	
Schedule 3 Part B	PROGRAMME IMPLEMENTATION MANUAL			
	Para 5.1: Preparation.	Prior to start of	Complied with	

Section	Covenant	Target/Action Due Date	Compliance Status/Date	Remarks
	The DPMU and the district offices of MVVN shall prepare a draft Programme Implementation Manual.	Programme		
	<u>Para 5.2 Approval.</u> The DPMU and the district offices of MVVN shall submit the draft Programme Implementation Manual to the MVVN management for approval. When so approved, NABARD shall forward the draft Programme Implementation Manual to the state of Maharashtra and the Fund.	Prior to start of Programme	Complied with	
Schedule 3 Part B	<u>Para 5.3. Adoption.</u> The Board of Directors of MVVN CPSU shall adopt the Programme Implementation Manual, in the form accepted/approved in accordance with paragraph 5.2 above, and MVVN shall provide copies thereof to the Fund. If the Fund does not comment on the draft Programme Implementation Manual within 30 days after their respective receipt thereof, it shall be deemed accepted.	Prior to start of Programme	Complied with	
Schedule 3 Part C	IMPLEMENTATION ARRANGEMENTS			
	Para 6 The SHG mobilization activities shall start from the first Programme Year and shall end by the fourth Programme year. In the first year the programme management structure shall be established on a sound basis. This will involve recruiting staff for MVVN and DPMU s engaging Resource / lead facilitating NGO s selecting and training staff for location offices, establishing location offices and developing MIS system and undertaking baseline surveys.	From first year of programme to 4 th year of programme	Complied with	
	Para 7 Flow of Funds. MVVN shall release Programme funds (Loan, counterpart and other) respectively to the MVVN district offices and DPMU s in accordance with the AWPBs as follows: the first advance shall cover estimated expenditures for the first three months as provided in the respective AWPBs for the first Programme Year; thereafter, the MVVN district offices and DPMU s shall submit statements of expenditure attesting to the utilisation of at least 60% of the previous advance and request reimbursement on a quarterly basis.	For the first year and thereafter on a quarterly basis every year	Complied with	
Schedule 3 Part C	<u>Para 8 : Key Programme Personnel</u> <u>Para 8.1 Sub paras (a) and (b): Appointment and tenure of Senior Adviser of MVVN :</u> The Senior Adviser of MVVN shall be appointed subject to the prior consultation of the fund on or before the effective date. The Senior Adviser may only be removed after prior consultation of the fund.	During the programme period		
SCHEDULE 3 A	Additional Covenants			
	<u>Para 1. Pest Management Practices</u> As part of maintaining sound environmental practices as required by	Throughout the	Complied with	

Section	Covenant	Target/Action Due Date	Compliance Status/Date	Remarks
	Section 7.15 of the General Conditions, the Programme Parties shall maintain appropriate pest management practices under the Programme and, to that end, the Borrower, through the State, shall ensure that pesticides procured under the Programme do not include any pesticide either proscribed by the International Code of Conduct on the Distribution and Use of Pesticides of the Food and Agriculture Organisation of the United Nations (FAO), as amended from time to time, or listed in Tables 1 (Extremely Hazardous) and 2 (Highly Hazardous) of the WHO Recommended Classification of Pesticides by Hazard and Classification 1996-1997, as amended from time to time.	Programme period		
SCHEDULE 3 A	<p><u>Para 2 . Monitoring.</u> Monitoring and Evaluation shall be an integral part of the process of Programme implementation. There will be an M&E unit within MVVN and a M&E and MIS Manager and a MIS Officer. Each district shall have a M&E Assistant. The M&E and MIS assistant shall report to the M&E and the MIS Manager but shall be under the administrative authority of the District Co-ordinating office.</p> <p>Monitoring and Evaluation activities shall include:</p> <ul style="list-style-type: none"> (a) activity reporting, by which all Programme Parties shall report on a monthly basis on the activities undertaken, and the information shall be stored in the Programme's Management Information System (MIS); (b) process monitoring, by which the MIS and Planning Officer based in the PIUs shall make regular visits to a sample of SHGs to obtain feedback from participating communities on Programme outputs, for storage in the MIS; (b) outcome monitoring, by which NABARD shall gather information on log frame indicators via baseline beneficiary profiles and sample surveys; and (c) Impact monitoring, by which information on indicators of Programme objectives, including those indicators required under the Fund's Results Impact Monitoring Systems (RIMS), shall be gathered. The Borrower shall ensure that the RIMS indicators, required by the Fund, shall be incorporated in and form part of the Programme's monitoring system. 	Throughout the programme period	Complied with	
SCHEDULE 3 A	<p><u>Para 3 Gender Focus.</u> The Programme's targeting approach shall ensure equitable programme benefits for females. Each programme party shall ensure that women participate and be represented in Programme Activities.</p>	Throughout the programme period	Complied with	

Section	Covenant	Target/Action Due Date	Compliance Status/Date	Remarks
SCHEDULE 3 A	<u>Para 4- Counterpart Funds</u> The borrower shall ensure that each AWPB clearly reflects the sources and use of counterpart funds. The state shall release the first advance of the counterpart funds from its own resources to MVVN in accordance with Section 3.05 (b) within 90 days of the Effective Date.	Fir every year's AWPB	Complied with	
SCHEDULE 3 A	<u>Para 5 Reporting.</u> Each Programme Party shall prepare and submit quarterly physical and financial progress reports to MVVN based on reporting formats developed and communicated by MVVN to all Programme Parties. Among other things, the reports shall track financial progress of the Programme implemented by each such Programme Party against the AWPB for the relevant period. Each Programme Party shall submit its quarterly report to the respective DPMU no later than two months after the end of each quarter during the Programme Implementation Period. The MAVM shall base its six-monthly and annual reporting obligations to the Fund, as specified in Section 4.02, on such quarterly reports.	Throughout the programme period	Complied with	
SCHEDULE 3 A	<u>Para 6 Procurement.</u> MVVN shall prepare a short list of interested and reputed NGO s with substantial experience in promoting sustainable SHG s and their apex organization. Each of them shall prepare and submit a Technical proposal. These proposals shall be evaluated for signing partnership agreement after obtaining approval from the Fund. Similarly selection of institutional service providers under livelihoods, community institution building, micro finance and M& E shall follow the process of advertising on the website of MVVN and of the relevant state in one national and one regional newspaper calling for expression of interest (EOs) with their annual reports, activities and financial status. Based on such EOs, a shortlist will be prepared. The short-listed service providers shall submit technical and financial proposals. Based on the evaluation of these proposals partnership agreements shall be signed after obtaining approval from the fund.	During the programme period	Complied with	
schedule 4 Part A to Part D	<u>Procurement.</u> 1. Procurement of goods, works and consulting services financed by the Loan and the Grant shall be subject to the provisions of the IFAD Procurement Guidelines approved by the Fund's Executive Board in December, 2004 as may be amended from time to time by the Fund. 2. To the extent possible, the goods, works and consulting services shall be bulked into sizeable bid packages in such a manner as to permit the	Throughout the programme period	Complied with	
		Throughout the	Complied with	

Section	Covenant	Target/Action Due Date	Compliance Status/Date	Remarks
	optimal use of competitive bidding.	programme period		
	3. Before the commencement of procurement and annually thereafter, the Borrower shall furnish to the Fund for approval, a Procurement Plan as described in Appendix 1, paragraph 1 of the IFAD Procurement Guidelines. The Procurement Plan shall specify, <i>inter alia</i> , the method of procurement for each contract to be financed from, and thresholds, ceilings and preferences to be utilized in the implementation of procurement under the Programme. The Procurement Plan shall also specify any additional requirements as may be set out in the IFAD Procurement Guidelines with respect to certain methods of procurement.	For the first year and thereafter annually throughout the programme period	Complied with	
Schedule 4 Part E	<i>REVIEW OF PROCUREMENT DECISIONS</i>			
	<u>Para 14 Part E</u> The award of any contract for goods estimated to cost USD 50 000 equivalent or more shall be subject to prior review by the Fund in accordance with the provisions of the Procurement Guidelines	Throughout the Programme period	Complied with	
	<u>Para 15 Part E</u> The award of any contract for consulting services estimated to cost USD 20 000 equivalent or more, shall be subject to prior review by the Fund.	Throughout the Programme period	Complied with	
	<u>Para 16 Part E</u> With respect to any other contract for goods, civil works or consulting services (except where paragraph 4 of Schedule 2 applies thereto), MVVN shall furnish two certified or conformed copies of such contract to the Fund, together with the analysis of the respective bids and the recommendations for award, promptly after its signature and before the submission to the Fund of the first application for withdrawal of funds from the Loan Account in respect of such contract	Throughout the Programme period	Complied with	