STUDY ON IMPACT OF FINANCIAL INVESTMENT MADE OUT OF REVOLVING FUND, COMMUNITY INVESTMENT FUND AND BANK LOAN IN DEVELOPING SUSTAINABLE MEANS OF LIVELIHOODS FOR POOREST MEMBER OF SAKHI MANDAL IN ORMANJHI BLOCK OF RANCHI DISTRICT (JHARKHAND).

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INTRODUCTION

REVOLVING FUND

ACCORDING TO NRLM GUIDELINE, NRLM WOULD PROVIDE REVOLVING FUND (RF) AND CAPITAL SUBSIDY FUND (CSF) TO THE INSTITUTION OF THE POOR TO STRENGTHEN THEIR INSTITUTION. THE RANGE OF REVOLVING FUND IS FROM 10,000 TO 15,000 PER SHG AS PER THEIR ELIGIBILITY. THE ELIGIBILITY CRITERIA ARE –

- SHG SHOULD BE IN ACTIVE EXISTENCE AT LEAST SINCE THE LAST SIX MONTHS.
- SHG SHOULD BE PRACTICING 'PANCHASTRA' SUCH AS REGULAR MEETING; REGULAR SAVING; REGULAR INTER- LOANING; TIMELY REPAYMENT; AND UP-TO-DATE BOOKS OF ACCOUNT.
- SHOULD HAVE PASSED GRADE-1 IN TERMS OF 'PANCHASUTRA'.
- IN INTENSIVE BLOCK, IN ADDITION TO 'PANCHASUTRA', THE SHGS SHOULD HAVE RECEIVED TRAINING IN PREPARING MICRO- INVESTMENT PLANS (MIPS).

COMMUNITY INVESTMENT FUND

NRLM PROVIDES COMMUNITY INVESTMENT FUND TO SHG FEDERATION AT CLUSTER LEVEL TO MEET THE CREDIT NEEDS AND WORKING CAPITAL NEEDS OF THE MEMBERS THROUGH THE SHG/VILLAGE ORGANIZATION. AS PER THE SUGGESTION OF MINISTRY OF RURAL DEVELOPMENT, GOVERNMENT OF INDIA THE AVERAGE AMOUNT OF COMMUNITY INVESTMENT FUND IS FROM 40,000 TO 60,000 PER SHG. FOR EXAMPLE, IF THERE IS 12 SHGS IN A FEDERATION THEN THEY CAN GET THE AMOUNT OF 50,000*12= 6 LAKH AS THE CIF. THE ELIGIBILITY CRITERIA FOR ACCESS THE CIF ARE AS FOLLOWS.

- THE SHG SHOULD BE IN ACTIVE IN TERMS OF FOLLOWING THE PANCHASUTRA AT LEAST FOR THE LAST 26 WEEKS.
- IT SHOULD HAVE REGULAR LENDING OF SAVING AND REVOLVING FUND TO THE MEMBERS BY SMALL LOANS FOR THE LAST SIX MONTHS.
- IT SHOULD HAVE DEVELOPED ITS PARTICIPATORY MICRO INVESTMENT PLAN BY FOLLOWING THE SEVEN STEPS PROCESS.

OBJECTIVE

- TO STUDY THE IMPACT OF FINANCIAL INVESTMENT LIKE REVOLVING FUND, COMMUNITY INVESTMENT FUND AND BANK LOAN IN LIVELIHOOD DEVELOPMENT IN ORMANJHI BLOCK OF RANCHI DISTRICT IN JHARKHAND.
- TO STUDY THE CHALLENGES AND NEED OF SHG WOMEN IN USAGE OF FINANCIAL INVESTMENT.

RATIONALE

- FINANCIAL INCLUSION IS A GREAT STEP TOWARDS THE POVERTY ERADICATION PROGRAMME. FINANCIAL INCLUSION HELP A POOR TO SAVING AND UTILIZE THAT MONEY TO IMPROVE THE LIVELIHOOD.
- THIS RESEARCH WILL HELP TO KNOW THAT WHERE THE FINANCIAL INVESTMENT, SUCH AS REVOLVING FUND, COMMUNITY INVESTMENT FUND AND BANK LOAN IS UTILIZED BY THE POOREST MEMBER OF SAKHI MANDAL TO IMPROVE THEIR LIVELIHOOD. THIS RESEARCH ALSO HELPS TO IDENTIFY THE CHALLENGES AND NEEDS OF THE POOREST MEMBER OF SAKHI MANDAL TO UTILIZE THE FINANCIAL INVESTMENT.

RESEARCH QUESTIONS

- HOW THE FINANCIAL INVESTMENT LIKE REVOLVING FUND, COMMUNITY INVESTMENT FUND AND BANK LOAN IS HELPFUL FOR THE POOREST MEMBER OF SAKHI MANDAL IN TERMS OF LIVELIHOOD DEVELOPMENT?
- WHAT ARE THE CHALLENGES AND NEED IN UTILIZATION OF FINANCIAL INVESTMENTS?

METHODOLOGY

AREA OF STUDY –

- EIGHT VILLAGES OF ORMANJHI BLOCK OF RANCHI DISTRICT OF JHARKHAND NAME AS ORMANJHI, RUKA, BARIDIH, HATWAL, KURUM, PALU, KUCHHU, AND MANDRO. THESE EIGHT VILLAGES BELONG TO FOUR CLUSTERS OF ORMANJHI BLOCK, TWO OF EACH.

SAMPLE SIZE –

- 144 RESPONDENTS FROM DIFFERENT SHG OF EIGHT VILLAGES OF ORMANJHI BLOCK OF RANCHI DISTRICT, FROM WHICH 18 RESPONDENT FROM EACH VILLAGE.

DURATION OF STUDY – 25TH FEBRUARY 2019 – 3RD MAY 2019

SOURCE OF DATA COLLECTION –

- PRIMARY DATA – DATA TO BE COLLECTED DIRECTLY FROM THE RESPONDENTS
- SECONDARY DATA – SECONDARY DATA SOURCE MAY BE REFERRED TO DATA THAT IS ALREADY IN EXISTENCE. SECONDARY DATA FOR THIS STUDY IS ACQUIRED FROM A VARIETY OF DATABASE/REPORTS/DOCUMENTS OF JSLPS, WEB-BASED DOCUMENTS ETC.

RESEARCH INSTRUMENT – QUESTIONNAIRE

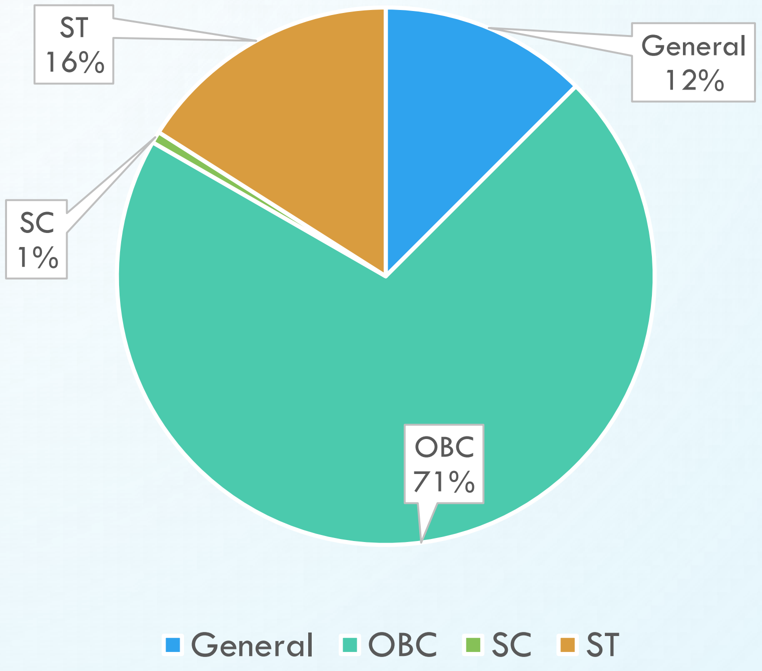
METHODOLOGICAL APPROACH – BOTH QUALITATIVE AND QUANTITATIVE DATA

PROFILE OF THE SHG MEMBERS

Table 1:
Percentage distribution of SHG members which show the category that SHG members generally belong to (n = 144)

Profile of the SHG members	Percentage distribution of the SHG members by their profile (n = 144)	
	Frequency	Percentage
ST	23	16%
SC	1	1%
OBC	102	71%
General	18	12%
Total	144	100.0

Figure 1: percentage distribution of SHG members by their profile (n = 144)

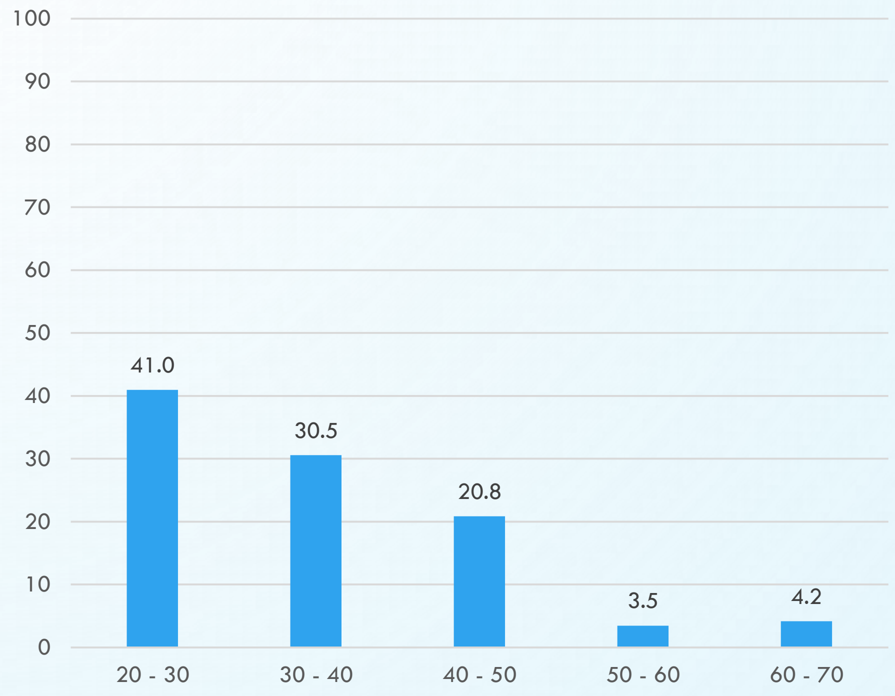


AGE GROUP OF THE SHG MEMBERS

Table 2:
Percentage distribution of SHG members by their age group (n = 144)

Age group of the SHG members	Percentage distribution of SHG members by their age group (n = 144)	
	Frequency	Percentage (%)
20 – 30	59	41.0%
30 – 40	44	30.5%
40 – 50	30	20.8%
50 – 60	5	3.5%
60 – 70	6	4.2%
Total	144	100

Figure 2: Percentage distribution of the SHG members by their age group (n = 144)

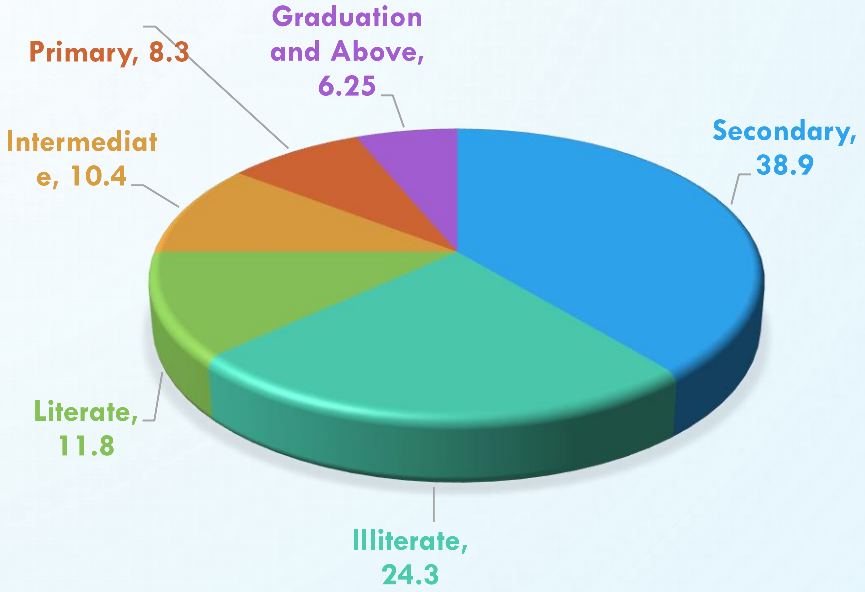


LITERACY LEVEL OF THE SHG MEMBERS

Table 3:
Percentage distribution of SHG members by their level of literacy (n = 144)

Literacy Level of the SHG members	Percentage distribution of SHG members by their level of literacy (n = 144)	
	Frequency	Percentage
Illiterate	35	24.3%
Literate	17	11.8%
Primary	12	8.3%
Secondary	56	38.9%
Intermediate	15	10.4%
Graduation and above	9	6.25%
Total	144	100.0

FIGURE 3: PERCENTAGE DISTRIBUTION OF SHG MEMBERS BY THEIR LEVEL OF LITERACY (N = 144)

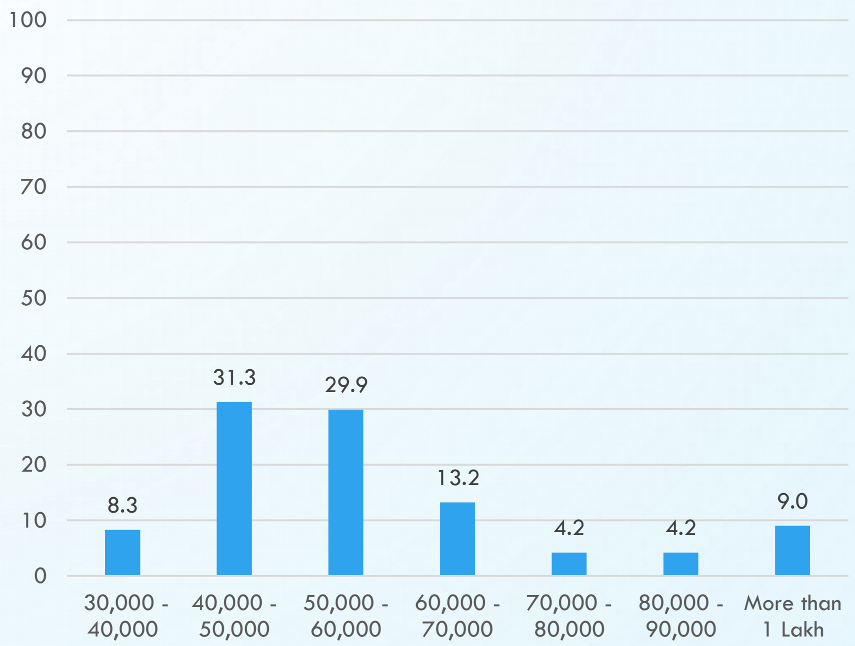


HOUSEHOLD ANNUAL INCOME OF THE SHG MEMBERS FROM THE DIFFERENT SOURCES

Table 4:
Percentage distribution of SHG members by their annual income (n = 144)

Amount of Annual Income	Percentage distribution of SHG members by their annual income (n = 144)	
	Frequency	Percentage
30,000 – 40,000	12	8.3%
40,000 – 50,000	45	31.3%
50,000 – 60,000	43	29.9%
60,000 – 70,000	19	13.2%
70,000 – 80,000	6	4.2%
80,000 – 90,000	6	4.2%
More than 1 Lakh	13	9.0%
Total	144	100.0

Figure 4: Percentage distribution of SHG members by their household annual income (n = 144)

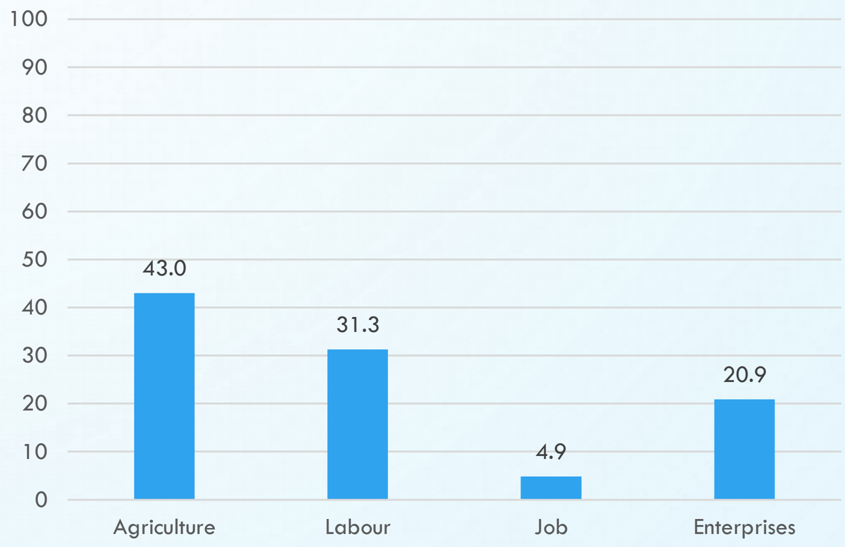


PRIMARY SOURCES OF HOUSEHOLD INCOME OF THE SHG MEMBERS

Table 5:
Percentage distribution of the SHG members by the sources of household annual income (n = 144)

Primary Sources of the household income	Percentage distribution of the SHG members by the sources of household income (n = 144)	
	Frequency	Percentage (%)
Agriculture	62	43.0%
Labour	45	31.3%
Job	7	4.9%
Enterprises	30	20.9%
Total	144	100

Figure 5: Percentage distribution of the SHG members by their primary source of income (n = 144)

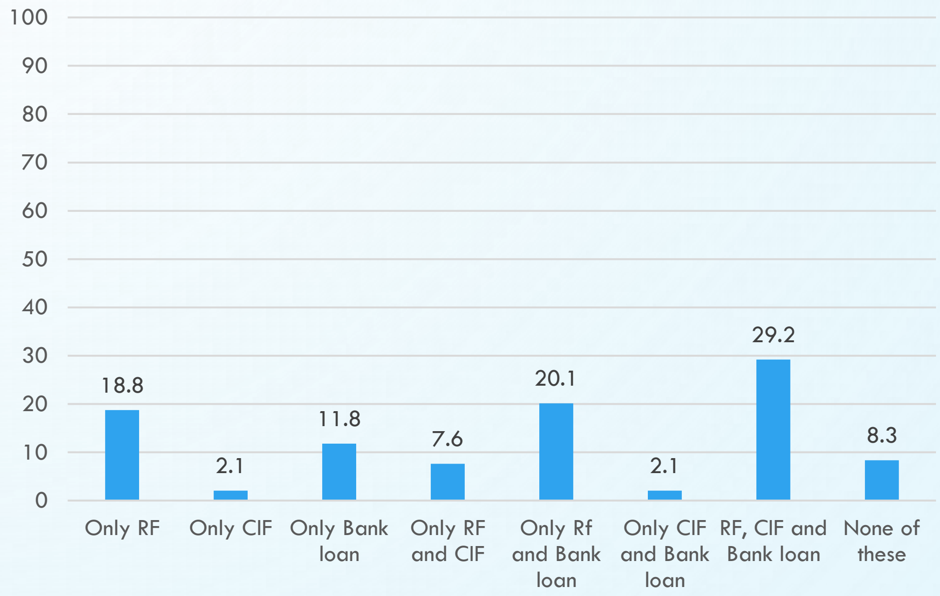


HAVING RF, CIF AND BANK LOAN BY SHG MEMBRES

Table 6:
Percentage distribution of SHG members by having RF, CIF and Bank loan (n = 144)

RF, CIF and bank loan	Percentage distribution of SHG members by having RF, CIF and Bank loan (n = 144)	
	Frequency	Percentage
Only RF	27	18.8%
Only CIF	3	2.1%
Only Bank loan	17	11.8%
RF and CIF	11	7.6%
RF and Bank loan	29	20.1%
CIF and Bank loan	3	2.1%
RF, CIF and Bank loan	42	29.2%
None of these	12	8.3%
Total	144	100.0

Figure 6: Percentage distribution of SHG members by availability of the RF, CIF and Bank loan (n = 144)

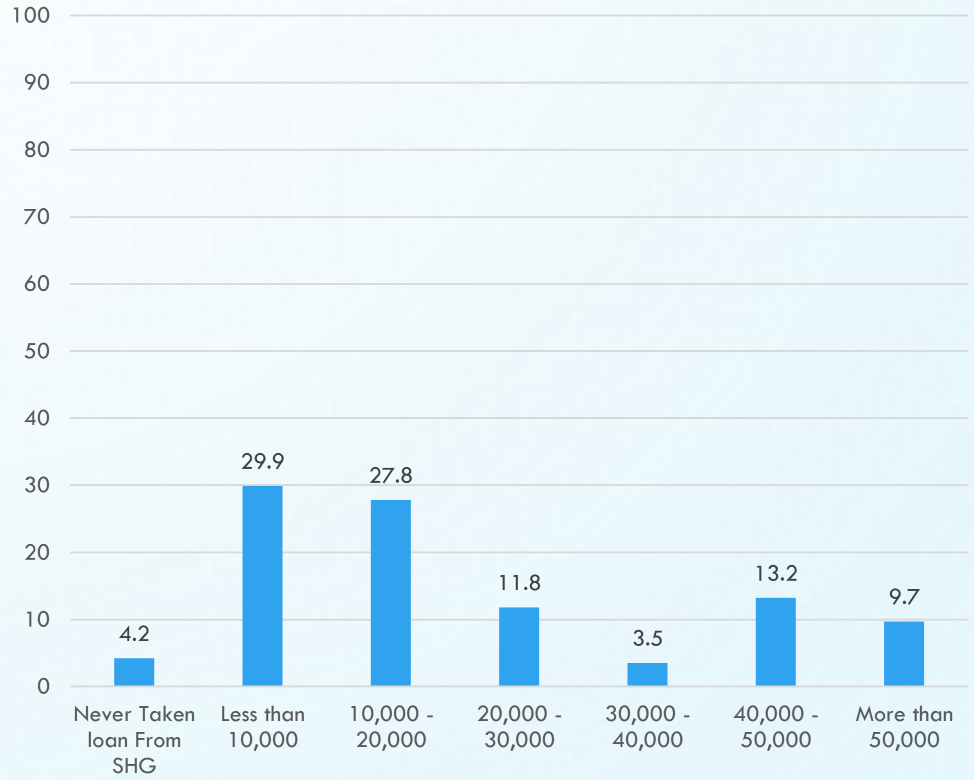


AMOUNT OF LOAN TAKEN BY THE SHG MEMBERS AS A LARGE LOAN:

Table 7:
Percentage distribution of SHG members who have taken large amount of loan from the SHG

		Large Loan taken by Respondent from SHG (n = 144)	
		Frequency	Percentage
Amount of large loan	Never Taken loan from SHG	6	4.2
	Less than 10,000	43	29.9
	10,000 – 20,000	40	27.8
	20,000 – 30,000	17	11.8
	30,000 – 40,000	5	3.5
	40,000 – 50,000	19	13.2
	More than 50,000	14	9.7
Total		144	100.0

Figure 7: Percentage distribution of SHG members who have taken large amount of loan from SHG. (n = 144)

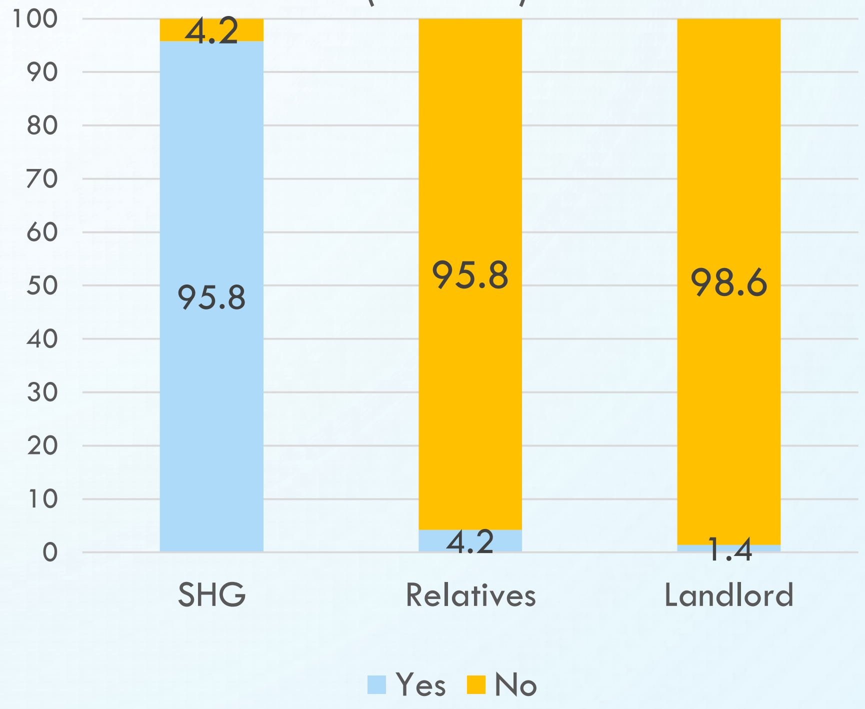


LOAN SOURCES OF THE SHG MEMBERS

TABLE 8:
Percentage distribution of SHG members by their source of loan (n = 144)

Loan sources	Percentage distribution of SHG members by their source of loan (n = 144)			
	Yes		No	
	Frequency	Percentage	Frequency	Percentage
SHG	138	95.8%	6	4.2%
Relative	6	4.2%	138	95.8%
Landlord	2	1.4%	142	98.6%

Figure 8: Percentage distribution of SHG members by their source of loan (n = 144)

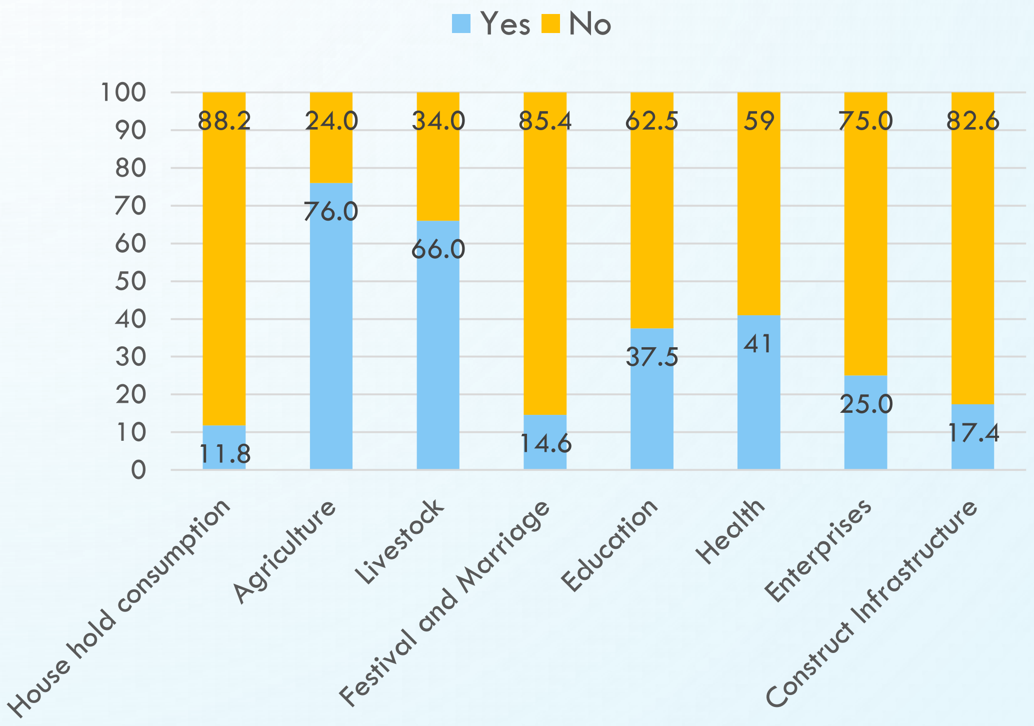


UTILIZATION OF THE LOAN IN DIFFERENT SECTOR

TABLE 9:
PERCENTAGE DISTRIBUTION OF SHG MEMBRES IN THE UTILIZATION OF LOAN

Different loan utilization sector	Percentage distribution of SHG members in utilization of loan (n = 144)			
	Yes		No	
	Frequency	Percentage	Frequency	Percentage
Household consumption	17	11.8	127	88.2
Agriculture	110	76	34	24
Livestock	95	66	49	34
Festival and marriage	21	14.6	123	85.4
Education	54	37.5	90	62.5
Health	59	41	85	59
Enterprises	36	25	108	75
Construct infrastructure	25	17.4	119	82.6

Figure 9: Percentage distribution of SHG members in the loan utilization sectors (n = 144)

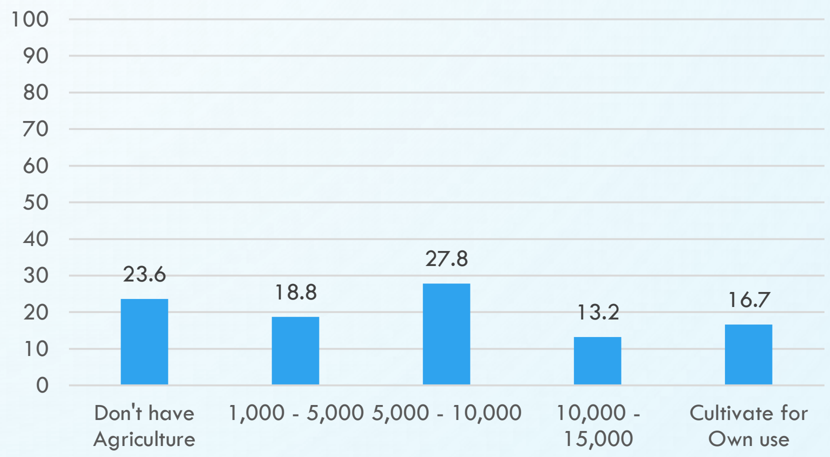


ANNUAL INCOME OF THE SHG MEMBERS FROM AGRICULTURE

TABLE 10:
PERCENTAGE DISTRIBUTION OF SHG MEMBERS WHICH SHOW THE ANNUAL INCOME INCREASES IN AGRICULTURE (n = 144)

Annual income from agriculture	Percentage distribution of SHG members in annual income increases in agriculture (n = 144)	
	Frequency	Percentage
Don't have agriculture	34	23.6%
1000 – 5000	27	18.8%
5000 – 10,000	40	27.8%
10,000 – 15,000	19	13.2%
Cultivation for own use	24	16.7%
Total	144	100.0

Figure 10: percentage distribution of SHG members in annual income increases in Agriculture
(n = 144)

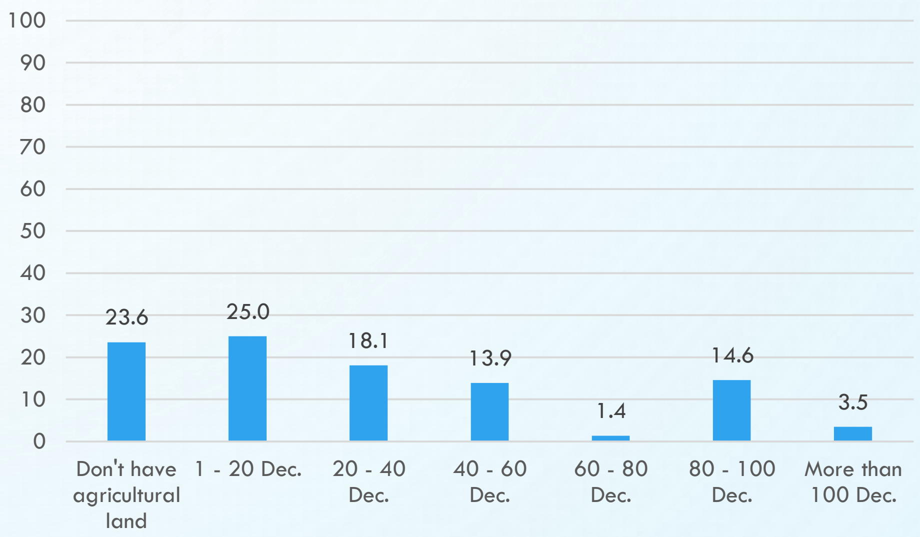


AMOUNT OF AGRICULTURAL ALND HAVING BY THE SHG MEMBERS

Table 11:
Percentage distribution of SHG members by having agricultural land by SHG members (n= 144)

Amount of Agricultural land	Percentage distribution of SHG members by having agricultural land by SHG members (n= 144)	
	Frequency	Percentage (%)
Don't have agricultural land	34	23.5%
1 – 20 Dec.	36	25.0%
20 – 40 Dec.	26	18.1%
40 – 60 Dec.	20	13.9%
60 – 80 Dec.	2	1.4%
80 – 100 Dec.	21	14.6%
More than 100 Dec.	5	3.5%
Total	144	100

Figure 11 : Percentage distribution of SHG members by their amount of agricultural land (n = 144)

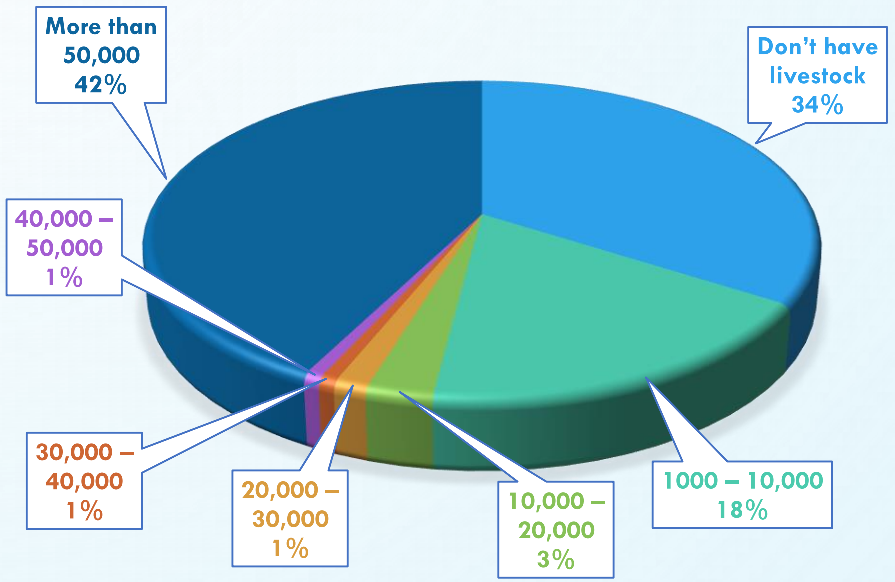


ANNUAL INCOME OF THE SHG MEMBER FROM THE LIVESTOCK

TABLE 12:
Percentage distribution of SHG in income from livestock annually by using loan (n = 144)

Amount of annual income	Percentage distribution of SHG members in annual income from livestock (n = 144)	
	Frequency	Percentage
Don't have livestock	49	34 %
1000 – 10,000	26	18%
10,000 – 20,000	4	2.8 %
20,000 – 30,000	2	1.4%
30,000 – 40,000	1	0.7%
40,000 – 50,000	1	0.7%
More than 50,000	61	42.4%
Total	144	100.0

FIGURE 12:PERCENTAGE DISTRIBUTION OF SHG MEMBERS IN ANNUAL INCOME FROM LIVESTOCK (N = 144)

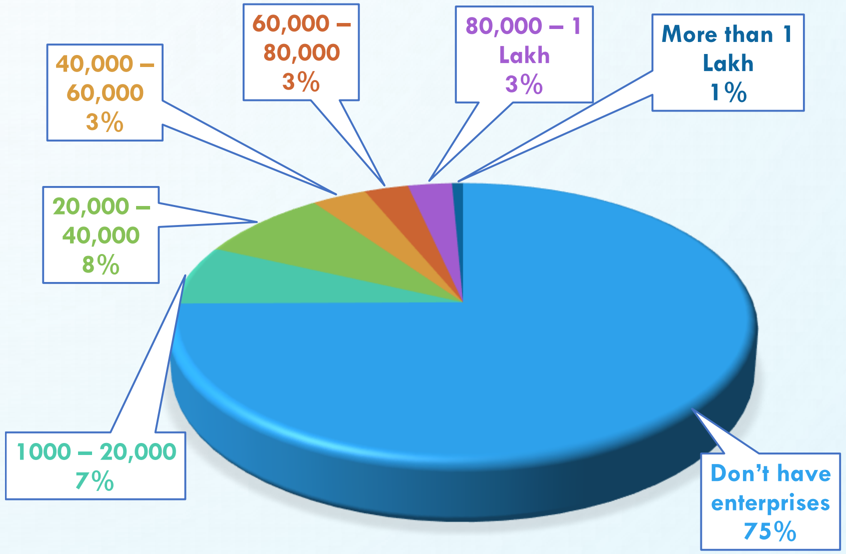


ANNUAL INCOME OF SHG MEMBERS FROM THE ENTERPRISES

TABLE 13:
Percentage distribution of SHG members in annual income from enterprises (n = 144)

Annul income increases in enterprises	Number of respondent (n = 144)	
	Frequency	Percentage
Don't have enterprises	108	75%
1000 – 20,000	10	7%
20,000 – 40,000	12	8.4%
40,000 – 60,000	5	3.5%
60,000 – 80,000	4	3.8%
80,000 – 1 Lakh	4	3.8%
More than 1 Lakh	1	0.7%
Total	144	100.0

FIGURE 13: PERCENTAGE DISTRIBUTION OF SHG IN ANNUAL INCOME FROM ENTERPRISES (N = 144)

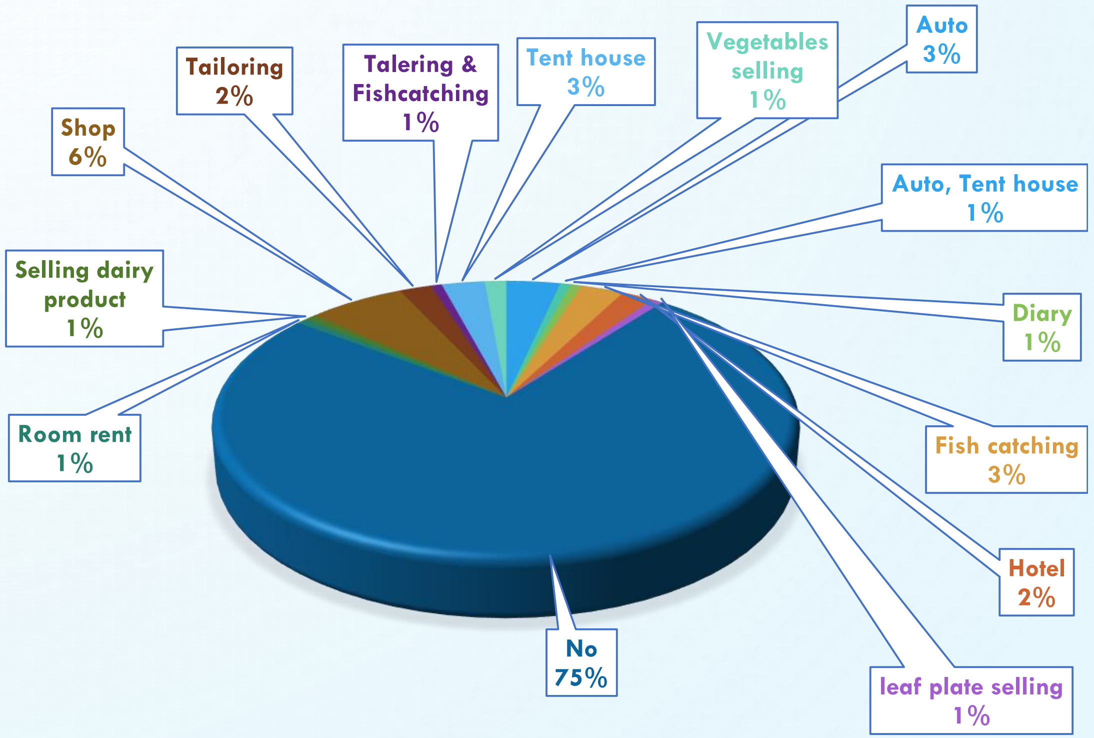


TYPES OF ENTERPRISES OF THE SHG MEMBERS

Table 14:
Percentage distribution of the SHG members by their types of enterprises (n = 144)

Types of enterprises	Percentage distribution of the SHG members by their types of enterprises (n = 144)	
	Frequency	Percentage (%)
Auto	5	3.5%
Auto, Tent house	1	.7%
Diary	1	.7%
Fish catching	4	2.8%
Hotel	3	2.1%
Leaf plate selling	1	.7%
No	108	75.0%
Room rent	1	.7%
Selling diary product	1	.7%
Shop	9	6.3%
Tailoring	3	2.1%
Tailoring & Fish catching	1	.7%
Tent house	4	2.8%
Vegetables selling	2	1.4%
Total	144	100.0

FIGURE 14: PERCENTAGE DISTRIBUTION OF SHG MEMBERS BY THEIR TYPES OF ENTERPRISES (N = 144)

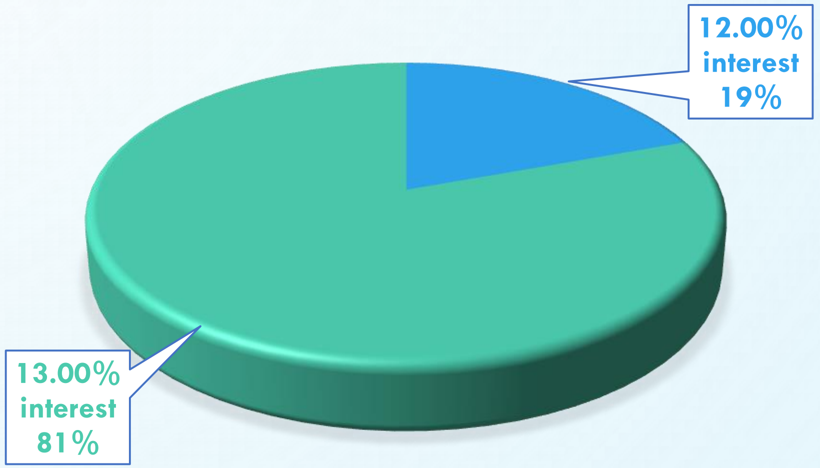


ANNUAL INTEREST OF THE LOAN

Table 15 :
Percentage distribution of SHG members by their annual interest of the Loan (n = 144)

Amount of annual Interest	Percentage distribution of SHG members by their annual interest of the Loan (n = 144)	
	Frequency	Percentage (%)
12% interest	28	19.4%
13% interest	116	80.6%
Total	144	100.0

FIGURE 15: PERCENTAGE DISTRIBUTION OF SHG MEMBERS BY THEIR RATE OF ANNUAL INTEREST (N = 144)

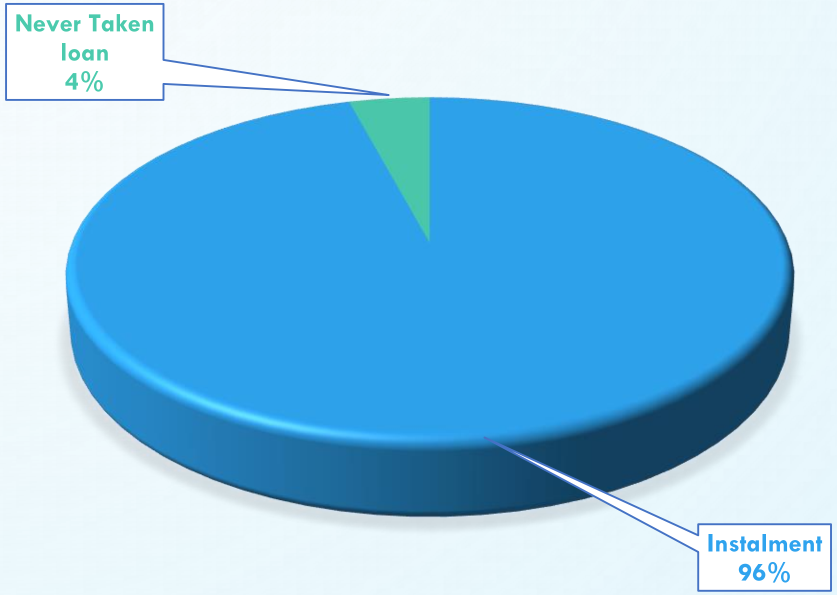


REPAYMENT PATTERN OF THE LOAN

Table 16:
Percentage distribution of SHG members by their repayment pattern (n = 144)

Types of repayment pattern	Percentage distribution of SHG members by their repayment pattern (n = 144)	
	Frequency	Percentage
Instalment	138	95.8%
Never taken loan from SHG	6	4.2%
Total	144	100.0

FIGURE 16: PERCENTAGE DISTRIBUTION OF THE SHG MEMBERS BY THEIR REPAYMENT PATTERN (N = 144)



KEY FINDING

- MOST OF THE SHG MEMBERS DEVELOPED WELL.
- SOME MEMBERS START ENTERPRISES AND SUSTAIN THEIR LIVELIHOOD
- MOST OF THE SHG MEMBERS TAKES LOAN FROM THE SHG AFTER JOINING THE SHG.
- THE MEMBERS GET BENEFITED BY SHG BY USING THE LOAN IN INCOME GENERATING WORK

LIKE AGRICULTURE, LIVESTOCK AND ENTERPRISES

- MOST OF THE MEMBERS TAKE LOAN FOR THE AGRICULTURE
- MOST OF THE MEMBERS ARE EDUCATED
- MOSTLY THE AMOUNT OF ANNUAL INTEREST IS 13%
- ALL MEMBERS REPAY THE LOAN IN INSTALMENT PATTERN

CHALLENGES

- MOST OF THE SHG MEMBERS DO NOT HAVE CLEAR IDEA ABOUT THE RF,CIF, BANK LOAN
- MOST OF THE SHG DO NOT ATTAIN THE WEEKLY MEETING, DUE TO THAT THEY DO NOT ABLE TO SPEAK THE NAME OF THE SHG AND ALSO DO NOT HAVE THE INFORMATION ABOUT THEIR SHG
- MEMBERS ARE NOT ATTAINED THE CLUSTER MEETING TOO
- SOME MEMBERS DO NOT UNDERSTAND THE REAL MEANING OF THE SHG, THEY ONLY UNDERSTAND THAT IT IS A WAY OF THE SAVING.
- FEW MEMBERS ARE FEAR TO TALK IN THE MEETING, DUE TO LACK OF LITERACY AND LACK OF INFORMATION
- LACK OF MUTUAL UNDERSTANDING
- PARTICIPATORY INCLUSION IS LESS

SUGGESTION

TO FULFIL THE OBJECTIVE OF THE PROJECT

HAVE TO BRING GOOD CHANGES IN THE FIELD

SHOULD BE ORGANIZED THE MEETING PROPERLY

REQUIRED GOOD MONITORING IN THE FIELD

FIELD STAFF SHOULD BE VISITED TO THE SHG MEETING

USING THE GEO TAG FOR THE EFFECTIVE MONITORING

- SHOULD BE PROVIDE THE SERVICES ACCORDING TO THE INTEREST AREA OF THE MEMBERS AND AVAILABILITY OF THE RESOURCES.

CONCLUSION

FINANCIAL INVESTMENT IS A GREAT STEP TOWARDS THE SUSTAINABLE MEANS OF LIVELIHOOD. THROUGH THIS PROJECT A POOREST MEMBERS CAN IMPROVE THEIR LIVELIHOOD AND START TO LIVE A BETTER LIVE. BUT THE PROGRAM WILL GET SUCCESS WHEN THE SHG MEMBERS GIVE INTEREST AND UNDERSTAND TO THE SHG.


MILK VAN

THANK YOU