



A support for livelihoods - Impact study of Community Investment Funds

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**Twin benefit with one fund-CIF- ensuring self sustainability of CDS and
Livelihood opportunities to NHG members**

Kudumbashree plays an important role in the lives of women folk in the state for the last one decade. The micro finance of Kudumbashree is very much important in the daily life of the women folk those who are in the members of the Kudumbashree family. The local needs of them are satisfying through the small loans from the neighborhood groups. Many of the women started micro enterprises by using these small loans. They also use this loan for their immediate need like hospital emergency, educational needs of the children etc. Often the loan from neighborhood groups could not address all the financial emergencies of the groups. In these circumstances they are compelled to take loan from other sources. But with the introduction of Community Investment Fund it is very easy for the groups to manage the financial emergencies.

The Community Investment fund designed by National Rural Livelihood Mission (NRLM) had twin goals to attain namely self sustainability of Community Based Organization & extend financial support to NHG Members for livelihoods and various other social needs.

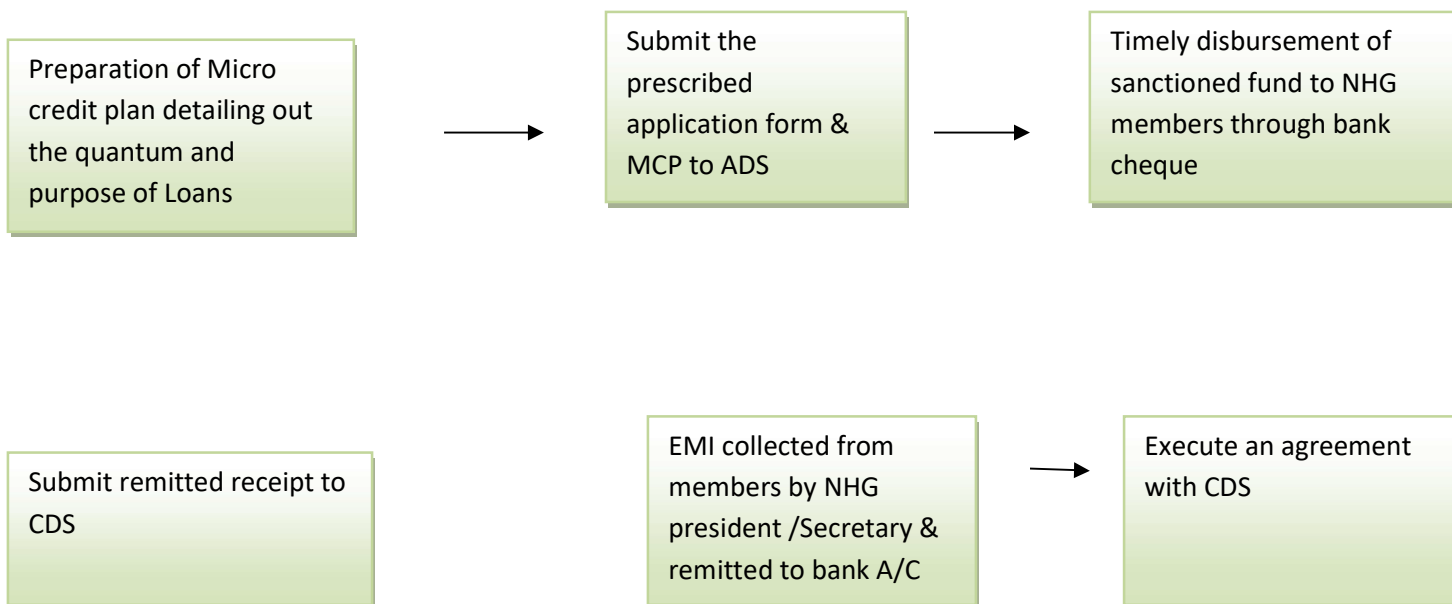
The main aim of Community Investment Fund (CIF) is to meet the credit needs of the members through NHGs especially to start or strengthen their livelihood activities. At present Kudumbashree (State Rural Livelihood Mission) provide Rs.5,00,000/- for eligible CDS and this fund in turn given to NHGs as loan on the basis of Micro Credit Plan. There is a good monitoring system in the community to monitor the community Investment fund. The area development society is the authority to select the NHGs for community Investment Fund. The best

performing NHGs will get the CIF. . Many of the NHG members said that the CIF will be a great support for them to meet the financial emergencies.

Eligibility criteria for NHG to access CIF

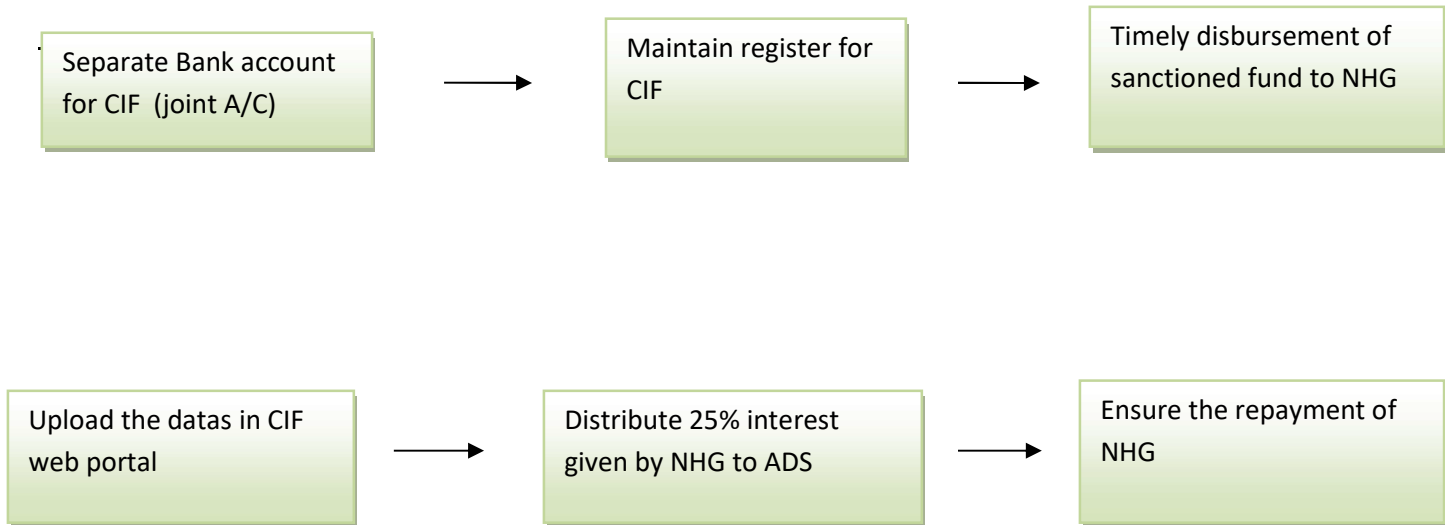
- ❖ Only rural NHGs are eligible for CIF
- ❖ NHGs in active existence for a minimum period of 6 months
- ❖ NHGs more than 1 year should be audited by KAASS
- ❖ NHGs that have been practicing '*Panchasutra*'-*Regular meeting (90% attendance),Regular saving, Regular internal lending, Regular repayment ,Maintenance of proper books of accounts*
- ❖ Active participation in trainings conducted by DM
- ❖ The NHG shall have bank account
- ❖ Prompt & timely submission of data for MIS

Role & Responsibility of NHG

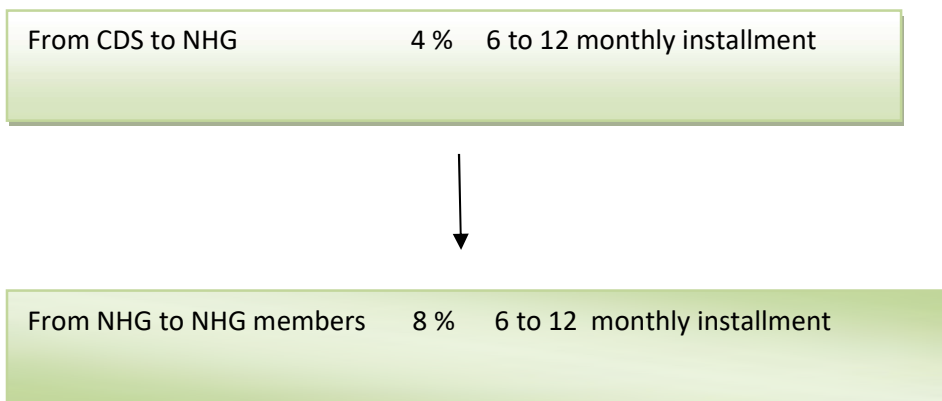




Role & Responsibility of CDS



Interest & Installments for repayment of loans



Default in repayment

- ❖ 0 to 30 days 1%
- ❖ 31 to 45 days 2%
- ❖ More than 45 days 3%

Table:1 District wise Allocation Community Investment Fund

Sl	District	No of CDS given Cif (2014-2015)	Amount	No of CDS given Cif (2015-2016)	Amount	No of CDS given Cif (2016-2017)	Amount
1	THIRUVANANTHAPU RAM	0	0	5	250000 0	18	900000 0
2	Kollam	4	2000000	3	150000 0	19	950000 0
3	Pathanamhitta	3	1500000	5	250000	18	900000

					0		0
4	Alapuzha	4	2000000	6	300000 0	16	800000 0
5	Kottayam	4	2000000	7	350000 0	5	250000 0
6	Idukki	3	1500000	7	350000 0	8	400000 0
7	Ernakulam	5	2500000	8	400000 0	7	350000 0
8	Thrisur	5	2500000	8	400000 0	20	100000 00
9	Palakkad	10	5000000	9	450000 0	10	500000 0
1 0	Malapuram	6	3000000	11	550000 0	23	115000 00
1 1	Kozhikode	4	2000000	7	350000 0	7	350000 0
1 2	Waynadu	2	1000000	4	200000 0	3	150000 0
1	Kannur	0	0	10	500000	6	350000

3					0		0
1	Kasargod	2	1000000	6	300000	5	250000
4					0		0
	Total	52	2600000 0	96	480000 00	165	825000 00

Table-II

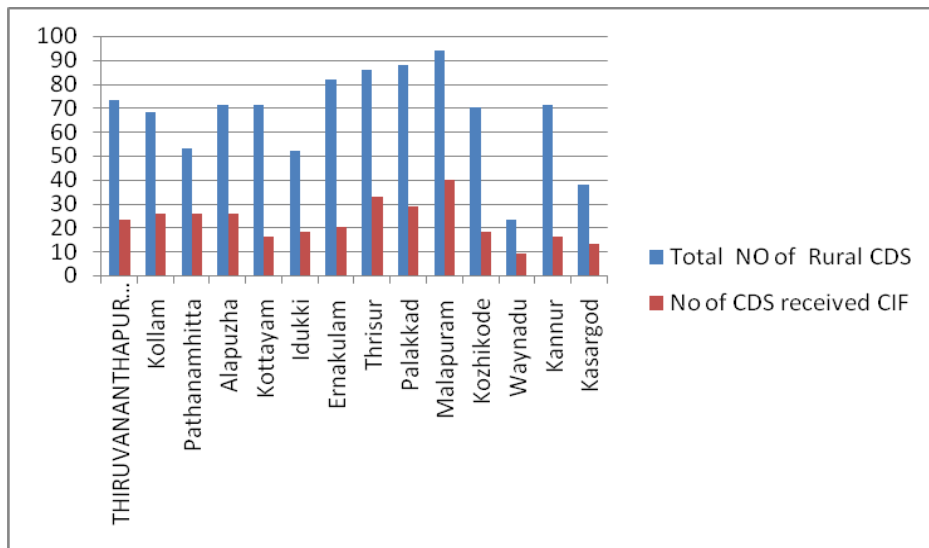
PERCENTAGE OF CDS RECEIVED CIF

Sl no	District	Total no of Rural CDS	No of CDS received CIF	Disbursed Amount
1	THIRUVANANTHAPURAM	73	23	11500000
2	Kollam	68	26	13000000
3	Pathanamhitta	53	26	13000000
4	Alapuzha	71	26	13000000
5	Kottayam	71	16	8000000
6	Idukki	52	18	9000000
7	Ernakulam	82	20	10000000

8	Thrisur	86	33	16500000
9	Palakkad	88	29	14500000
10	Malapuram	94	40	20000000
11	Kozhikode	70	18	9000000
12	Waynadu	23	9	4500000
13	Kannur	71	16	8000000
14	Kasargod	38	13	6500000
	Total	940	313	156500000

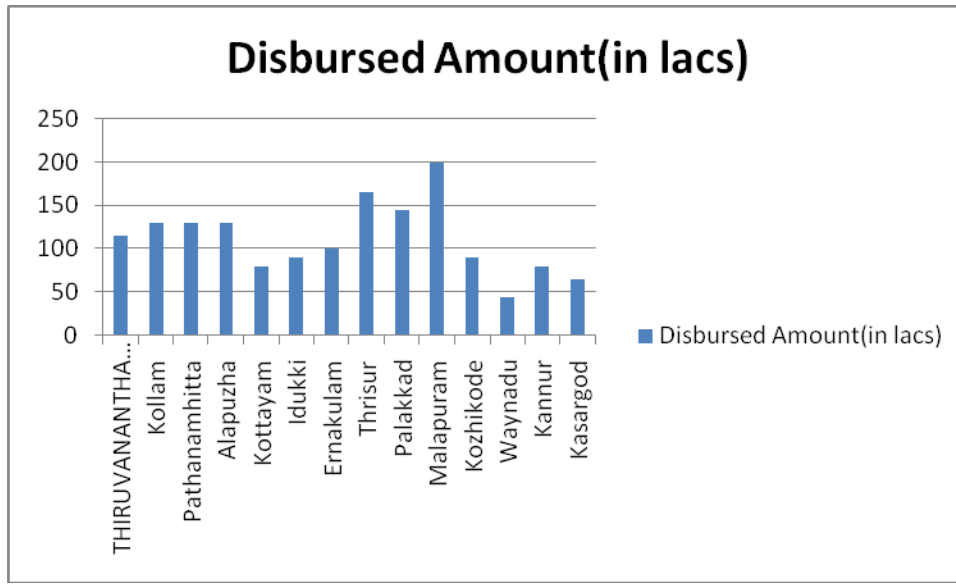
Graph: I

PERCENTAGE OF CDS RECEIVED CIF



Graph:II

District wise status of CIF Disbursement



NRLM with its mission to eradicate poverty through sustainable income generation activities focuses on building sufficient funds at CBO level so that they can function independently in the future. This has not only benefitted CDS to generate income but also addresses the financial need of NHGs. Though at present CDS receive tiny funds the financial transaction that takes place between CDS and NHG will definitely help them to learn basic skills required in banking sector.



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