

Women's Empowerment through SHG Revolution in Orissa

Prepared By

Debadutta K. Panda

MPAssociates Pvt. Ltd.
(A Development Consulting & Research Company)
Bhubaneswar



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- An Analysis through case Studies

Introduction

It has been demonstrated that the provision of credit for the rural poor would result in significant productivity increases. The poor require a range of financial services, such as opportunities to safeguard earned income, or credit to enable them to maintain minimum levels of consumption throughout the year. The rural economies within which the majority of poor people live and work are characterized by numerous small transactions. Although the financial transactions are very small in magnitude (High frequency) for outsiders, they are an essential component of rural livelihoods.

The strength of Self Help Group is its ability to unite growth and poverty agendas. There are many options that have the potential to reduce poverty, many that have the potential to increase the economic growth and profit making capacities. Self Help Groups is one of the options, which can reduce poverty and increase economic growth in sustainable manner in people centered approach.

The innovation of Self Help Groups was not only to provide a range of financial products to the rural households but also to facilitate livelihood promotion and livelihood protection. To attain that level the Self Help Groups are to be empowered externally and internally. The empowerments of Self Help Groups are mainly dependent on the level of linkage with other institutions, organizations and individuals. The validity of this model of empowerment is demonstrated through series of Self Help Group of Mayurbhanja and Keonjhar districts of district of Orissa.

¹Methodology

On a broad frame, the study would be conducted using qualitative research tools - principally the case study methodology. This would be supplemented by quantitatives - both through collection of primary and secondary data.

Various Social Research tools like PRA, RRA and focus group discussion were used for the study and the cases were analyzed through social analysis tools like and RLS Matrix and Nine Square Mandala.

The sampling was done through a mix of a three stage stratified sampling and Delphi technique. In the first stage, blocks will be selected, in the second stage, Gram Panchayats will be selected and in the third stage, villages were selected. The selection of the SHGs was done with the consultation of various Govt. and Non-Govt. organizations.

¹ At the individual level, all the group members were studied through a pretested questionnaires and personal interviews. All the 102 group members were studied.



2Results and Discussions

The study was made by taking six SHGs from Keonjhar and Mayurbhanj districts of Orissa taking three SHGs from one district. The Status of These SHGs by 31 Dec 2004 was,

Name of The SHG	Kalajhini Mahila SHG	Purana Sahi Mahila SHG	Maa Tarini Mahila Samiti	Maa Mangala Nari Sangh	Maa Durasuni SHG	Maa Bhagabati Sangh
Date of Initiation	18/02/01	01/01/01	10/02/01	01/01/98	18/01/01	01/04/03
Members	20	15	14	20	15	18
Monthly Saving/ Interest per Rs.100 per month	10/5	10/4	10/5	10/5	10/5	10/4
Cash in Bank	78485	1500	12117	5656	78801	2000
Cash in Hand	2400	0	813	800	0	2400
Total Group saving	20315	27934	3170	76470	14695	1760
Interest on the loan from the group	6000	120	640	7600	5709	116
Principal Loan Recovery	20000	2000	3840	65800	16000	1650
Other Source of Income	1019	20635	56316	22000	15400	2550
Bank Loan Received by the Group	124790	30000	15000	5000	124832	0
Total Loan distribution by the Group	78000	3500	6290	69650	57000	1700
Principal Loan Repaid to the Bank	20000	30000	15000	5000	20000	0

Policy and Decisions

After initiation of these SHGs, the members decided to conduct one group meeting every month and it was mandatory that all the members have to attend the meeting. In every group meeting, the proceedings were recorded by the secretary or president. The members absented from the meeting were fined Rs. 1 per meeting (Except urgency). With the common consent, the groups had fixed the monthly members saving as Rs. 10 and the interest on the loan from the group was fixed at 4-5 percent per month.

² The group members were fined Rs. 1 for not attending the monthly meetings. In case default in repaying the loan, members were fined Rs. 1 for Rs. 10.



Formation of Association

Mayurbhanj and Keonjhar district are the backward districts of Orissa and the backwardness is related to its traditional forms and frames influenced by the social environment and influenced problems. The villages are tribal dominated and the livelihood was based on traditional agriculture and wage labour. There was absolutely no provision of credit except the village money lenders. Livelihood of the villagers was fully under the control of nature.

Seeing these poverty stricken villages, Gramin Vikas Trust (A NGO) encouraged and motivated villagers to form association for self help or Thrift and Credit Groups. Under the guidance of Gramin Vikas Trust, these six SHGs are formed. Most of the group members were married ladies who have a common perception of need and impulse towards collective action, were encouraged and formed mutual helping associations.

The villagers were unable to perceive the reason behind their absolute and relative poverty. They were unable to understand the complexities behind rural indebtedness and poverty. The vicious circle of poverty was unbreakable. At that point of time, by the intervention of NGOs and Govt. agencies, some of the women understood the problem and possible solutions to mitigate the problem. To come out of these problems and to avail financial products, some women folk came forward and developed SHGs.

Bank Linkage

With in six months of the formation, all the groups opened their account in commercial Nationalized bank with the help of Gramin Vikas Trust. All the SHGs except Maa Bhagabati Sangh had opened their account as early as two months. There was a regular good transaction between the bank and the group. The group deposited their saving in the bank in every months and withdrawn when required. Four of these six groups have got a start up capital Rs. 5000 as revolving fond and with in six months all the groups have paid the loan.

Linkage Building - A way for Effective Empowerment

The empowerment of these Self Help Group was possible by their strong contact and linkage with other institutions and Govt. machinery. These groups had shown tremendous interest for linkage with other organizations and agencies. All the group regularly visited Block office for information and has a good rapport with the Block Development Officer. Also they had regularly visited the DRDA and local NGOs. Seeing their interest, Various Govt. agencies and NGOs conducted training programmes on Goatery, Piggery, Fishery, Dockery, Diary Farm, Lemon Grass cultivation and processing etc. In most of the meetings, the Block Development Officer, Asst. Agriculture Officer and other Govt. bureaucrats/ Technocrats along with NGOs had participated.



Adoption of Alternative Livelihood Options & Upscaling Assets Base through Income Generation

With the support from outer agencies, these Self Help Groups diversified from traditional agriculture. Along with modern agriculture, the groups have adopted Golden Grass Trading, processing and cultivation. Also the groups entered into business by taking Piggery, Goatery and Livestock enterprises, and renting out tarpaulin, paddy winner, mike sets etc (Which the group had purchased from the group fund).

The average annual income of these groups was Rs. 3345 with a minimum of Rs. 790 and Maximum of Rs. 5700.

The Average annual Income (2003-2004) of the Groups

Groups	Avg. Monthly Income (Rs.)	Major Activities
Kalajhini Mahila SHG	5700	Golden Grass Cultivation on leased in land & Trading, Pisciculture
Purana Sahi Mahila SHG	2581	Golden Grass Processing & Trading, Renting out Sprayer, Diesel Pump, Tarpaulins etc.
Maa Tarini Mahila Samiti	3257	Renting out Sprayer, Diesel Pump, Paddy Thresher Holler, Golden Grass cultivation & Trading
Maa Mangala Nari Sangh	4582	Rice Trading, Goatery Turmeric Processing, Pisciculture
Maa Durasuni SHG	3160	Golden Grass Processing, Pisciculture & Prawn Culture
Maa Bhagabati Sangh	790	Herbal garden, Lemon, Pisciculture

³Capacity Building for Institutional Sustainability

The SHGs felt that participation and interaction with others would reduce the inequalities in their social system. Consequently they kept good contacts with DRDA, Block Offices, local NGOs and Orissa University of Agriculture & Technology. In turn these agencies provided training to SHGs on Pisciculture, Piggery, Goatery, Dockery, Dairy Farm Management, Cultivation and processing of Golden Grass, Squash & Prickle making etc. Also the group were taken on exposure visits to various places. Successfully the groups took some of the enterprises based on their training. At group level, these SHGs started Golden Grass cultivation in the rent in lands, processed the products into ropes and had sold in near by markets. Also the groups took the block level contracts for renovation of pond, construction of community halls, repairing of the village road from the block office.

³ These groups have got grants from DRDA, GVT, and NYK. The grants were in form of both cash and kind. The grants were varied depending on the group activities. In some cases, the grant was in sharing basis i.e., input from granting agency and labour from the groups for activities like thrashing floor, community hall, and adult education center. GVT had provided grants in form of sprayer, tarpaulin, rice winner and holler at 50 per cent cost sharing basis.



Improved Standard of Living

All the 102 members of the 6 SHGs were studied and the results revealed that the average personal income of the members was increased by Rs.1012 per month. The increase in income due to the capacity building of the members and initiatives to take enterprises at personal level (Apart from the group level). The literacy percentage was increased from 14 percent to 68 percent (The literacy level was increased due to high peer pressure and motivation from other members). There was 92 percent attendance of the members in the Health Camps and Sanitation Camps (The absence was due to urgency).

Conclusion

These groups were informal groups whose members pool savings and relend within the group on rotational or needs basis. These groups got formed based on specific activity, promoted savings among members and uses the pooled resources to meet emergent needs of members, including consumption as well as production needs.

The internal savings generated by these groups were well supplemented by external resources loaned/donated Banks, Gramin Vikas Trust and Govt. Agencies. These Self Help Groups were able to mobilize their and also effectively recycled the pooled savings among members. They succeeded in performing/providing banking services to their members, though in primitive way, but in a manner which was cost effective, simple, and flexible.

The Groups had developed good linkages with various NGOs and Govt. Institutions. At personal level, the average income of the members increased substantially. The literacy level of the members increased from 14 percent to 68 percent. Also the level of awareness on health and hygiene has increased. The group members clearly perceived their social, educational and economical upliftment by the SHG formation. Seeing the upliftment through SHG movement, other women of the villages has also started forming groups.

This study clearly shows that the Self Help Group concept not only provided financial services to the rural poor but also acted as a lunching pad for livelihood intervention. Proper capacity building and linkage of SHGs to mainstream organizations has really succeeded in poverty alleviation and social upliftment.ⁱ

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