

SHG Revolution - A Paradigm Shift

A Case Study of Jay Hanuman Krushak Kalyan Sangh

Self Help Groups have been acting as an effective tool for poverty alleviation in India. Self Help Groups became fast developing commercially viable business proposition. Group based approach has been found highly successful in providing access to the rural poor. For every organization, Self Help Groups are luching pad for poverty alleviation and livelihood restoration whose validity is clearly elucidated by Jay Hanuman Krushak Kalyan Sangh.

Initiation

Jay Hanuman Krushak Kalyan Sangh was established in January 2002 in Bhudarbuni village of Mayurbhanja district of Orissa. With the motivation and support of Gramin Vikas Trust, 14 like minded farmers came forward to form a self Help Group. Later on another member joined and formed a 15 member stable group. The secretary Mr. Gagendra Singh was first taught how to maintain group records by assistance of Gramin Vikas trust. Later on the group members were taught the same by the secretary.

Facts and Figures

Jay Hanuman Krushak Kalyan Sangh was a male Self Help Group consisting of all farmers with marginal to small land holding. All the members were married and were belonged to Scheduled Tribe (Santala).There was a high degree of homogeneity in the class structure as 13 members were BPL. The literacy level of the group was quite high as 14 members were literate and 4 members were college educated.

Internal Banking

Jay Hanuman Krushak Kalyan Sangh had decided that each member will have to save Rs. 20 every month. The monthly interest over the loan from the group fund was decided Rs.5 per 100 Rs. Also it was decided in the beginning that the defaulters in the monthly member saving will be fined by Rs. 1.

As on December 2004, Jay Hanuman Krushak Kalyan Sangh had accumulated Rs. 5200 as members saving. The saving was regular due to high peer pressure.

Figures as on 31- December- 2004,

| | |
|------------------------------------------------|-----------|
| Total Members' saving | Rs. 5200 |
| Loan given within the group | Rs. 1700 |
| Interest from the bank on deposits in the bank | Rs. 160 |
| Total Income | Rs. 16960 |
| Total Principal Recovery | Rs. 1200 |
| Cash in Bank | Rs. 16504 |
| Cash in Hand | Rs. 150 |
| Interest earned over the Principal | Rs. 205 |

Alternate Livelihood Approach

The livelihood was totally dependent on Agriculture. The agriculture in Chandua village was based on rice based cropping system and paddy was the single crop. The total land was rainfed. Most of the crop land was lying barren due to lack of irrigation. There was a high degree of migration of the villagers to the adjoining towns for wage labour.

Sabai Grass - Upscalling with innovation

After formation of Jay Hanuman Krushak Kalyan Sangh, the members started suitable income generation activities which provided a practical business propositions to the group. First of all Jay Hanuman Krushak Kalyan Sangh started procuring Golden Grass (Sabai Grass) from the cultivator just after its harvesting in Rs. 220/ Mahana and sold it

MPAssociates Pvt. Ltd., Bhubaneswar
A Development Consulting Company

after few months in market in Rs.270/ Mahana in the local hat(One Mahana is 40 Kg). The annual trading of Sabai Grass by the group was 40 Qtls. The group incurred a profit of Rs. 7000 in the year 2003 from the trading of Sabai Grass.

Later on with the training and capacity building of Gramin Vikas Trust, Jay Hanuman Krushak Kalyan Sangh prepared ropes from Sabai Grass and sold it in near town Baripada. The market price of one Mahana rope was Rs.500. Jay Hanuman Krushak Kalyan Sangh prepared average 8 Qtl of rope for 7 months (Harvesting period of Sabai Grass). For that fresh purchase of Sabai Grass was done with the average cost of Rs. 250 per Mahana. From the rope making business the group generated an average income of Rs. 5000/ month for 7 months.

Seeing the interest and efficacy of the group, Gramin Vikas Trust provided a grant of Rs. 32760 for cultivation of Sabai Grass in the village. Prior to that Jay Hanuman Krushak Kalyan Sangh got an exposure visit followed by training on cultivation and processing of Sabai Grass by Gramin Vikas Trust. The group took 6 acres of land and cultivated Sabai Grass. The seed materials were supplied by Gramin Vikas trust.

As per the estimation of the group, after 2 years (From 2005-2006 onwards for 16 years),

| | |
|-------------------------------------------------------------------------------|-----------|
| The Annual Income from Sabai Grass from 6 acres of land will be- | Rs. 60000 |
| The Annual cost on maintenance, cultural operations and others - | Rs. 12000 |
| Net Benefit from 6 acres of land | Rs. 48000 |
| The group is ready for labour i.e., one labour every day for 365 days a year. | |

Bank Linkage

After three months of initiation Jay Hanuman Krushak Kalyan Sangh opened a bank account on the name of the group in Bank of India, Rajabasa Gram Panchayat of Baripada block. The bank was very happy with the regular transaction with the bank. By

31 December 2004, the bank deposit of the group was Rs. 16504. Also the group had a cash money of Rs. 150 in hand.

Plantation Measures - An added Income

With the help of Gramin Vikas Trust, Jay Hanuman Krushak Kalyan Sangh had taken Bamboo plantation and Palm plantation in Bhudarbuni village. The benefit from plantation was distributed to the members according their share.

Capacity Building - A boost to Livelihood

The interest of the members and the growth was appreciable. Seeing that Jay Hanuman Krushak Kalyan Sangh provided training on Goatery, poultry, Fishery, Vet-services and First Add. The group members had taken goatery, poultry and live stock enterprises on individual basis.ⁱ

ⁱ The Case Study is prepared by MPAssociates Pvt. Ltd., Bhubaneswar. The objective of the study is to understand the impact of SHG Revolution in Orissa.