

SHG AND MF INITIATIVES IN BIHAR

PRESENTATION BY
CGM, NABARD, PATNA

Microfinance India 2008
New Delhi, 12 November 2008

Basic information on Bihar

- As per planning commission classification Bihar falls in Middle Gangetic plains region.
- The region has three divisions of which two cover almost entire Bihar , namely North and South Bihar plain divisions; it also includes a small portion of Chotanagpur plateau division of the Eastern Plateau & Hill region.

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- The state has 9.4 mha geographical area with population density of 880/sqkm.
- North Bihar plains(north of Ganges)is having 76% flood prone area.
- South Bihar plains(south of Ganges)is having 53% flood prone area.
- The part falling in the Chotonagpur plateau division is also a drought prone area.

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- BPL distribution is: Agri.labourer-46.5% , Artisan-12% , N Ag labourer-6.3% , small and marginal farmers-26.4% and others-8.5%.(pl.com 1per6 poor in India is from Bihar)
- About 40% population is in BPL category.
- The GCA is 7.9 mha and NCA is 5.7 mha with rice(43%),wheat(26%),maize(7%) potatoes(4.2%)and mangoes(1.9%) taking the largest area under cultivation.



NH 28

NH 77

Fateha Geeta Dham {फतेहा}

NH 28

Bhagwanpur

Mahuwa

Kumar Bajipur

Tajpur

Samastipur

Hazrat Jandaha

Chak Sikandar

Shahpur Patoni

Mehnaar

Mohiuddinagar

Delsingh Sarai

Bachhwara



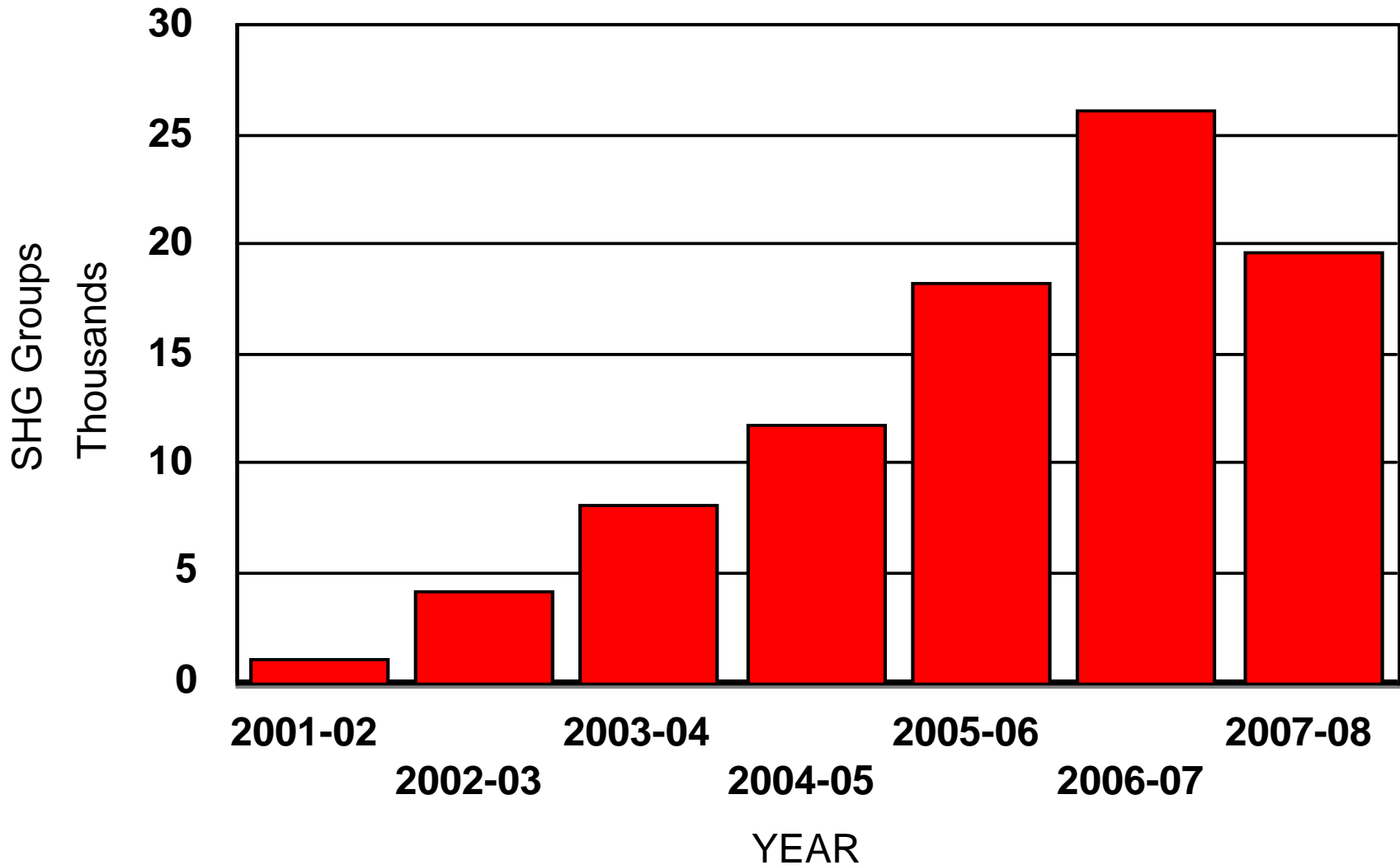
SHG programmes in Bihar

- Out of total 2622 rural /semi urban branches 2599 were involved in SHG financing till 31 March 2008.
- Coverage of 19669 SHG during 2007-08 of which 10490 were SGSY.
- In 2007-08 Rs154.28 cr loan to SHG of which Rs112.74 cr for SGSY.
- Savings SHG as on 31 March 2008, Rs50.59 cr of which Rs31.74 SGSY.

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- Loans out standing as on 31 March 2008 was from 39691 SHG(of which 19095 SGSY) and amount outstanding Rs239.27 cr.(of which Rs163.36 cr SGSY).
- The figures indicate that SGSY is the sole dominant programme in the State in the field of SHG promotion , however there are some other initiatives also.

YEAR WISE BANK LINKAGE OF SHG IN BIHAR



Initiatives other than SGSY

- **NABARD funded SHG programme :**
it is implemented through the banks and the NGOs in whole of Bihar state.
- **WDC assisted projects :**
Women's Development Corporation has been registered as a society under the department of welfare in 1991. They work through NGOs: formed 10785 groups in 91 blocks. Federations formed-37.

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- Bihar Rural Lively hoods Project(JEEViKA) : it is a WB assisted project, started in 2007-08 , to cover 42 blocks in 6 districts : they have their own set up and staff .
- Poorest Areas Civil Society Programme- was implemented through an NGO and funded by DFID for five years. The programme may start in future .

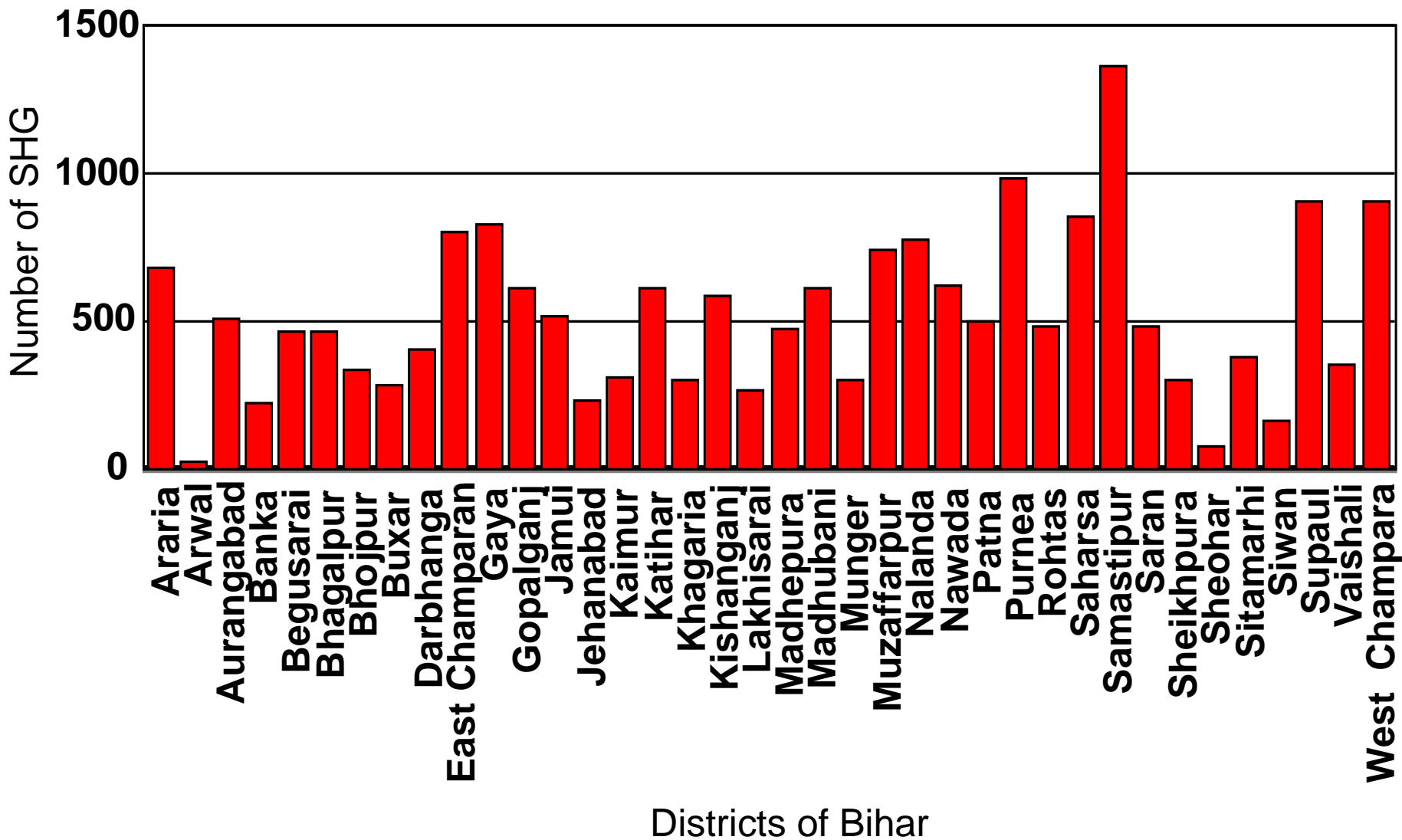
STUDY MADE BY BASIX

- BASIX studied 1200 groups formed under different programmes in 2007 in six districts – Gaya , Muz. , Nalanda , Purnea Khagaria , Madhubani.
- As per the study , best was Purnea (87% in A&B) , Gaya(80.5% in A&B) and Muz (68% in A&B).
- WDC promoted groups had better capacity building input.

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- Tendency to promote 10 BPL member groups in order to cover them in SGSY and avail maximum subsidy per member.
- Skewed distribution of groups , depending on the interest shown by individuals.
- HR constraint in rural bank branches.
- Very poor quality staff with implementing NGOs.

District wise bank linked SHG in Bihar(as on March 2008)



SPECIAL INITIATIVES OF NABARD

- MASUTA a producer company formed by 285 SHG in Banka by Santhal women under the guidance of Pradan .



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- Grant assistance of Rs 1 crore for promotion of weavers activities which includes formation of SHGs and their development.
- MASUTA project will get loan assistance from NABARD of Rs2.5 crore @ 9% interest and Rs 23 lakh as Capacity building and infrastructure .

SUGGESTIONS

- State and district level forums to be made involving GOV., NABARD and NGO institutions to review implementation of SHG programmes.
- More agencies/federations to be promoted. Producer company formation may be encouraged.
- The schemes/ projects to be made more location specific and flexible .

**THANK YOU FOR YOUR
ATTENTION**

**NABARD SOLICITS YOUR
ASSOCIATION IN THIS
ARDUOUS TASK**