

Sakh se Vikas

This is a publication of Center for microFinance, Jaipur. Please send us comments or feedback at cmf@cmfraj.org



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Editorial

Dear Readers

We present to you all the third edition of Centre for microFinance's Newsletter. The 6th Colloquium on Micro Finance & Livelihood 2012 captures the spotlight in this edition of Sakh se Vikas. With developments in MF sector such as SHGs being considered engines of development under the ambitious National Rural Livelihood Mission, Colloquium this year had livelihood component as an addition feature.

Sakh se Vikas this time captures achievements of one of the SHG members in Alwar under the section "Star Performer". With contribution from organizations at field, we hope to make this section a regular feature so that readers are enlightened on the inspiring work that SHG members are doing. "Cases from the field" is the next highlight of the newsletter. We bring to you heartening stories picked straight from the field locations of Grameen Development Services (GDS) in Ajmer District and Pradan in Sirohi District.

We hope that the reader finds interest and relevance in rest of the sections which attempts to capture most of the happenings in mF sector.

-Editorial Team, CmF

Cover Story: 6th Colloquium on Micro Finance & Livelihood 2012

Centre for microfinance (CmF) and Rajasthan Grameen Aajeevika Vikas Parishad (RGAVP), Govt. of Rajasthan jointly organized 6th Colloquium which is a platform for all stakeholders to come together and deliberate on future of Self Help Group movement in Rajasthan. As a prelude to Colloquium "अभिव्यक्ति: Women Speak" was organized on 4 April, 2012 in Jaipur where around 200 SHG leaders from about 20 districts of Rajasthan came together to deliberate upon their experiences, aspirations and expectation from banks, Government and micro finance practitioners for taking SHG movement forward.

The Colloquium was inaugurated on 5 April, 2012 with the key note address delivered by renowned economist and Deputy Chairman of Rajasthan State Planning Board, Prof. V.S. Vyas who highlighted that due to nationalization of banks, needs of rural poor require to be addressed specifically and this has culminated to inclusive banking. Describing credit as a potent instrument for development and poverty alleviation, Prof. Vyas emphasized on the need to graduate from Micro Finance to livelihoods.

An important highlight of Colloquium was the presentation of key deliberations from "अभिव्यक्ति". Concerns on promoting livelihoods which needs services beyond credit was highlighted along with need for skill enhancement, vocational trainings and market oriented livelihoods. SHG movement should include all poor and not just BPL households. Bankers' support is required for innovative approaches to provide loans like bulk lending to Federations for supporting livelihood initiatives.

The valedictory speech delivered by Shri. Jairam Ramesh, Hon. Minister, Rural Development, Govt. of India, underlined need to create regulatory space for MFIs so that SHGs are not adversely effected. Calling for leveraging advantages of both MFIs and SHGs, the minister encouraged SHGs to produce social capital goods and strengthen the non-income generating institutions in collaboration with the PRIs.

Follow the link for the complete report on Colloquium- <http://www.cmfraj.org/ColloquiumReport2012.pdf>



Star performer



“Social taboos and customs that prevented women from standing equal to men are vanishing gradually. Today not only women but even men consult me on important matters’, Parwati Kanwar after being awarded the prestigious Golden Talent Award by Heifer International.

Parwati has been an active member of Radha Krishan SHG since 2007 when she joined. As part of Ibtada’s project on goat rearing, supported by Heifer Project International (HPI) Parwati received three goats. Parwati now has five kids from her three goats of which two male kids are being reared for sale during the Eid festival. The remaining three kids will be passed on as the pass-on gift to a member of her SHG. ‘Pass on the gifts’ the core philosophy of HPI has been displayed by Parwati in the true sense time and again.

A large portion of the goat milk is consumed at home and forms an integral part of their daily diet. Despite being uneducated Parwati attended training programmes on financial literacy and is now able to impart the training to other SHG members. Early this year, Parwati took a loan of Rs 15,000 from her group to buy a buffalo. The sale of buffalo milk brings the family Rs 2,000 per month and she has already repaid the entire loan amount. Training programmes organized by Ibtada have enabled Parwati to initiate kitchen gardening and also increase crop production on the family’s small plot of agricultural land and has motivated other women in her village to join similar groups. There are now a total of five SHGs in the Amka village. Parwati has emerged as a change agent influencing social and development issues in the village, mobilizing and guiding other women towards self-reliance.

-Contribution by IBTADA, Alwar

“I feel extremely motivated by the philosophy of ‘pass on the gifts’. It is beyond imagination that poor families like ours can contribute in improving the lives of others. It has evolved our thinking process; we look forward to sharing, be it material belongings or knowledge. It has also helped us in changing our perceptions of the caste system and we now co-exist as an equal society.”

-Parwati Kanwar

Highlights



SHG members in Jagatpura, Kachhi Basti were given training on making folders and cloth bags in December 2011. 20 women have been successfully trained. A total of 55 files and folders have been procured for conferences and other events. Women had set up a stall to display their products in Jawahar Kala Kendra from 10-16 February, 2012.

- Urban Poor Initiative, Jagatpura Kachhi Basti, Jaipur

The 5th batch of Certificate Course on MicroFinance and Rural Livelihood was launched on 1st February, 2012. 32 youth enthusiastic students were welcomed in State Resource Centre (SRC), Jaipur. They are currently undergoing a 2 month long class room teaching. This will be followed by 2 months of field work.

-Centre for microFinance (CmF)



Credit Mobilization by SHG Federations: Ajmer- Grameen Mahila Jagriti Federation received Rs. 95 lakhs by ICICI bank in March 2012. Last year in June, the federation promoted by GMVS mobilized Rs. 55 lakhs again from ICICI bank. This is an outstanding example of continued SHG bank relationship.

- Grameen Mahila Vikas Sansthan, Sakh se Vikas Initiative

***Sakh Darpan*- Integrated MIS solution for SHGs**

CmF in partnership with Government of Rajasthan have developed a portal for comprehensive MIS Solution for SHGs- *Sakh Darpan*. Technical support was provided by Ekgaon technologies. The MIS allows central tracking of internal accounts of SHG members, multiple portfolios of members, repayment performance as well as linkage with social security schemes, insurance and livelihood activities. The application has been adopted by Rajasthan Gramin Ajivika Vikas Parishad, Government of Rajasthan for implementing in all livelihood projects.



'Sakh Darpan' is simplified, modular, user-friendly, customizable and bi-lingual (English & Hindi). The application package can integrate three levels of user applications viz. Primary User level Mobile phone/ EPOS application allowing financial transactions at field level; Middleware application allowing integration of data transferred from mobile phone/ EPOS with Financial Reporting and Accounting application at the Top Level.

Cases from the field...



Grameen Development Services, Ajmer: Saina's lucky 16

Saina Devi belongs to Durgawas village of Jawaja block in Ajmer. Her family comprises of her husband, Durga Singh, 3 sons and a daughter. The primary occupation in their family is agriculture. However due to intermittent rainfall in the region for the past 10-12 years, the family realized the need adopt some other avenue for income generation. Saina Devi decided to buy 4 goats which would increase consumption of milk in her family and would contribute to the household income.

In 2010, GDS explained goat rearing practice to members and motivated them to take it up for increasing household income. The members who were interested were reorganized into a separate SHG. As a SHG member, Saina Devi has been given training on goat rearing. Castration of buck, vaccination, deworming and propagation through breeding buck were practices unheard of till GDS intervened. Saina Devi is now aware of the best goat rearing practices. *Sakhis* and paravets provided the necessary support to members. Moreover, GDS facilitated loans from banks to the SHG under SGSY. The SHG bought good breeds of goat and today, she is the proud of her 16 new born healthy goats!!

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Pradan, Abu Road: Tomatoes add to life!

Kankuri Bai's regular credit needs have been well taken care of by her SHG Sudhamata. The annual household income is about Rs. 25,000. She lives with her husband and 7 children in Uplagarh, Abu Road. Their landholding is less than 2 bhigas on which they cultivate maize and wheat. Although hesitant, Kankuri Bai thought she would take a chance and be a part of pilot intervention introduced by Pradan (under MPOWER project) in tomato cultivation. She allocated 5 decimal of land for this and religiously followed the POP taught by Pradan. Of the 150 plants, 100 plants survived which gave her an earning of Rs. 4,000. Overjoyed with the initial success, Kankuri Bai decided she will take tomato cultivation one step forward next season.



Tomatoes planted in just 10 decimal of land added to a year's household income!

This year, Kankuri Bai doubled the area under cultivation for tomato. Tomatoes planted in 10 decimal of land yielded 15 quintals of tomato! She has already earned Rs. 19,000 and 12-13 quintals more are expected. It is heartening that in just one season she has been able earn income equivalent to the annual household income.

This pilot on tomato cultivation was initiated in Abu Road with 80 farmers the intervention is planned to be extended to 500 families.

Research and knowledge dissemination

Study on the Potential of youth livelihood enhancement: Study was undertaken for youth of target families in MPOWER project to understand preferences of youth, their family, identify potential sectors of employment and create database of training institutions. Conducted in 150 villages of Barmer, Jodhpur, Jaisalmer, Pali, Sirohi.

Key findings

- Skill sets- Most respondents know driving followed by stitching. Other skills are welding, mechanics work and construction.
- Reasons for leaving job- low income was cited as the major reason for leaving previous jobs. Long distance of work place from home was also one of the major factors.
- In job employment, respondents prefer stitching, construction of houses, repairing home appliance and mobile phones, security guard's job etc. The preference in self employment is region specific. However some enterprise ideas such as setting up grocery shop, flour mill, dairy and electronics shop were popular across all blocks.

Study on Risk Profiling for Micro Insurance Initiative in Rajasthan: The study explores possibilities for adoption of micro insurance by the community, NGOs and MFIs. Total of 493 households across 5 cities of Rajasthan were covered. Possibility of covering SHG members against health risks was assessed.

Key findings- Major risks

- Death of earning member
- Illness and death of livestock
- Illness of family members
- crop failure

About Centre for Microfinance, Jaipur

Our Vision

"We strive for timely availability of microFinance services to the poor and marginalized on fair terms and with dignity to help them enhance their livelihoods."

Feasibility study on Special Purpose Vehicle (SPV) for SHG financing: The objective of this study is to do feasibility analysis of a SPV which would facilitate credit disbursement to good quality SHGs, facilitate repayment and monitor livelihood activities for which credit is extended. It will build 'credit history' of SHGs on the basis of which banks and financial institutions will disbursement credit thereby gradually strengthening SHG-bank linkage.

Rajasthan Micro Finance Sector Report 2011 Sh. Jairam Ramesh (Hon. Minister, MoRD, Govt. of India) released the 3rd publication by CmF on state of Rajasthan's micro finance sector on April 6, 2012

Key trends-

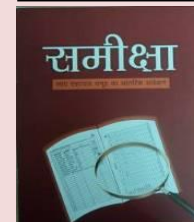
- Reversal trend in growth of SHG bank linkage and in saving of SHGs; There are only 2.8 lakh functional SHGs out of total 4 lakh SHGs formed in Rajasthan and only 1.72 lakh SHGs are credit linked from banks.
- On an average a poor family needs about Rs. 20,000 as credit every year to meet their consumption and small working capital needs. For sustainable livelihood and bringing the family out of poverty, at least Rs. 60,000 credit (cumulative) over a period of 2-3 yrs is required.
- Around 60% of existing SHGs are of average or above average quality, indicating that 60% of existing SHGs can be supported by new schemes like NRLM, RRLP and MPOWER.

These are some of the key trends projected in the report. For the complete report please contact CmF.

CmF develops resource material and training manuals for strengthening SHGs. These manual can be used by SHG/Federation members and SHPIs



SHG grading



SHG audit



SHG accounts



Insurance Literacy

