Study on Impact of Financial Investment Made Out of Revolving Fund, Community Investment Fund and Bank Loam in Developing Sustainable Means of Livelihoods for Poorest Member of Sakhi Mandal in Ormanjhi Block, Ranchi District of Jharkhand

By

Padmabati Bariha

Dissertation submitted for the partial fulfillment of the
MBA Rural Management

Academic year, 2017-2019

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INSTITUTE OF HEALTH
MANAGEMENT RESEARCH
(WHO Collaborating Centre for District Health System Based on Primary Health Care)

IIHMR UNIVERSITY

TO WHOMSOEVER MAY CONCERN

This is to certify that PADMABATI BARIHA student of MBA Rural Management from The IIHMR University, Jaipur has undergone dissertation at JSLPS, Ranchi, Jharkhand from 25/02/2019 to 03/05/2019.

The Candidate has successfully carried out the study assigned to her during dissertation and her approach to the study has been sincere, scientific and analytical.
The dissertation is in fulfillment of the course requirements.

I wish her all success in all her future endeavors.

Dean In Charge
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Certificate of Internship

This is to certify that Mr. /Ms. Padmabati Baritha student of IIHMR University, Jaipur has successfully completed internship, under Financial Inclusion theme of National Rural Livelihood Mission. The area / topic of internship was "Study on impact of financial investment made out of revolving fund, community investment funds, bank loan in Ormanjhi Block of Jharkhand" under the guidance of Mr. / Ms. Rajesh Gupta - PM(FI)

We wish all the best for future endeavors.

Effective Date : 25 / 02 / 2019
Relieving Date : 03 / 05 / 2019

Chief Operating Officer

THE IIHMR UNIVERSITY, JAIPUR

CERTIFICATE BY SCHOLAR

This is to certify that the dissertation title **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, Ranchi district of Jharkhand**and submitted by PADMABATI BARIHA Enrollment No 0031 under the supervision of Assistant Prof. Ratna Verma for award of MBA in Rural Management of the University carries out during the period from 25/02/2019 to 3/05/2019 embodies my original work and has not formed the basis for the awardedof any degree, diploma associate ship, fellowship, title in this or any other institute or other similar institution of higher learning.

Padma

Signature

Acknowledgement:

I would like to express my heartiest thanks to all those who help me to complete my dissertation and report. A special thanks to Mr. Rajesh Gupta, Mr. Dhiraj Khoro, Ms. Preeti Kumari for their valuable suggestion and guidance in the dissertation period to complete my dissertation. I would also like to express my sincere thanks to all the JSLPS staff of Ormanjhi block of Ranchi district for their support which help me to complete the dissertation. At last my deepest gratitude to my mentor Ms. Ratna Verma, Associate professor, IIHMR University Jaipur, for her valuable guidance and useful suggestion which help me to completing my project work and repot.

IIHMR University Padmabati Bariha

Jaipur

CONTENTs:

EXECUTIVE SUMMARY

The report shows the impact of financial investment such as Revolving Fund, Community Investment Fund and Bank Loan, on poorest member of Sakhi Mandal to develop the sustainable means of livelihood in Ormanjhi block of Ranchi district of Jharkhand.

Method of analysis involving both primary and secondary data. Primary data is collected from field evidence through in-depth interview by using the questionnaire. The sample size is 144 from eight villages of four clusters in Ormanjhi block of Ranchi district (Jharkhand). Secondary data is based on existence data from Journala, books and article. Following research tools are applied for an effective result of the study.

- Simple random sampling
- In-depth interviews
- Data analysis and Interpretation

The output of the study shows that most of the SHG members use the provided finance in the right way to sustain their livelihood and they find a way to change their life towards a developing future. Most of the SHG members have choose the services and business like as Auto driving, Shop, Hotel, Fisheries, Diary farm and tailoring as the livelihood option. Agriculture and animal husbandry are two other option for the livelihood. Women are more empowered due to the participation in SHG.

Some SHG need to more Guidance and nurture for the better growth.

INTRODUCTION

Jharkhand State Livelihood Promotion Society (JSLPS)

JSLPS is a society established by the Ministry of Rural Development Jharkhand for the effective implementation of livelihood promotion and reduce the poverty in the state. It is also the nodal agency for the implementation of National Rural Livelihood Mission (NRLM) project in the state Jharkhand. It was formed as an autonomous and independent society in the year 2009 by the Rural Development department of Jharkhand Government. It mainly works on the following sectors

1. Social Mobilization
2. Financial Inclusion
3. Livelihood Promotion
4. Skill Development

Financial inclusion:

"According to World Bank Financial Inclusion means that individual and business have access to useful and affordable financial product and services that meet their needs – Transaction, payment, savings, credit and insurance- delivered in a responsible and sustainable way."

To overcome the poverty, it is very important to save money in bank because informal sector like friends, Family, relatives and money landers operate has no social security. Financial access connects people into the formal financial system like bank and making day to day living easier and allowing them to build assets, mitigate shocks related to emergencies, illness, and make productive investment. It also helpful to increase output and prosperity in the countryside. It helps to plug gaps and leaks in public subsidies and government welfare programme by direct cash transfer to beneficiaries through their bank accounts rather than making cash payment.

In 2011 the World Bank group launched Global Findex, a database which tracks financial inclusion efforts around the world. The 2011 Findex data showed that 2.5 billion adults were 'Unbanked' Globally. A lot of progress has been made over the past few years toward extending financial access and the number of Unbanked adult has fallen to 1.7 billion in 2017.

If we see the position of household availing banking services in India, then according to census 2001 it was 35.5 per cent whereas according to census 2011 it was increased to 58.7 per cent and in 2017 it was increased to 80 per cent

Various steps taken by RBI to support financial inclusion, such as Initiation of no- frill account in which provide basic facilities of deposit and withdrawal money at zero balance. banking services reaches to beneficiaries' home through business correspondent by which they get the bank services easily. Electronic benefit transfer by which beneficiaries get their payment through their bank account.

Bank have providing services including opening saving account for community groups, SHG and their Federation; deposit saving; provide credit and remittances. NRLM developed partnership with major bank and insurance company to create mutual relationship between bank and poor. NRLM provide credit at 7 per cent rate of interest. NRLM ensure that Financial literacy, counselling services on saving, credit, insurance and training on micro investment planning are added in capacity building of all SHGs.

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 three month or 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 six months.
- The SHG 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.

So many schemes are launched by the Government of India to reach the goal of financial inclusion, such as Swabhiman, Direct Benefit Transfer, Direct Transfer for LPG, RuPay card, USSD based mobile banking and the most famous one that is Pradhan Mantri Jan Dhan Yojana and many more. By Pradhan Mantri Jan Dhan yojana 19.02 crore Accounts have been open in India out of which 11.58 crore accounts in rural and 7.44 crore account in urban on 28 October 2015. Also 16.37 crore RuPay debit card have been issued and 33.61 crore beneficiaries banked.

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 QUESTION

- 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

Data Analysis and Interpretation

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)

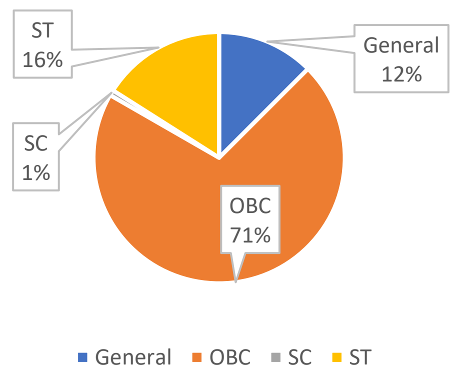

Figure 1 show the percentage distribution of the SHG members by their profile. The chart shows that 71% of the members belong to the OBC category which is highest in number. Because the in this area most of the residential are belong to the OBC category. The second highest category is ST which is 16 in percent. Whereas general is 12 percent and SC is only 1 percent. This graph is helps to identify the caste distribution of the study area.

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**	**100.0**

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

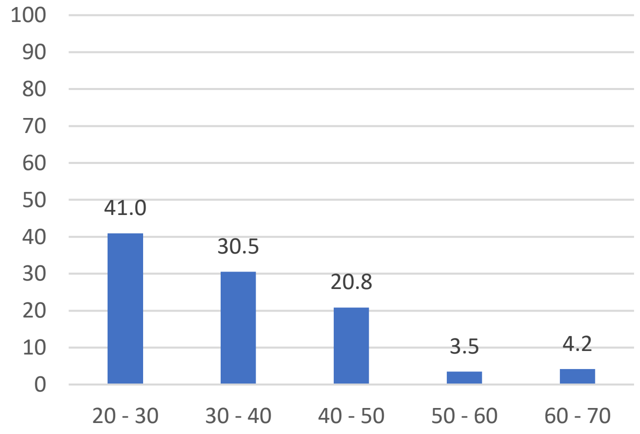

Figure 2 show the percentage distribution of the SHG members by their age group. Here highest number of the members belong to the age group of 20 – 30 which is 41 in percent. Second highest of the age group is 30 – 40 which is 30.5 in percentage. It also shows that 20.8 percent of members belong to the age group of 40 – 50, 3.5 percent of the members belong to the age group of 50 – 60 and 4.2 percent of the members belong to the age group 60 – 70. The graph helps to identify the age group of the members and how their age effect their involvement.

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**

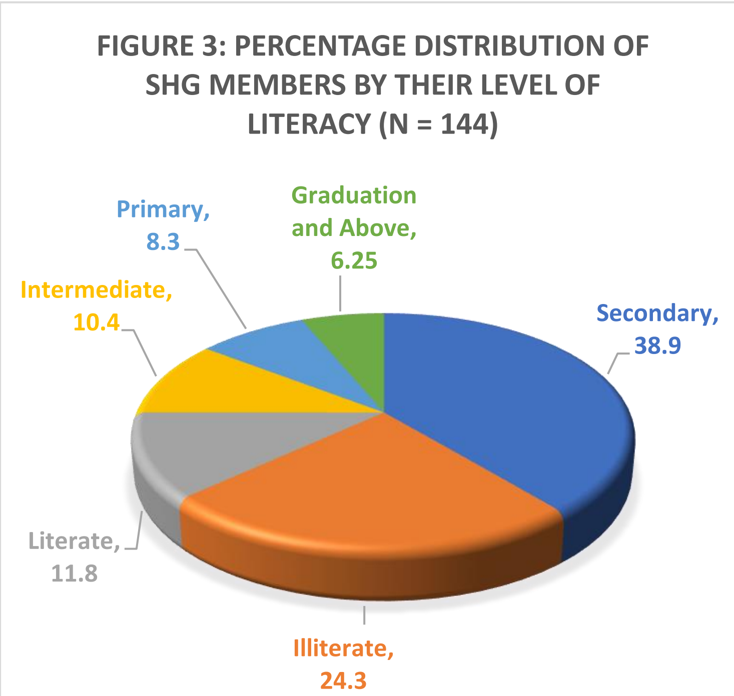

Figure 3 show the percentage distribution of SHG members by their level of literacy where 144 is the total number of respondents. The graph shows that highest number (38.9 percent) of members belong to the secondary level of education. Whereas 24. 3 percent of members are illiterate. 11. 8 percent of the members literate. 10.4 percent of the members are intermediate. 8.3 percent of members are primary and only 6. 25 percent of the SHG members having the graduation level of education.

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**

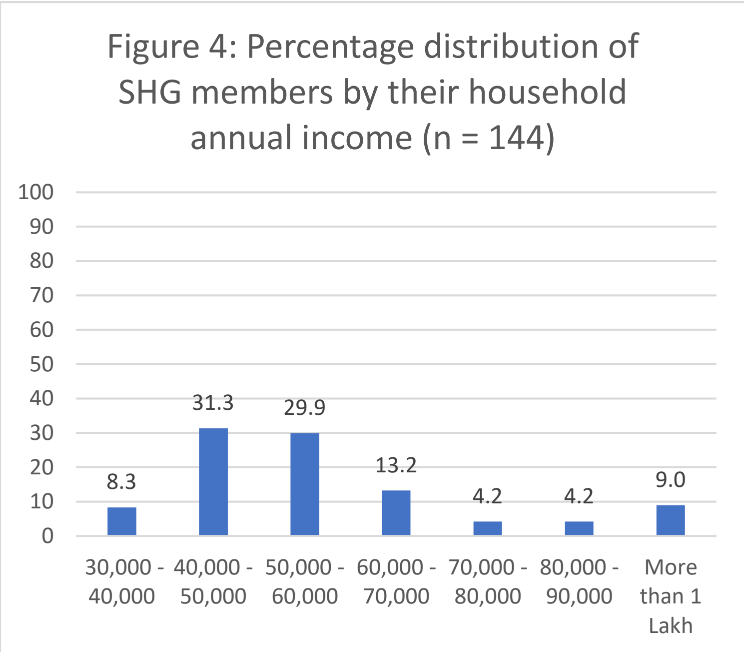

Figure 4 show the percentage distribution of SHG members by their household annual income where 144 is the total number of respondents. Here highest number of members (31.3 percent) have the household income between 40,000 to 50,000. This graph concluded that generally the members are belong to the poorest family who need the external help to sustain their livelihood.

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**

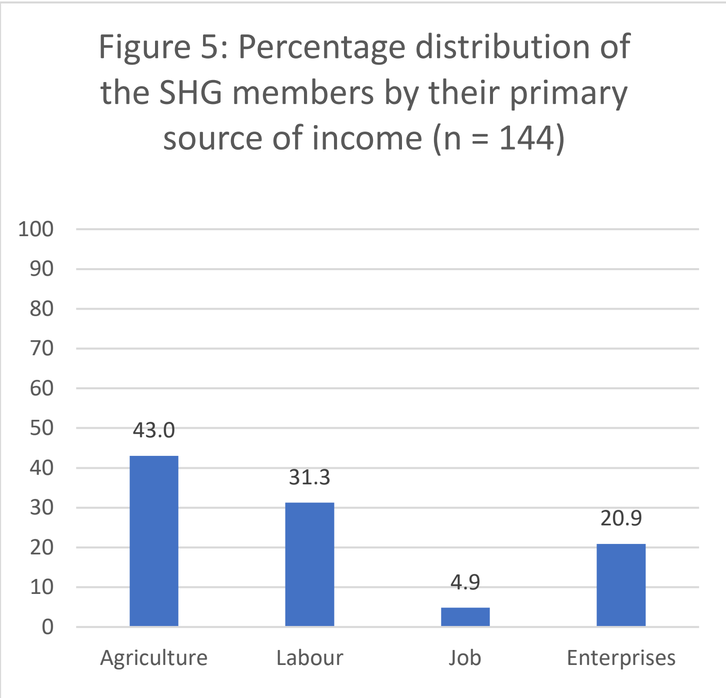

figure 5 percentage distribution of the SHG members by their primary source of income where 144 is the total numbers of respondent. Here 43 percent of the members are dependent on the agriculture as their primary source of income. 31. 3 percent of members depends on the labour work as their primary source of income. 4.9 percent of members are generating their household income from the job and 20.9 percent of members have the enterprises. This graph concluded that members are coming from the different livelihood option.

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**

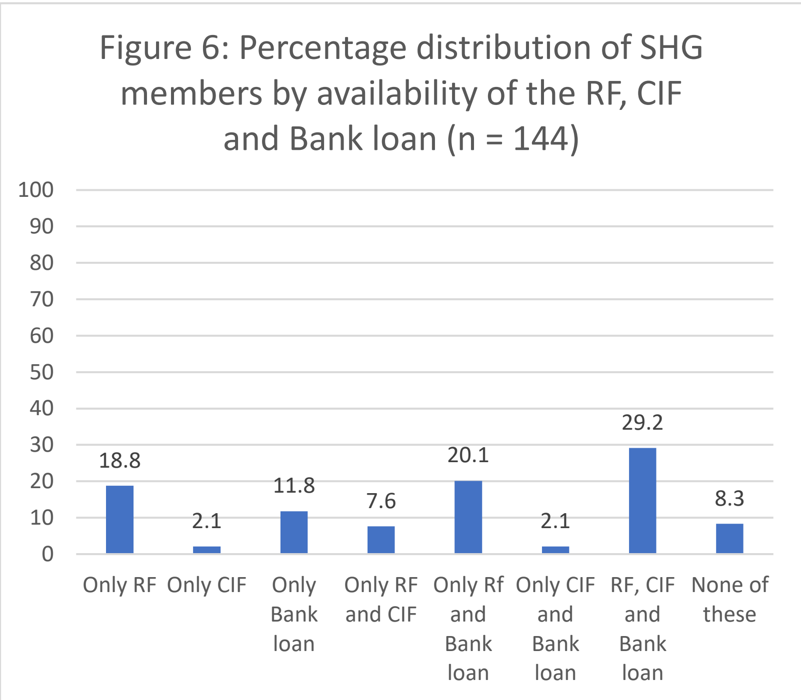

Figure 6 show the percentage distribution of the SHG members by availability of the RF, CIF and bank loan where 144 is the total number of respondents. The graph show that highest number of members have got the all of RF, CIF and Bank loan yet. Whereas 8. 3 percent of the members do not have any investment fund like RF, CIF and Bank loan. According to the data the SHG doing well in the Ormanjhi block of Ranchi district.

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 (n = 144)

Amount of large loan	Large Loan taken by Respondent from SHG (n = 144)	
	Frequency	**Percentage**
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**

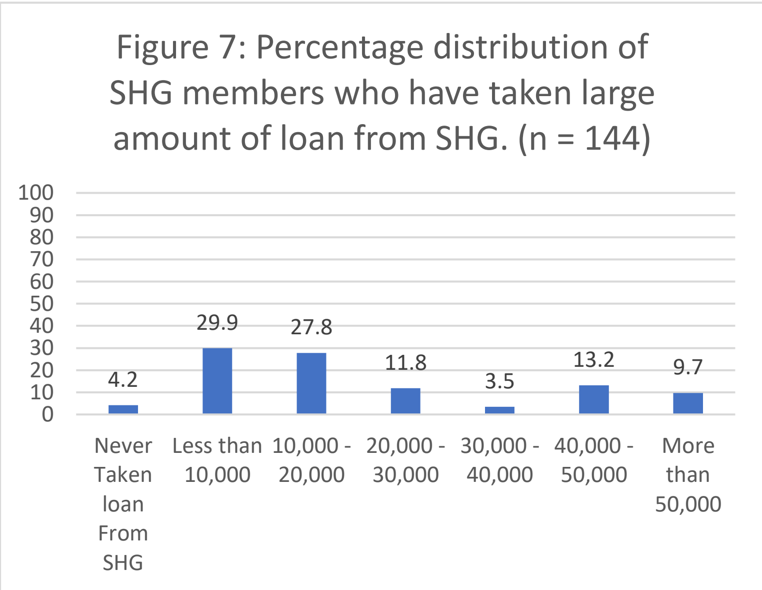

Figure 1 show the percentage distribution of SHG members who have taken the large amount of loan from their SHG where the number of respondents is 144. According to the data, less than 10,000 is the amount of loan which is taken by the maximum number of SHG members that is 29.9 in percent. Here 30,000 to 40,000 is the amount of loan taken by the minimum number of SHG member that is 3.5 in percent. The data also show that 4.2 percent of the members never taken the loan from the SHG yet. Whereas 27.8 percent of the member have taken the loan amount between 10,000 to 20000, 11.8 percent of members have taken the loan amount between 20,000 to 30,000 and 13.2 percent of members have taken the amount of loan between 40,000 to 50,000. Here the members also taken the amount of loan that is more than 50,000 which is taken by the 9.7 percent of the SHG members. It concluded that maximum number of members prefer to take the loan amount of less than 10,000 which belong to the category of small loan. The maximum numbers of members prefer the small loan due to their capacity of repayment. Most of the members thought that they may not able to return, if they take in large quantity and that's why never want to take the large loan. The 4.2 percent of members do not take the loan from the SHG yet, because they do not need the loan.

<u>**LOAN SOURCES OF THE SHG MEMBERS**</u>

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%

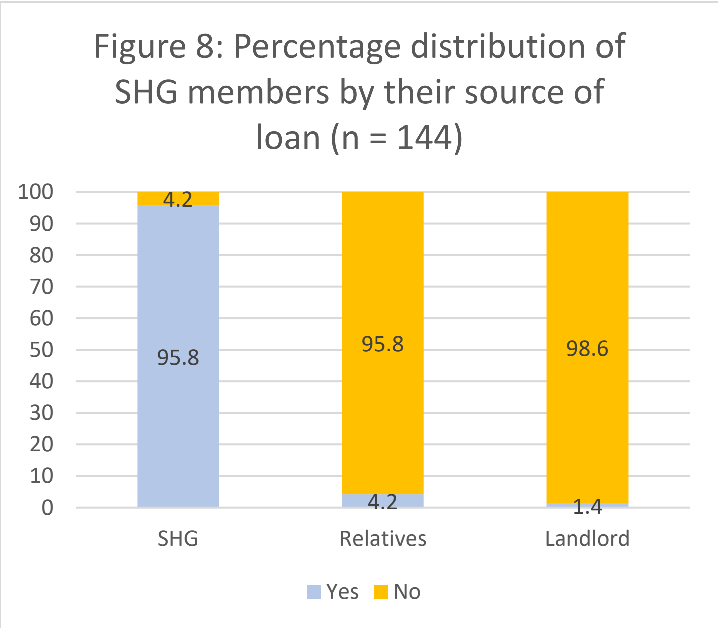

Figure 2 show the percentage distribution of SHG members by their source of loan where the number of respondents is 144. Here the data show that maximum numbers of SHG members used the SHG as their source of loan that is 95.8 in percent. Whereas 4.2 percent of the SHG members never use to take the loan from the SHG yet. The cause is that they never need the loan that's why they don't want to take the loan and repayment with the interest. Here 4.2 percent of SHG members takes the loan from their relatives. The cause is that sometimes the SHG don't have the enough money as per the requirement of the applicant. That's why they use to take the half of the loan from their relatives. The graph also shows the data that 1.4 percent of the SHG members have taken the loan from the landlord too. It is also due to unavailability of enough money in the SHG at the time of need of the applicant. So that they take the money from the landlord as well as SHG in the same times. It concluded that sometimes the SHG don't have the enough money at the time of the requirement of the members that's why they use the other source of loan such as relatives and landlord. Otherwise they use the SHG to fulfil their loan requirement.

UTILIZATION OF THE LOAN IN DIFFERENT SECTOR

TABLE 9:

PERCENTAGE DISTRIBUTION OF SHG MEMBRES BY THE UTILIZATION OF LOAN

Different loan utilization sector	Percentage distribution of SHG members by the 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%

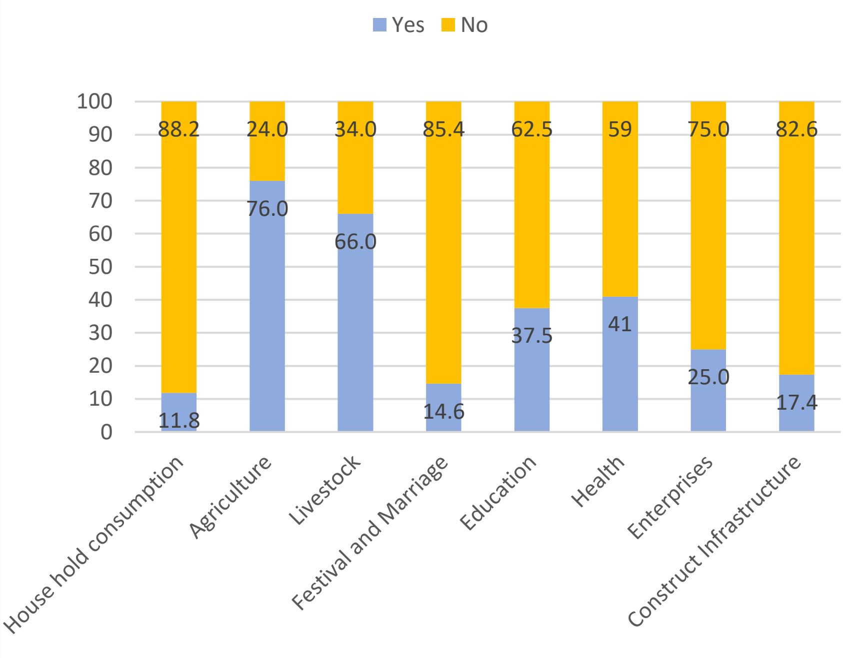

Figure 9: Percentage distribution of SHG members by the loan utilization sectors

Figure 9 show the percentage distribution of the SHG members by the loan utilization sector. The graph shows that highest numbers of the SHG members utilize the loan in agriculture that is 76 in percent. The SHG members utilize their loan second highest number in livestock rearing which is 66 in percent. Besides this 11.8 percent of the SHG members utilize the loan in household consumption, 14.6 percent in festival and marriage, 37.5 percent in education, 41 percent in health, 25 percent in enterprises and 17.4 percent in the construction of the infrastructure. Here only 25 percent of the members utilize the loan in the enterprises when it is an income generating sectors. It is due to the lack of resources, market accessibility and knowledge. Hence it required to encourage the members to stat the enterprises and build their live easy.

ANNUAL INCOME OF THE SHG MEMBERS FROM AGRICULTURE

TABLE 10:

PERCENTAGE DISTRIBUTION OF SHG MEMBERS BY THE ANNUAL INCOME INCREASES IN AGRICULTURE (n = 144)

Annual income from agriculture	Percentage distribution of SHG members by 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**

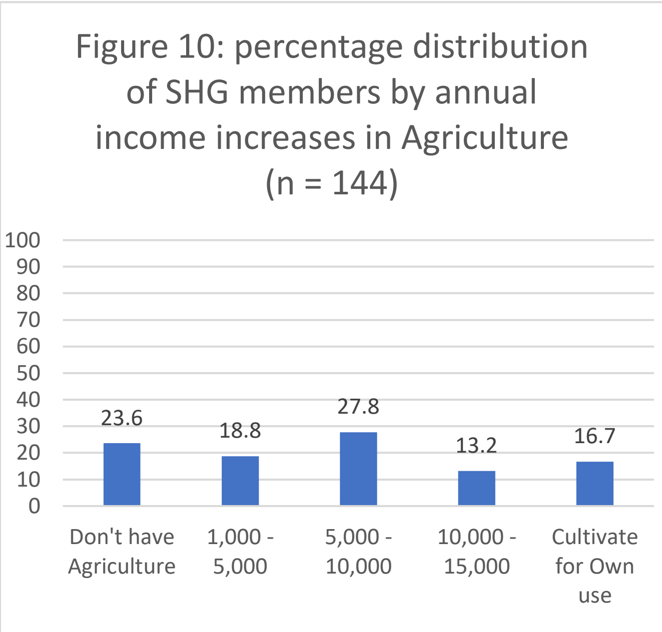

Figure 10 show the percentage distribution of SHG members by their annual income increases in agriculture where 144 is the total number of respondents. According to the data 5000 – 10,000 is the amount of annual income generated from the agriculture which is highest in numbers as compare to the last year. Here 16.7 percent members have cultivated for their own consumption and the 23.6 percent members do not have any agriculture, they mainly depend upon the labour work and other activity for income.

AMOUNT OF AGRICULTURAL ALND HAVING BY THE SHG MEMBERS

Table 11:

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

Amount of Agricultural land	Percentage distribution of SHG members by having agricultural land (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**

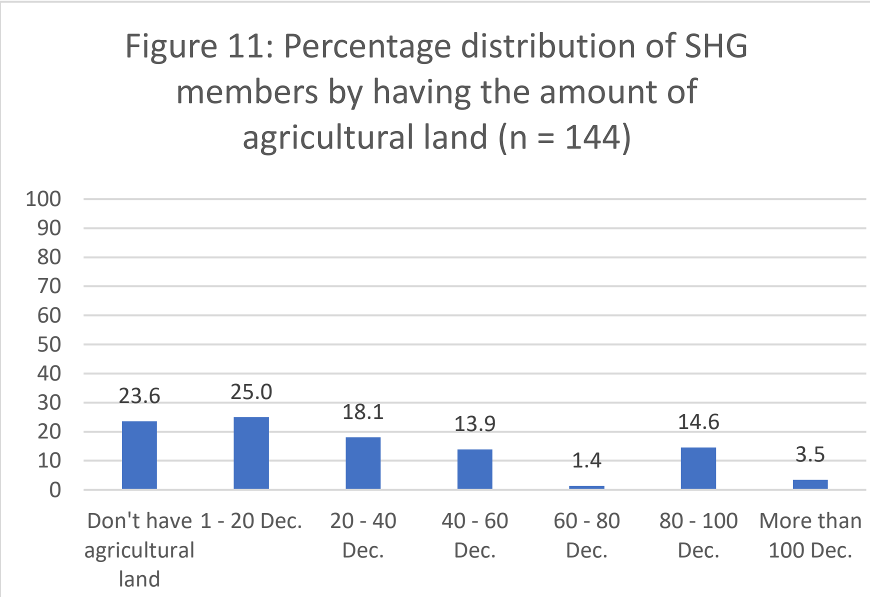

Figure 11 show the percentage distribution of the SHG members by their amount of agricultural land where 144 is the total number of respondents. The graph shows that highest numbers of members having the agricultural land of 1 – 20 Dec. only. Here as only 3.5 percent of members having the agricultural land of more than 100 Dec (or 1 Ac.). It concluded that agriculture is the primary source for most of the SHG member but they have the limited amount of agricultural land.

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)

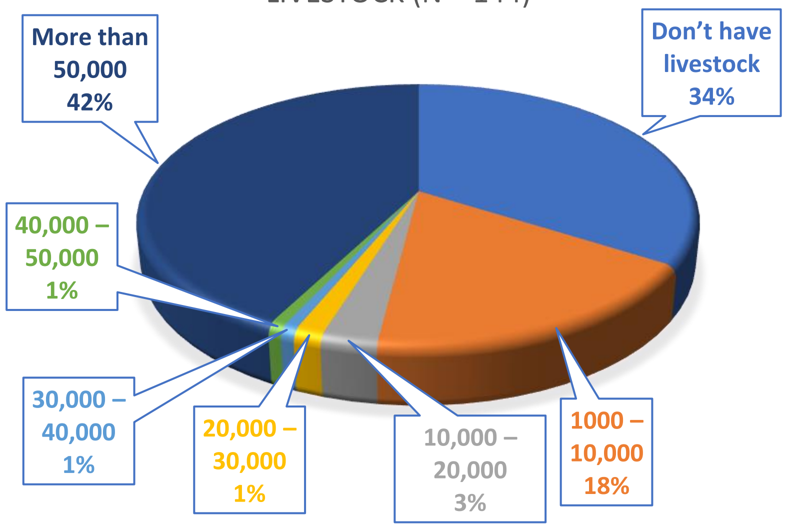

Figure 12 show the percentage distribution of the SHG members by their generation of annual income from the livestock where 144 is the total number of respondents. Here 42 percent of the members generate the income of more than 50,000 per year from the livestock. So that the graph concluded that most of the members depend on the livelihood as their income generating source.

ANNUAL INCOME OF SHG MEMBERS FROM THE ENTERPRISES

TABLE 13:

Percentage distribution of SHG members by their 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**

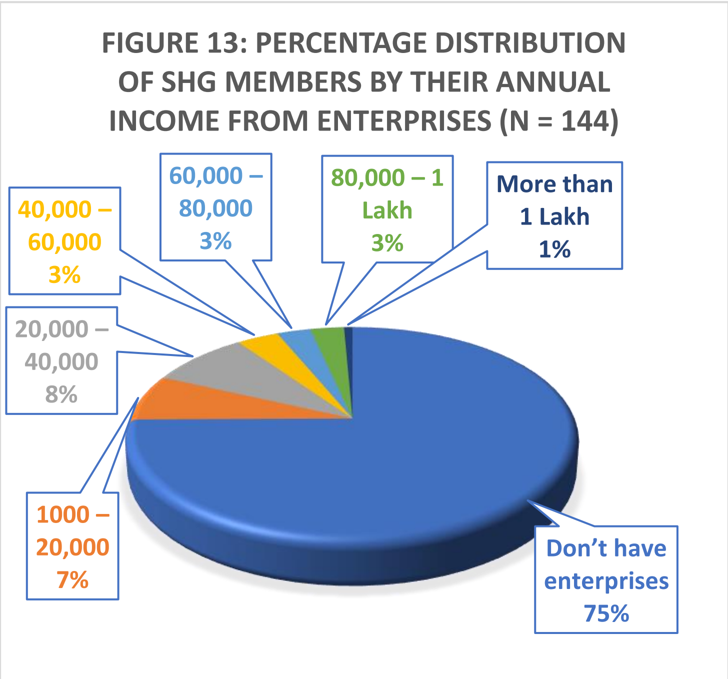

Figure 13 show the percentage distribution of the SHG members by their annual income from the enterprises. Here 8% of the SHG members get income between 20,000 to 40,000 from the enterprises annually which is the maximum percentage of the members. Whereas the 1% of the SHG members get the income of more than 1 lakh from the enterprises annually. The data also show that 3% of the SHG members get the annual income between 80,000 to 1 Lakh from the enterprises. 3% of the SHG members get the annual income between 60,000 to 80,000 from the enterprises. 3% of the SHG members get the annual income between 40,000 to 60,000 from the enterprises. 7% of the SHG members get the annual income between 1,000 to 20,000 from the enterprises. Hare the 75% of the SHG members do not start any enterprises yet due to the unavailability of the resources, lack of market accessibility and lack of knowledge about the enterprises. It concluded that the members are willing and interested about the enterprises, but it is required to provide the resources and market accessibility that help to improve the livelihood of the poor and begins a better life.

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)

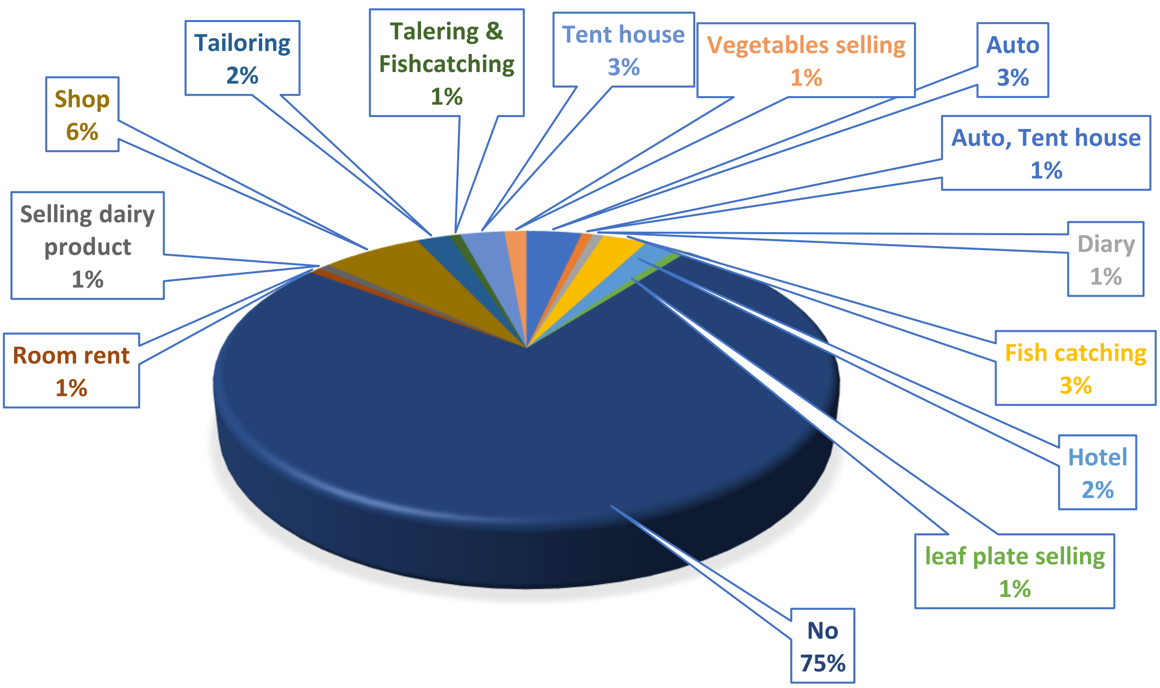

Figure 14 show the percentage distribution of SHG members by their types of enterprises. Here only 6 percent of members are doing their enterprises of shop. Whereas all others have different types of enterprises like tailoring, Auto driving, Room rent, vegetable selling, fish catching and hotel. Very few numbers of members have the enterprises due to the lack of resources market accessibility and knowledge. That's why if the market and resources will be provided to the SHG members than they can grow well in their livelihood development. The training or exposer visit is also needed to develop their enterprises knowledge which is the most important part to develope an enterprise in grassroot level.

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**

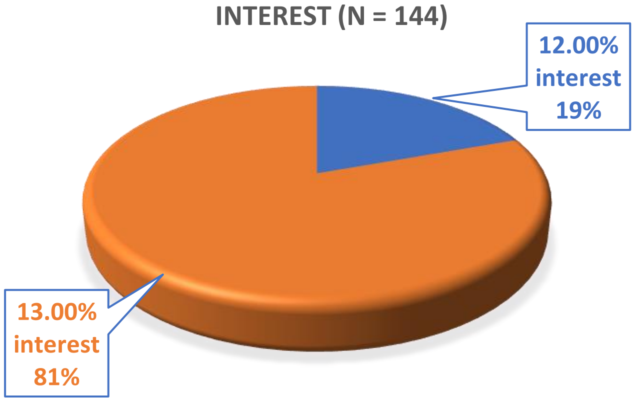

FIGURE 15: PECENTAGE DISTRIBUTION OF SHG MEMBERS BY THEIR RATE OF ANNUAL INTEREST (N = 144)

Figure 15 show the percentage distribution of the SHG members by their rate of annual interest where 144 is the total numbers of respondent. The data show that highest number of members take loan at the interest rate of 13 percent annually which is 81 in percentage. Because the respondent repays the loan by monthly instalment pattern that is Rs. 1.5 per Rs. 100 per month and they think that it is the easier way of the paying interest of the loan. According to the respondent Rs. 1.5 is the amount of monthly interest which is easy to count for everyone. Whereas 1.08 is the monthly interest rate as per the NRLM guide line. The graph also show that 19 percent of the member prefer to apply the 12 percent annual interest of the loan. Because they think that the monthly interest of Rs. 1 per Rs.100 is easy to calculation for them.

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)

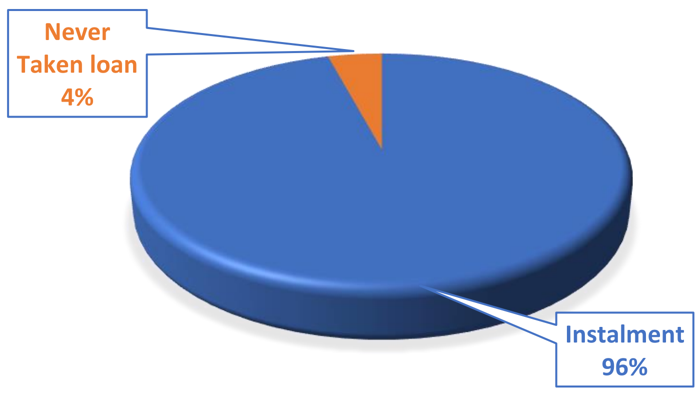

Figure 16 show the percentage distribution of the SHG members by their repayment pattern. The graph show that 96 percent of the members repay the loan by the instalment pattern. Because it is difficult to repay in a bunch for the SHG members as they belong to the poor family. The instalment pattern is an easy way to repay the loan. Here 4 percent of the members never use to take the loan from the SHG.

Key Finding

- Most of the SHG members developed well.
- Few members start the enterprise and improve their livelihood.
- All most all SHG members takes the loan from the SHG now, whereas they use the other resources for the loan before joining the SHG
- The SHG members get benefited by using the loan in income generating work like Agriculture, livestock and enterprises.
- Most of the SHG members have education
- Most of the members repay their loan with the interest amount of 13 percent (annually)
- All members repay the loan by the instalment pattern.

Challenges

- Most of the SHG members do not have clear idea about the RF, CIF,
- Bank Loan
- Most of the SHG members do not attain the weekly meeting, due to that they do not have the information about their SHG.
- Less number of SHG members attained the cluster meting
- Some members do not understand the real meaning of the SHG, they only understand that it is a way of saving and nothing else.
- Few members are fear to talk in the meeting, due to lack of literacy and information
- Lack of mutual understanding between the SHG members belong to same SHG
- Less numbers of SHG members attained the SHG meeting with their own interest where most are not.

Suggestion

- Should be conducted the SHG meeting regularly in the village level.
- Monitoring is needed in the village level as well as cluster level.
- Exposer visit is needed for the SHG members to understand the real meaning of the SHG.
- Should be provide the services according to the interest area of the SHG members and availability of the resources.

Conclusion

Financial investment is a great step towards the sustainable means of livelihood for the poorest members of the Sakhi Mandal. The poorest members can improve their livelihood through this project and can start to live a better life. But the project will become success when the SHG members give interest and understand the SHG.