



**HARYANA**

**WOMEN-LED JOINT  
LIABILITY GROUPS  
LEVERAGE CREDIT  
ACCESS TO KICKSTART  
THEIR BIZ JOURNEY**

**The** Joint Liability Group (JLG) serves as an important tool for augmenting the flow of credit to landless farmers cultivating land as tenant farmers, oral lessees, sharecroppers and small/marginal farmers and other poor individuals for taking up the farm, off-farm and non-farm activities.

Extending bank loans through JLGs has proved to be a successful initiative for purveying collateral-free credit through the banking system in rural areas. The JLG approach enhances opportunities for livelihood in terms of income and employment by making available collateral-free credit through the banking system. The JLG product plays a vital role in covering the excluded farmers/micro-enterprises in the fold of the banking system.

### **Kranti JLG, Dinod, Bhiwani**

Homemakers Laxmi, Reena, Pooja and Dimple of Dinod village of Bhiwani district in Haryana hail from humble backgrounds but have been engaged in bead-making for some pin money. However, the quartet faced multiple challenges, such as limited access to credit and a small amount of credit through Self-Help Groups, lack of market, sourcing of raw materials, etc.

Three of them were educated till Class 5, and one till Class 12, which also acted as a hindrance. In a Financial Literacy Programme conducted by Bhiwani Central Co-operative Bank (CCB) Ltd. in the village, Financial Literacy counsellors from Lord

Krishna Educational Foundation explained the benefits of forming a group. With the help of the NGO and Bhiwani CCB, they formed the Kranti Joint Liability Group and took a loan of ₹0.2 million loans to expand the business of bead making. Three out of four have taken loans from NBFC-MFIs at a rate of 24-27%. Their families assist them in bead-making.



The raw material for bead making, i.e. wood, is normally sourced from the nearby towns. They do not have marketing issues to sell the finished product. They have tied up with many shops in Kirawari Bazar, Delhi. Besides helping in bead-making, their husbands handle the marketing of the finished product.

With the help of a loan, they purchased bead-making/polishing machines. Now, they can make beads of 30 mm and 10 mm beads,

which has a good market. Their earning has increased by ₹7,000-₹8,000 per month after installing the machines, and they are very thankful to NGO, Bhiwani CCB Ltd. and NABARD for helping expand their business.

The JLG wants to expand its business by expanding its existing infrastructure and scaling up its operations.



### **Muskan JLG members**

Suman, Sarla, Sonia and Shushila of Dinod village in Bhiwani district were educated till Class 8. Suman and Sushila's husbands have been working as masons, while Sharla and Suman's husbands are carpenter and labourer, respectively. They faced umpteen challenges, including limited access to credit & Small amount of credit through SHGs, lack of market, sourcing of raw material, etc.

In a financial literacy programme organised by Bhiwani Central Co-operative Bank Ltd. and The Lord Krishna Educational Foundation, these women learned about the benefit of forming a group to fuel their entrepreneurial journey. With the help of the NGO and Bhiwani CCB Ltd., they formed Muskan JLG, took a loan of ₹0.2 million, and started Indoni (Indhi), and Bangle decorations work. They sourced raw materials from nearby towns, i.e. Bhiwani and Tosham and sold finished products there only. They have a 50% margin in Indoni (Indhi), and a person can make 45-50 Indoni (Indhi) daily. The dealer collects the finished products from their houses. Now, they earn ₹6,000-₹7,000 per month from their venture. Group members take care of children's education and other household expenditure from their earnings. Now, they have more say in decision-making in the family and are thankful to the NGO, Bhiwani CCB Ltd. and NABARD for help in starting their own venture.

