NABARD's pilot for Digitisation of Self Help Groups

‘We move with the dream of Digital India’
~ Hon'ble Prime Minister
EShakti

It is a project under which, the social and financial data of the Self Help Groups and their members in the selected districts are digitised. Digitisation brings all the SHGs on to the technology platform and into the fold of Financial Inclusion, thereby helping them access wider range of financial services. This helps bankers in client appraisal and credit dispensation.

Stakeholders

SHG members, Self Help Promoting Institutions (SHPIs), Non-Governmental Organisations (NGOs), Banks, Government Agencies like SRLMs, NRLM, NABARD, etc. At a later stage, Credit Information Companies may also be brought on board.

Attributes

- e-book keeping for the SHGs
- Regular updates for transactional data
- Reports generated in the formats as required by bankers
- Inbuilt automatic grading of SHGs based on NABARD / IBA(for NRLM) norms
- System Generated Loan application for the bankers
- SMS alerts in 10 local languages to the SHG members.
The USP of EShakti software is 'one-click' availability of social and financial information of all the members of the Self Help Groups.

Process

The project has a dedicated website [https://eshakti.nabard.org](https://eshakti.nabard.org), in which information of all the SHGs is uploaded through 'app' on Android Mobiles. Data authenticity is ensured through sample audits and SMS alerts to members. MIS reports of groups are generated and progress is tracked on a real time basis. Overall, the whole ecosystem is designed to address the complex issue related to poor book keeping and patchy financial records of SHGs.

Advantage for Bankers

- List of non-credit linked SHGs
- SHG/member search
- System generated SHG loan application
- Recovery performance of SHG month wise
- Real time grading of SHGs
  - The grading parameters are nuanced enough to generate reports for both NRLM & non-NRLM groups as well as for new & matured SHGs. Credit decisions by bankers facilitated through the real time grading reports generated.
Paving way for Credit Linkage

- About 32 MIS reports like Meetings, Savings, Credit linkage, Repayment and Demand Collection Balance can be generated sitting in the Bank branch itself.
- Easier processing of loan using EShakti system generated prefilled application forms with all the information on members and groups.
- Commercial Banks, RRBs & Co-operative Banks to make available EShakti portal in intranet and internet.
- Bank branches to access the portal [https://eshakti.nabard.org](https://eshakti.nabard.org) through Intranet or internet using their branch IFSC and password.

Journey so far in the Pilot Project

EShakti project for digitisation of SHGs was launched in the year 2015 as a pilot in 2 districts viz. Ramgarh (Jharkhand) and Dhule (Maharashtra). It was subsequently extended to 23 more districts in 2016 and further to 75 more districts in 2017. Owing to the encouraging results and interest generated amongst all the stakeholders from the first three phases, the project is further being expanded to 150 more districts in 2019. The project now covers 250 districts in 25 States and 02 Union Territories across the length and breadth of the country and is expected to digitise 11.5 lakh SHGs benefiting around 138 lakh rural poor.
State-wise list of Districts where EShakti project is under implementation

- **Uttarakhand**
  - Uttara Kannada
  - 434302
  - 31.03.2019

- **Himachal Pradesh**

Progress as on 30/09/2019

- **62,021** Villages covered
- **4,43,093** Groups covered
- **49,02,876** Number of Members
- **2,396.51 Crs** Cumulative savings

- **47,39,219** Number of Women Members
- **11,840** Bank branches involved
- **300** Implementing Agencies

**Growth of SHGs digitised under Eshakti**

- Yearwise growth
- **Number of districts covered:** 300

![Graph showing growth of SHGs digitised under Eshakti](image)
Impact

- The project has successfully digitized 4.42 lakh SHGs as on 31 August 2019.
- It captured credit history of about 49 lakh members.
- It has increased awareness levels of banks about functioning of SHGs.
- The project has helped in Financial Inclusion & empowerment of women.
- Banks have provided credit to SHGs based on real time performance by accessing the portal through Intranet or web link using their branch IFSC and password.
- Large scale first as well as subsequent linkages for many SHGs and also credit deepening in some of them.
- Reduced Saving-Credit linkage gap.
- Real time SMS alerts brought transparency to the operations / transactions and boosted confidence among the SHG members.
Way Forward

The ultimate objective of Project EShakti is to bring all SHGs across the country under the fold of digitisation in a phased manner.

The “one-click” availability of social and financial information of crores of rural families across India on a single platform will have tremendous significance for various stakeholders. The data can be analysed for making available financial and public welfare schemes to rural poor, owing to its pan India reach and impact.

EShakti is a small step towards realising NABARD's dream to mainstream the lowest strata of the society and bridge the gap between the haves and have-nots by providing easy access to affordable credit by taking advantage of the developments in technology. In a few years' time, it has the potential to transform rural India into a digitally empowered society.

“Progress lies not in enhancing what is, but in advancing towards what will be”
National Bank for Agriculture and Rural Development
Micro Credit Innovations Department

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