

# Livelihood promotion through SHGs: Cases from Wardha district, Maharashtra

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## ABSTRACT

*This article is based on two different SHGs supported by two different organizations of Maharashtra viz., Mahila Arthik Vikas Mahamandal (MAVIM), and Maharashtra State Rural Livelihoods Mission (MSRLM). The field study was carried out at Lahari, village of Samudrapur block, Wardha district of Maharashtra where women members of SHGs were involved in Dal (lintel) processing activity. They all were supported by Mahila Arthik Vikas Mahamandal (MAVIM). The study reveals that MAVIM has been helping the members of SHGs for livelihood promotion through Capacity building, financial, technical support and finally for earning income. And another case is from Nachangaon village, Deuli Block, where Maharashtra State Rural Livelihoods Mission (MSRLM) was involved in imparting training to the SHG members in garment making. Both cases were livelihood promotion but in first case income was generated and in second case training*

*was going on when study was carried in January 2017.*

**Key words: Livelihood, Mavim, Maharashtra, MSRLM and SHG.**

## Introduction:

This article is based on livelihood activities of two different SHGs supported by two different organizations of Maharashtra viz., Mahila Arthik Vikas Mahamandal (MAVIM), and Maharashtra State Rural Livelihoods Mission (MSRLM). In this section brief description about two organizations viz., Mavim and MSRLM are presented for the benefit readers. Mahila Arthik Vikas Mahamandal (MAVIM) has taken up tireless efforts for over a decade to initiate, expand and establish the self-help group (SHG) movement in Maharashtra. MAVIM has been implementing developmental programs in all 34 districts of Maharashtra, including Mumbai sub urban areas. Although the head office of MAVIM



is in Mumbai but MAVIM has offices at every district to implement developmental schemes in rural areas. The District Coordinating Officer (DCO) is the executive head of district and assisted by Assistant District Coordinating officer, Account officer, Assistant Monitoring Officer, supporting assistants in addition to around 35-40 *Sahyoginies* ( all female) who act as field workers. Each *sahayogini* form and nurture around 30-40 SHGs spread over to 8-10 villages in the districts and *sahayogini* is entrusted to provide the basic capacity building training to SHG members depending upon their age and level of maturity and also nurture them qualitatively ([mavimindia.org/our-work](http://mavimindia.org/our-work)). On the other hand, the Maharashtra State Rural Livelihoods Mission (MSRLM) has been set up in Maharashtra in July 2011 as a registered organization under the aegis of the National Rural Livelihoods Mission (NRLM) – *Aajeevika* now *DAY-NRLM*. It endeavors to impact rural poverty through a range of comprehensive and strategic livelihoods interventions in a time bound manner. The Mission aims at eradication of rural poverty by building sustainable institutions of BPL households and ultimately leading them to sustainable

livelihoods. The conceptualization and design of the MSRLM goes beyond income generation activities and employment programs to include capacity building, financial inclusion, social mobilization and marketing services as equally important elements of livelihoods enhancement. It is pertinent to mention that according to 2001 Census Maharashtra had a rural population of 5.57 crore of which 2.05 crore people languish below the poverty line (BPL, approx. 45 lakh households) and the Human Development Index (HDI) of 19 districts in the state was lower than the National average. In view of this, 10 districts were identified on the basis of, ranking on the HDI, IAP districts, geographical location etc. which were *Gadchiroli, Wardha, Yavatmal, Osmanabad, Jalna, Ratnagiri, Nandurbar, Solapur, Thane and Gondia* as the pilot districts for the National Rural Livelihoods Project (NRLP). Altogether, 36 blocks were identified based on different criteria such as percentage of SC/ST, number of BPL households, number of SHGs formed in the block under various schemes and better financial management track record/ better co operation from Banks, etc. The Mission had the vision to cover BPL and marginalized communities

intensively in these ten districts, whereas the remaining 23 districts in the state would be covered under a non-intensive intervention strategy in a phased manner.

The Mission implemented through a 3-tier structure comprising- a State Mission Management Unit, District Mission Management Unit and Block Mission Management Unit. The Mission's vision was poverty elimination through social mobilization, institution building, financial inclusion and the creation of several models of sustainable livelihoods so that each poor family is able to secure incremental annual income. The key task under the mission was to reach out to 45 lakh rural poor households of Maharashtra and stay engaged with them till they come out of poverty ([www.umed.in/English/](http://www.umed.in/English/))

As mentioned already, the field study was carried out at *Lahari, village of Samudrapur* block, *Wardha* district of Maharashtra where women members of SHGs were involved in *Dal* (pulse crop) processing activity. They all were supported by *Mahila Arthik Vikas Mahamandal* (MAVIM). And another case is from *Nachangaon* village, *Deuli* Block, where Maharashtra State Rural Livelihoods Mission (MSRLM) was involved in imparting training to the SHG members in

garment making. Both cases were livelihood promotion but in first case income was generated but in second case training was going on when study was carried in January 2017.

### **About *Wardha* District:**

*Wardha* is the administrative headquarters of *Wardha* district. It has got its name from the *Wardha* river which flows at the North, West and South boundaries of district. Founded in 1866, the town is now an important centre for the cotton trade. It was an important part of *Gandhian* Era. According to 2011 India census, *Wardha* district had a population of 1,296,157 of which male constituted 52 percent of the population and female 48 percent. *Wardha* had an average literacy rate of 80 percent, higher than the national average of 59.5 percent with male literacy of 83 percent, and female literacy 76 percent. Further, 11 percent of the population was under 6 years of age ([wikipedia.org/wiki/Wardha28/9/2017](http://wikipedia.org/wiki/Wardha28/9/2017)). For the promotion of livelihood, credit is an important need of rural poor. In this regard NABARD study may be referred.

### **The Credit Needs of Rural Poor: NABARD's view**

“The most vulnerable section of people in rural areas are agriculture laborers, tenant, marginal, small farmers, rural artisans and women. Their income streams are seasonal and irregular. Wage labor and agriculture are the main sources of income for the poor. It is a myth that the ‘savings’ available with these people are too small and too infrequent to be bankable. Poor people can and want to save and they want safe place to keep it for rainy day.

The credit needs of the rural poor are characterized by the absence of any clear distinction between production and consumption purposes but have a strong bearing on productivity. The needs are small but often arise at unpredictable times and are usually of an emergent nature. They need credit for ‘life cycle’ events such as marriage, celebration of festivals, funeral expenditure etc. They need money to deal with ‘personal’ emergencies such as illness, accidents and ‘natural disasters’ like floods, cyclones, fires etc. They also need money for taking up income generating activities or expand their existing business to enhance their income. Meeting these credit needs quickly as and when they arise is crucial to reduce their dependence on informal credit agents. Poor can benefit from financial

services such as savings and credit taking up economic activities and manage risk and enable growth” (NABARD, Hyderabad, January 2010)

### **Field Study:**

The field study was carried out at *Wardha* district of Maharashtra in January, 2017 and data were collected from the beneficiaries. The study was carried out at *Lahari, village of Samudrapur* block, *Wardha* district of Maharashtra where women members of SHGs were involved in *Dal* (pulse crop) processing. They all were supported by *Mahila Arthik Vikas Mahamandal* (MAVIM). And another case is from *Nachangaon* village, *Deuli* Block, where Maharashtra State Rural Livelihoods Mission (MSRLM) was involved in imparting training to the SHG members in garment making. Both cases were livelihood promotion but in the first case income was generated and in second case training was going on when study was carried in January 2017. Farming is the livelihood of most of the villagers and crops cultivated are gram, wheat and cotton as main crops

### **Case 1: Livelihood promotion through *Dal* Mill in *Lahori* village, *Samudrapur* Block:**

One of the challenges for rural livelihoods projects is their multi-layered complexity. Credit, input supply, marketing and extension services may all be required for success. Holistic analysis may illustrate this complexity, but the challenge is to find sustainable mechanisms to improve capacity, as private sector capacity is often inadequate. The members of SHG decided to start Dal mill unit and based on their approach, MAVIM came forward to support them. Accordingly Mavim supported 11 SHGs of the village of only 690 people. Members were given training on group formation, conducting meeting, accounting etc., by MAVIM. After the training they decided to start the project. To get a space in the area they requested local *panchayat* to give land but *Gram Panchayat* initially denied and then the *Sarpanch* (Head of the *Gram Panchayat*) decided to take the lead role as she was herself a SHG member. Finally *Gram Panchayat* agreed to give the land and decided that they would not take any rent in future. The entire process took two months. After the project was approved by *Mavim*, CAIM (Convergence of Agricultural Interventions in Maharashtra's Distressed District Programme) provided

Rs. 2 lakh and additional Rs. 1 lakh amount was paid by *Mavim*.

In this type of project marketing is an important issue which is done through the contact persons in the markets. The *Mavim* officials also helped to set up marketing linkages with various market places. The field study reveals that each member was earning in between Rs 2500 and Rs. 5000 per month. After the success of *Dal* mill unit many other women were taking interest as it was working “Demonstration Effect”, because women of the SHGs were not earning income but they earned respect from local villagers also as well as from their spouse. All the women members acknowledged that unless the involvement of *Gram Panchayat*, this would not have been possible. So an integrated approach is observed in this case for SHG’s success.

### **Case 2: Livelihood promotion at Nachangaon village, Deuli Block**

In *Nachangaon* village, Deuli Block, a garment cum bag manufacturing training unit was set up by the SHGs with the help of District Rural Development Cell (DRDC) and Block MSRLM unit. The project was running in the cluster office at *Nachangaon*. It is pertinent to mention that at *Nachangaon*

cluster total number of SHGs was 217 (2240 SHG women members) with 17 Village organizations. A premise was rented by temple trust in local area for training. Rent for the training hall cum meeting room was Rs. 1500 per month and area of the hall was 15 feet by 30 feet. While team visited a bag making training was going on. Altogether, 11 tailoring machines were brought by individual members of different SHGs and training was given by experts in stitching and bag making. One Master trainer was appointed and the person was given the remuneration of Rs. 6500 by DRDC. All the raw materials were brought by individual members. It was a 10-day training programme and focus of training was on cotton bag making, leather bag making, school bag and Tiffin bag preparation. For preparation of leather bags Village federation will purchase the machine in coming days. Few of the trainees who were undergoing training were contacted. Some of trainees were from relatively better socio-economic background whereas some others were not. Ms. *Rekha*, aged 49, came to attend training on bag making due to his family problem. His husband was unable to work as he was mentally challenged. So she wanted to earn after the training *albeit*, she

had some farm land but she cannot take care as her both sons were involved in other work. For undergoing training she had given one thousand rupees to the federation. Upon completion, she expected some expertise to prepare bag making and sell in the market. Ms. *Yogita Bokde*, (30 years) and Ms. *Jaya Sure*, (30) both earlier took training on dress designing from nearby college and interested in bag preparation so attended training. Both women were from relatively well off economic situation as both their family members involved in dairy and farming activities respectively. Their expectation of income is connected with their gained knowledge and expertise in the garment manufacturing sector. Ms. *Sujata Kotangale*, (37) was undergoing training in bag making in order to help her family. Her husband was working as construction worker. But her two sons were studying so the family had desire to give good education for both the children, so she joined with the intention of earning in future.

### **Conclusion:**

It is evident from the discussion that women have the capability to earn whether they stay in remote rural area or developed area. The study reveals that if they are imparted training and guided properly they can earn



and can contribute to their income to the family. And they feel empowered also. The various studies including the studies conducted by the authors have revealed the fact that with the earning of income by the women, children and even husbands are also benefitted as their income is fully contributed towards the welfare of the family

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