

# **A Study on Mapping of SHGs and Livelihoods in Saran District of Bihar**

**Study conducted by**



**APMAS**



# Study Objectives ...

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- To collect present socio-economic information of project area
- To know present situation of existing SHGs, functional status, coverage of BPL HHs and potential for new SHGs
- To know the status of LH opportunities of BPL HHs and possible interventions with SHGs & their federations



# Study Objectives

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- to know the credit linkages of SHGs with various financial institutions like banks, MFIs; and
- to prepare a road map for carrying out the promotion and strengthening of SHGs and their federations
- To suggest possible livelihood interventions to improve the livelihood opportunities of the poor.



# Sample Covered

Block	GPs	SHGs	HHs	Banks	FGDs
Digwara	3	20	50	2	3
Garkha	4	14	60	3	4
Parsa	3	11	45	1	3
Sonpur	4	13	60	2	4
<b>Total</b>	<b>14</b>	<b>58</b>	<b>215</b>	<b>8</b>	<b>14</b>

Note : GPs= Gram Panchayats, SHGs= Self Help Groups  
HHs=Households, FGDs=Focus Group Discussions



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## SHGs at a Glance

Name of the block	No. of SHGs	No. of members
Garkha	175	2030
Parsa	146	1694
Digwara	234	2715
Sonpur	348	4035
Total	903	10474

- Total SHGs in the district :4278
- SHGs formed under SGSY : 3985
- SHGS formed under NABARD : 298
- Total HHs joined in SHGs : 46,226
- Total HHs in the district : 10,95,305



# Profile of Sample HHs

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- Average size of HHs : 7.6
- Illiteracy rate : 30.9
- Working population : 28.7
- % of HHs having DAPs : 11.6

## **Caste composition :**

- STs : 0.9%, SC 27.9%,  
➤ BC-60.0, Min 5.6 OC:5.6
- BPL 73.0%, APL 20.5% no cards 6.5%
- % of HHs has lands 54.4

## **Status of Housing :**

- Colony 13%, Thatched 24%,  
➤ Tiled 42, Pakka 21%
- Average size of lands : 6.5 Kattas

## **Average Income & Expenditure per HH:**

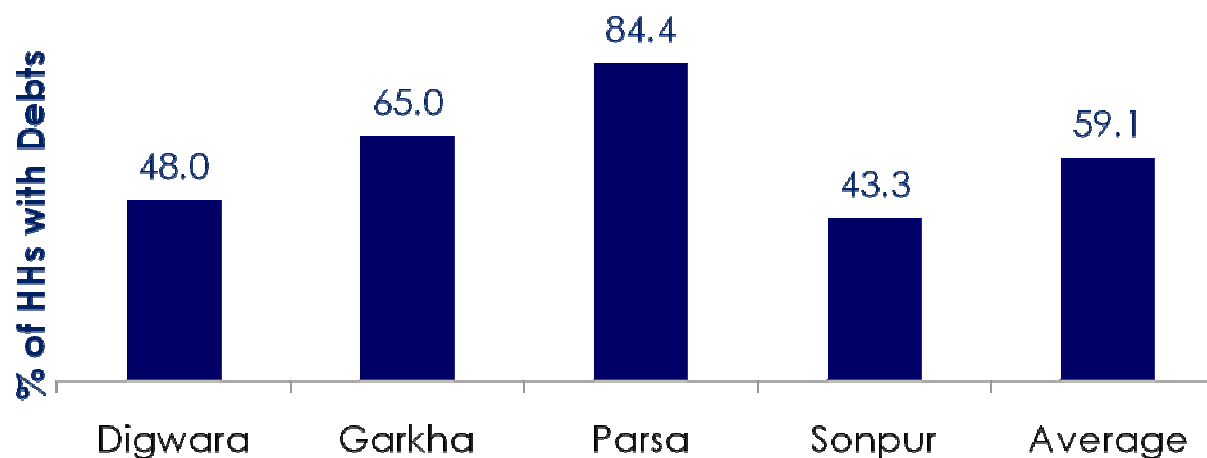
- Income Rs.90,773 and expenditure Rs.76,709. <sup>6</sup>



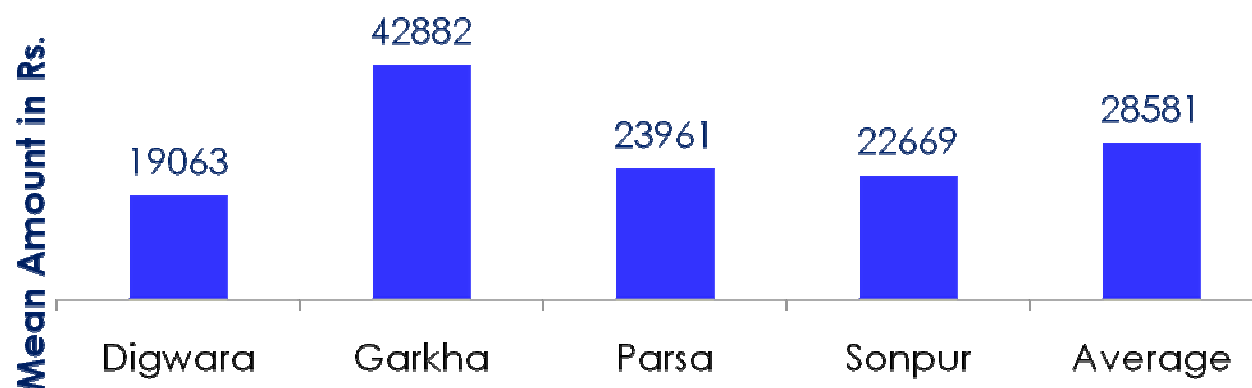
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# Profile of Sample Households

## Block wise HHs with Debt



## Mean Amount of Debt





# Household Membership in SHGs

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## Membership in SHGs

- Joined : 28.8%, Willing to join 35.8%
- Not willing to join 35.4%

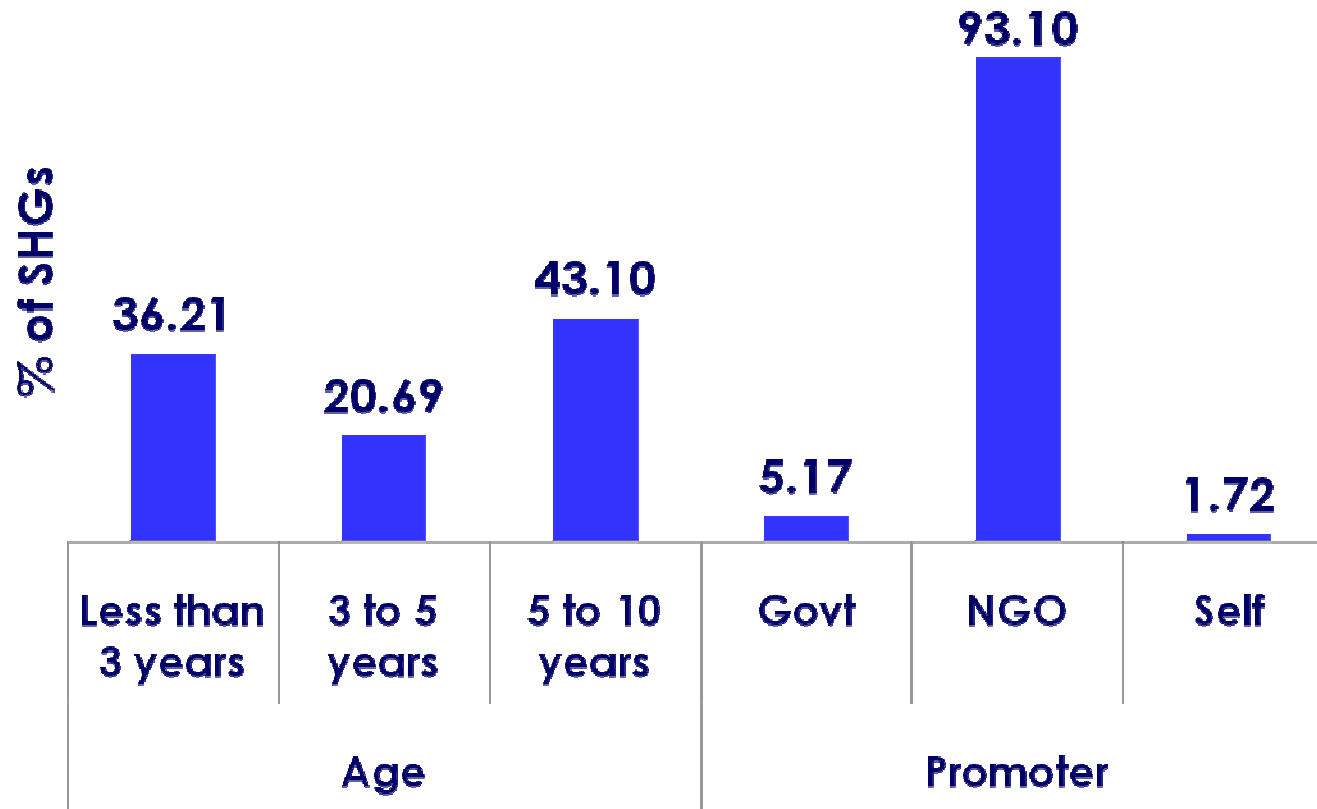
## Reasons for not willing

- ✓ Not a permanent residence
- ✓ Single women families
- ✓ No knowledge on SHGs
- ✓ No trust due to bad experiences
- ✓ No one called to join
- ✓ Husbands not willing
- ✓ Caste problems





# Profile of Sample SHGs





# Profile of sample SHGs.....

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- **The average size of members in SHGs : 11.6**

## **Literacy of SHG members**

- Illiterates : 62.3%
- Can sign/ neo literates : 26.2%
- Formal Education : 11.5%

## **Marital status of SHG members**

- Married : 94%
- Widowed : 6%

## **BPL Category**

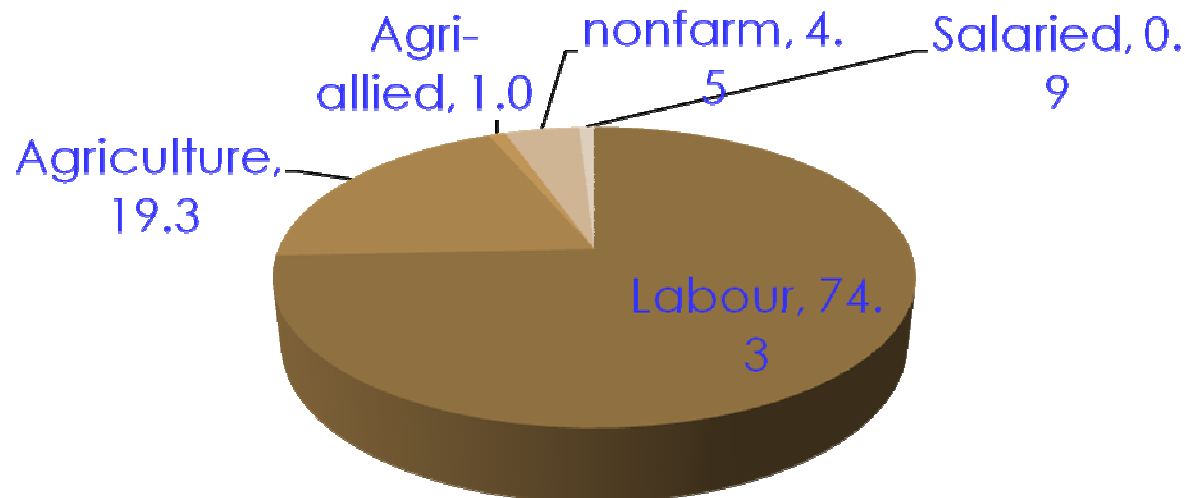
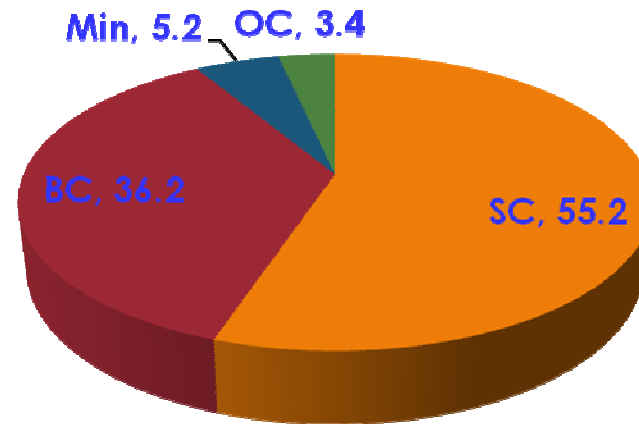
- BPL : 87%, APL : 8% and No Card :5%

**Landless : 63%**



# Profile of Sample SHGs.....

Caste wise distribution of sample SHGs



Primary Occupation of SHG members



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## Details of External funds

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- **% of SHGS received grants from DRDA : 19.0 with mean of Rs.24840**
- **No SHGs received grants from DRDA at Parsa block**
- **% of SHGs received loans from Banks 24.1% with mean of Rs.33014**
- **Bank managers are not willing to give loans due to SGSY loans are defaulted**
- **Managers not willing to open SB accounts due to SHGs become defaulted by the receipt of SGSY loans**



# Quality of SHGs

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## Meetings (% of SHGs) :

Fortnightly 8.6 Monthly 39.7 Not regular 51.7

- All SHG meetings are not regular in Digwara
- All the SHGs adopted the norm of monthly meetings in Parsa

## Attendance during last 6 months :

- Average attendance is : 26%
- Meetings held in 20.3% of SHGs
- No meetings held in 79.3% of SHGs

## Agenda discussed:

- Savings, loans, bank linkages, leadership
- No social agenda in the meetings



# Dormant SHGs & Reasons

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- The percentage of Dormant accounts in sample bank branches : 68.3
- Out of the total 8 sample branches, the SHGs in 4 branches are totally dormant ( SBI, Seetalpur, UBGB, Janakinagar, CBI Sonpur & Allahabad Bank Motirajpur)

## Reasons for dormant accounts

- Program oriented approach in formation of SHGs
- SHGs formed with limited purpose – SGSY, Loans
- Poor bank linkage & No cooperation
- Poor capacity Building activities
- Corruption / commissions
- No follow up from SHPIs
- No IGAs facilitated



# Quality of SHGs - Book keeping

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- **No standardized Books of accounts maintained**
- **39.7% of SHGs maintaining single note book which includes all the details**
- **Average pending of books in 26 months**
- **Complete information available in 13.8% of SHGs**
- **No complete information even in single SHG at Digwara block**
- **SHPI staff writes books in most of the SHGs**



# Quality of SHGs ....

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## Leadership

- No rotation of leadership observed in all SHGs except two SHGs in Parsa Block

## Distribution of Savings

- Distribution of savings observed in 39.7% of SHGs
- More than half of SHGs distributed in Garkha and Parsa blocks

## Reasons for Distribution

- No lending / only distribution
- Default of some members
- To pay savings of dropouts
- To pay loan installments
- To avoid idle funds





# Social Agenda in SHGs

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- **A limited participation in PRIs observed in Garkha and Blocks**
- **Involvement of SHGs in Community and Developmental programs observed in Parsa block**
- **Limited involvement in welfare programs observed – Maintenance of PDS, campaigns on Total Literacy, Child Labour, Child Education, Pulse Polio, Family Planning, Mid day Meal Programme, Anti-liquor etc**



# Issues and Problems

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- **Insecurity about members savings**
- **No handholding support from the promoters**
- **Absence of lending norms**
- **Poor literacy level of SHG members**
- **In efficient leadership**
- **No support from banks**
- **No Awareness on IGAs**
- **No capacity building from promoters**
- **No follow up from the promoters**



# Suggestions for Strengthening

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- Regular follow up from the Promoters
- Sharing of leadership responsibilities among SHG members
- Identification of gaps by conduct of SHG grading
- Capacity Building to SHGs
- Increase in savings of SHGs
- Internal lending to meet the felt needs of poor



# Way Forward

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- **Collection of information on no. of BPL HHs in the blocks and covered in existing SHGs.**
- **Establishment of data bank for existing SHGs**
- **Identification of gaps in existing SHGs by undertaking SHG grading & Audit**
- **Strengthening of existing SHGs**
- **Of the total BPL HHs in sample Blocks, only 8.16% joined in SHGs**
- **Vast scope for new SHG formation**



## Way Forward .....

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- **Conduct of sensitization workshops to Bankers and Govt staff who involved in the SHG movement**
- **Conduct of Exposure visits to Bankers and Govt staff to the best functional SHGs**
- **Regular follow up from the SHPI**
- **Capacity Building to the SHGs on Self Reliance & Sustainability**

**Thanks  
&  
Open for Discussion...**