



Vol. 1, No. 1; Jan – Mar (2022)

Quing: International Journal of Multidisciplinary
Scientific Research and Development

Available at <https://quingpublications.com/journals/ijmsrd>



SHG Groups and Empowerment Issues in Odisha - A Case Study of Women Federation 'Aparajita'



Prof. Rasmiraj Palo*

Professor, Department of Economics and Management, Khallikote University, Odisha, IND.

ARTICLE INFO	ABSTRACT
<p>Received: 01-02-2022 Received in revised form: 03-03-2022 Accepted: 07-03-2022 Available online: 30-03-2022</p> <hr/> <p>Keywords: Mission Shakti; Odisha; Political Factors; Self-Help Group; SHG; WSHG; Women Federation.</p>	<p>This article or case study reflects the ground reality of WSHGs and producer groups operating in Odisha. The article also discusses the obstacles and challenges that women entrepreneurs confront. This particular case study aims to address the aspects of political interferences and social stigmas faced by rural women trying to have economic liberation. It also suggests to the policymakers how to go about the implementation of women empowerment schemes. There are usually informal groups of women called WSHGs, and they typically have a shared sense of how important it is for them to work together to improve things. These organisations encourage their members to save and pool their funds to fulfil immediate needs. The case study facts and findings are from the author's personal experience while promoting the said women federation. A campaign called "Mission Shakti" has been operating in Orissa since 2001. It's the goal of the state government to bring together all of Orissa's WSHGs in one place. This case study is based on a women's producer federation named "Aparajita" in the small villages of Khajuria and New Khajuria in the Ganjam district of Odisha. The case study also reveals the typical obstacles rural women face and how the Govt. machinery could assist in overcoming them.</p>

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DOI: <https://doi.org/10.54368/qijmsrd.1.1.0004>

1.0 INTRODUCTION

Self-Help Groups (SHGs) are presently a well-known concept that serves as a developmental programme. Self-help organisations are now playing a vital role in alleviating rural poverty. The SHGs are considered a component of the country's economic growth. SHGs are presently at the forefront of development. SHG members are mostly female. As a result, the role of women in the country's economic development is becoming more prominent. In addition, they play a crucial role in improving their families' financial well-being. Women are in charge of about half of the people who work in our economy. Support for the Women's Empowerment programme has grown due to this. As a result, women are obedient to men because they have a lot of financial and social obligations that make them do what they want. The circumstance is more extreme in the rustic and reverse regions. Ladies'

* Corresponding author's e-mail: palorasmiraj@gmail.com (Rasmiraj Palo)

advancement exercises should be offered significance to destroy neediness, increment financial development, and create a better life. A Self-Help Group (SHG) is a little deliberate relationship of needy individuals of 10 to 20 individuals, ideally from the equivalent financial foundation.

A regular monthly, fortnightly, or weekly meeting is organised when official and informal talks and dialogues are conducted in addition to the disbursement and repayment of loans. During these gatherings, women talk about their life experiences and meet new people. The minutes of these sessions are documented, and the records are compiled. There are three positions of power in each SHG: the President, Secretary, and Treasurer. Those SHGs that have received loans from the government or non-governmental organisations (NGOs) are encouraged to engage in additional social activities. Today's highly developed and professional viewpoint of various microfinance institutions' hierarchical structure is undergoing significant transformations. Savings groups, lending groups, earnings groups, self-help groups, mutual aid groups, and joint liability groups are some of the types of organisations. This research aims to identify the role of SHGs in the empowerment of women in provincial areas.

1.1 Inception of WSHGs

In 1975, Prof. Mohammed Yunus founded the Grameen Bank of Bangladesh, which explored a different approach to rural microcredit in Bangladesh. This was the genesis of Self-Help Groups (SHGs), which were formed to help those in need. Grameen provided loans without requiring borrowers to provide security or participate in administrative tasks. During the year 1986-87 in India, the National Bank for Agriculture and Rural Development (NABARD) initiated the SHG movement; however, the actual effort began in 1991-92 to establish a relationship between SHGs and banks. In an SHG, a small group of poor women from the same area work together to save a small amount of cash each month. This money is kept in a typical fund and used to fulfil the demand of the group members in a financial meltdown and give them security-free loans. Now, in rural regions around the nation, it addresses problems of poverty alleviation and impoverished people's empowerment as well as their health, nutrition, and other basic needs.

Self-Help Groups are typically composed of between ten and twenty women. The ladies save an amount they can afford. Depending on the quantity, it might be a small sum ranging from ₹10 to ₹200 per month. Meetings are scheduled regularly (either monthly, fortnightly, or weekly) when official and informal conversations are held in addition to the disbursement and repayment of loans. During these sessions, the members of SHGs share their livelihood. The minutes of these sessions are documented, and the records are compiled. There are three positions of power in each SHG: the President, Secretary, and Treasurer. Those SHGs that have received loans from the Government or Non-Governmental Organisations (NGOs) are encouraged to engage in additional social activities. At least 10 SHGs are required to form a more extensive group known as the "Women Producer Federation or Mahila Utpadika Mahasangh."

1.2 History of Self-Help Group

- 1974- 75** : In Gujrat, women from small-scale trade associations founded SEWA on a cooperative premise.
- 1986- 87** : The National Bank for Agriculture and Rural Development (NABARD) sponsored and financed an action research study on the Savings and Credit Management of SHGs of the Mysore Resettlement and Development Agency, the first government interest in informal group financing.

- 1988- 89** : NABARD conducted a survey of 43 non-governmental organisations (NGOs) scattered across 11 states to understand the functioning of SHGs better.
- 1991** : The Reserve Bank of India (RBI) issued a circular instructing commercial bank and subsequently regional rural banks and cooperatives to lend loans to SHGs participating in the NABARD pilot project of 500 SHGs. PREM (a Berhampur-based NGO) developed 829 groups in Orissa, mobilising ₹1.9 million in savings and disbursing ₹1.9 million in loans.
- 1994** : In addition to making recommendations, the RBI Working Group examined the operations of NGOs and SHGs.
- 1996** : The Reserve Bank of India amended its instructions and recommended that banks' lending to SHGs be viewed as an extra segment under priority sector advances and integrated with the mainstream credit operations. In Orissa, NABARD has ramped up its promotion of WSHGs.
- Since 1996** : SHGs have been a regular part of the Indian financial landscape.

1.3 Current Scenario of SHGs in Odisha

Although women's self-help groups (SHGs) existed in Odisha as early as the 1990s, they received a new identity after the Biju Janata Dal, led by Naveen Patnaik, came to power in 2000. Almost a year after taking office as chief minister, Patnaik launched the Mission Shakti initiative, which included the formation of SHGs to organise women into groups for holistic strengthening and specific work exercises. As of now, there are more than 6 lakh SHGs and 70 lakh people in Odisha under Mission Shakti. It was announced in April 2017 that a new Mission Shakti directorate would be established within the Department of Women and Child Development.

These SHGs accept loans from banks and grant modest loans to people; they prepare ready-to-eat fresh nutrition for children in Anganwadis centres, and they take care of the mid-day meal arrangements for state schools. More than 2 million SHGs received credit linkages totalling ₹3411 crore in 2020-21. SHG groups that get bank loans of up to ₹3 lakh and pay them back on time are covered by the state government's premium instalment programme.

These SHGs are associated with various activities, including collecting electric charges from customers and offering small loans to individuals. The state government signed an agreement with Amazon and Flipkart was signed in July 2013 by the state government so that SHGs could cover a broader market. A combined effort between the Tata Trusts and Mission Shakti is also creating an online business site enabling women SHG products to be advertised and shown. When the Naveen Patnaik Government of Orissa signed off on Mission Shakti in May 2019, SHGs would get direct business worth ₹1000 crore a year from different government departments.

As a part of the project during COVID-19, WSHG in urban areas agreed to work with the Urban Wage Employment Initiative. The programme, known as the Mukhyamantri Karma Tatpara Abhiyan, assisted urban women from slums and low-income families in earning money via activities like desilting drain, establishing rainwater harvesting structures, planting trees, recycling and reuse of garbage, and decorating the city through wall painting and murals. It was decided to engage about 7000 SHGs to serve as implementation partners in the execution of the task, with a total contract value and salary amounting to ₹62.08 crore.

Another achievement was the production of over 3.3 million face masks by about 400 SHGs for distribution to the underprivileged and poor last year. During the COVID-19 lockdown, the dry food suppliers and vegetable stalls were closed in rural Odisha. More than 9.4 million meals were

cooked and prepared by these organisations via the free cooking sites they maintained in Odisha's thousands of gramme panchayats.

Gyana Ranjan Swain, a famous political science professor at GM University in Sambalpur, stated that the method by which the present Chief Minister of Odisha, Mr. Naveen Patnaik, has established a centre of core followers and a vote bank for his party via these SHGs is excellent. He quotes, "In any political race, the electorate are defenceless against cash and muscle power. However, in Odisha, these women have stood unshakable behind BJD because of the SHG development. It's a mutually advantageous technique for both BJD and rural women as the SHG groups enable rustic village women, and as a result, Mr Naveen Patnaik is guaranteed a serious vote base. I don't think there are other submitted vote banks of any ideological group in India like SHG groups in Odisha." He selected SHG pioneer and veteran Pramila Bisoyi to run for the Aska Lok Sabha seat in 2019 to prove his commitment to SHGs, which he had previously championed when he entered politics in 1997.

The growth of SHGs in Odisha over the past two decades has also been accompanied by an increase in the number of women who vote in state and central elections. When Naveen Patnaik was initially elected chief minister in 2000, only 55.6% of the female voters voted, compared to 63.8% of the males on the voter list. In contrast, in the 2019 elections, 71% of the female voters cast their ballots, compared to 75% of the male electorate. It's not sure how many women voted for BJD or any other political party in this election, but we can presume that most voted in favour of the BJD party.

2.0 METHODOLOGY

The current paper depends on both essential and optional sources of information. The author gathers the vital source of information through a field-level survey of 550 sample size of females from the Rangeilunda block ranging from different age groups, different geographic locations, and different work backgrounds. Optional information was gathered from Mahila Sanchayika Sangha (B'MASS), the Block level SHG organization, Officials of Odisha Livelihoods Mission erstwhile NRLM (National Rural Livelihood Mission) and Authorities of Mission Shakti in Khajuria and New Khajuria villages women federations month to the monthly progress report, Annual report for the year 2016-17, 2017-18 and different sources like research articles distributed in diary available.

2.1 The Impact

The effect on individuals included in SHGs over one year has few measurements. The course of development conceived is that at the point when helpless and deprived women start to save modest quantities of money, they acquire access to sensibly planned and calculated microloans. This loaned amount is then put as resources into farming, small scale businesses; domesticated animals coming about in an expanded manner acquiring that categorically affects the standard of life of these village ladies and their families. This effect is estimated as far as stretched the pay and consumption at the family level. On the other hand, indicators incorporate social and political cooperation of the village women, their capacity to impact and role play in family financial choices, impacts on sex relations, and decreased economic vulnerability.

3.0 THE CASE STUDY

The case study taken regarding this article is a personal experience sharing the facts, analysis, views and opinions submitted by the author on how socio-political factors ruin and destroy the opportunities and prospects of women self-help groups and women federations towards attaining entrepreneurial success and financial liberty.

The facts of the village related to the study:

Name of the Village	: Khajuria and New Khajuria, Ganjam Dist, Odisha
Population	: 1260
Households	: Around 245
Male: Female Ratio	: 1:1
Occupation	: Temporary Agro Sector Labours, Daily Wage Workers in the Construction Sector, and Part-time Hand-rolled Incense Stick Makers on a Contractual Basis
%SC Population	: 62.33 % of total population
Literacy Rate of Females	: 25.76 %
Avg. annual income per Capita	: ₹32,618.00

3.1 Backdrop

During the year 2016-17, I and our NGO Nayanaa set out on a journey to the nearby villages around 8 kms from city Berhampur named Khajuria and New Khajuria on a field visit to conduct a field visit to a health check-up camp shortly. While roaming around with my team during the afternoon, we came across tens of women hand-rolling incense sticks "agarbattis", using pre-mixed masala and bamboo sticks on a wooden plate. They were pretty good at rolling uniform-sized incense sticks. We also found that small girls around 10/12 years old were quite good at rolling sticks. So out of curiosity, I asked who supplies the ingredients, who takes the finished products, how much they earn per day, the wage rate, do they have any other source of income, etc.

The response author got made me feel bad for the women. The local incense stick marketers used to supply them with the agarbatti mix, and after the agarbattis were dried and scented again, the marketers would take them for packaging and sales. The women engaged in rolling the agarbattis were given only ₹10 to 12 per kg, whereas the standard rolling price of hand-rolled agarbattis is around ₹22 to 25. The incense stick traders and marketers ultimately exploited the women. Around 200 women and adolescent girls engaged in the incense stick hand-rolling process.

The skill level and enthusiasm propelled the author to do something for these scheduled caste women who were not doing well financially and were not allowed to go out to work by their in-laws and husbands because of some social stigma. Also, we found that in most of the households, the primary bread earners were the women. After brainstorming sessions with my peers, we finally decided to form SHGs with these deprived and exploited women and bring them to the mainstream with financial liberty.

In this light, the latest statistics related to the agarbatti or incense stick market of Odisha are brought into the picture to understand how much scope the product and the market offer to the especially socio-economically backward women of the state.

So, the process started with the creation of SHGs with 10 to 12 women in each group, and in the process, considering the interest level of the women, we ended up forming 18 no. of WSHGs. We followed the normal group formation process and had multiple rounds of meetings with the group members regarding the possible commercial ventures. But at last, it was unanimously decided that as the women are well-versed with incense sticks, the groups will focus on their strength.

3.1.1 India Incense Stick Market Scenario

The current size of the Agarbattis and Dhooop market in India stands at around ₹7,000 cr. And the export valuation is roughly around ₹700 cr annually. At the same time, the Odisha incense stick market stands at ₹323 Cr per annum. India made incense sticks are exported to around 150 countries, and the US, UK, Malaysia and Nigeria top the list. The agarbatti market is set for a CAGR of 7% to 8% per year.

Spirituality, customs, tradition, prayers, devotion and offerings at deities are significant reasons for the rising popularity of India made incense sticks. In the overseas market, the crucial reasons for surging demand are well-being, rituals, feel good factor, love for ayurveda and herbal products, growing acceptance for Indian cultures, and the popularity of yoga.

AIAMA is the apex body of 800 plus incense stick manufacturers and traders operating in UP, Gujrat, Karnataka, Maharashtra, MP and Odisha. Despite facing stiff competition from China and Vietnam, the indigenous incense sticks market is progressing steadily. Before 2019 the domestic incense stick market imported raw agarbattis from China and Vietnam. But due to the Govt. effort and support, India has not imported a single rupee of raw material used to produce incense sticks.

According to industry sources, more than 4 lakh individuals are engaged in agarbatti making. And more than 80% of them are women, and more than 70% are SHG members. He claims that in the previous year alone, AIAMA members localised production, assisting in creating numerous job prospects for rural women. A semi-automated incense stick producing machine can create 30 to 40 kg of incense sticks each day, bringing in an average daily wage of between ₹300 and ₹400. Whereas women engaged in hand rolling of agarbattis could make hardly 8 to 10 kilos of incense sticks, earning a wage of ₹10 to ₹12 per kg. Ultimately, the women making hand-rolled incense sticks earn around ₹80 to ₹100 per day, which is way below the minimum. The wage rate for unskilled labourers in India. The above data prompted us to install incense stick manufacturing machines and create value addition to the product so that the socio-economically backward women of the mentioned villages could lead a better life with a good income.

Then we had a couple of rounds of meetings with the ABDO of Rangeilunda regarding the possible intervention of Govt. linkage. And upon his advice, we decided to merge all the SHGs and form a women producer federation that would exclusively work on Agarbatti production. We tracked down suppliers' raw materials like bamboo sticks, mixed ingredients, herbal perfumes and packaging materials. And also, a brand name was in a place named "Tulsi". And the women's producer federation was called "Aparajita". And the federation won the best achiever award from the CM Naveen Patnaik during Gopalpur Beach Festival 2017.

As the Govt scheme OLM (Odisha Livelihood Mission) got involved in the process and the office bearers from ORMAS, DRDA Ganjam showed keen interest in the movement, we decided to go for machine rolled Agarbatti production. For marketing, we contacted a few reputed brands like Mangaldeep, Cycle, Moksh and Patanjali Ayurveda products for contract manufacturing. After discussions with district authorities, i.e., OLM, ORMAS, DRDA, we assured that the women federation would be supplied with 25 Vietnam-made agarbatti making machines at ₹25,000 each and additional financial support of ₹5,00,000 would be given as working capital.

It was like a dream come an actual moment that pumped the women group members and us about having better days ahead. As the agarbatti rolling women knew they had been exploited by traders for years, being paid the lowest wage, once they got assurance about agarbatti machine supplies and projects, they declined and rejected the raw materials from the traders to work as contract manufacturers. Almost six months had gone by the women were waiting for a change in

future. In came the Panchayat Election declaration. As the Agarbatti project was in the limelight in the area, it dragged many eyeballs. Many small-time politicians thought it a political gimmick to lure women voters. We had the support and backing of more than 200 women and their families by that time.

But as it always happens, every good thing does not come to a good ending. The women federation members faced opposition from their in-laws and better halves. The men were teased by politicians who convinced them that they would be out of control once women started earning. It probably hurt the male ego. Also, some men were supplied with liquor to create disturbance in meetings. Rumours were made regarding women members' characters. All hell broke loose. Rumours were spread regarding financial benefits were hijacked. Some women leaders were forced to stay back at home. All these happened because few politicians from the ruling party thought women's empowerment would jeopardize their chances of winning the Panchayat elections.

After several attempts, the federation could not be sustained. The officers supporting the project got transferred, the market linkage program was called off, the incense stick manufacturing machines that OLM procured for the project got diverted to other areas of Odisha where there is little knowledge and interest regarding agarbatti making. The federation women have still engaged in contract manufacturing of hand-rolled agarbattis and are still underpaid. Some women are going to a nearby beverage bottling plant to clean off used glass bottles. And as an NGO, we have moved on to skill developments projects and free education projects.

4.0 FINDINGS OF THE STUDY

- a) The gender ratio of the villages of Khajuria and New Khajuria is 1:1, which is equal to the national proportion.
- b) People from the SC category are 62.33% of the total population of the villages.
- c) The literacy rate of females in both the villages is 25.76% compared to the national female literacy rate of 53.7%.
- d) The per capita income of Khajuria and New Khajuria villages is ₹32,618, whereas the national figure stands at ₹98,435 for urban areas and ₹40,925 for rural areas.
- e) India's incense stick domestic market is worth ₹7,000 Cr, and the exports market is valued at ₹700.80 Cr. The market size of the incense stick business in Odisha is around ₹324 Cr.
- f) For hand-rolling incense sticks, the women in the case used to get ₹10 to ₹12 per kg, whereas the women could earn ₹20 to ₹22 per kg for machine rolled incense sticks.
- g) On average, a female worker in hand-rolled incense could produce 10 to 12 kgs of incense sticks per day and earn around ₹100 to ₹120 per day. Whereas with the installation of machines, the same women could have made around ₹500 per day, which is way above the minimum wage standard by the Government.
- h) The cost of producing one kilo of incense stick with perfumery is ₹60. And after value addition, the same is sold at a minimum price of ₹120 or more in the retail market.
- i) By 2021, the central Govt. will have earmarked ₹15,700 Cr for the MSME sector, and 90% of incense stick producing units belong to this category which means incense stick producing units have tremendous opportunities for growth and expansion.
- j) In rural areas, 50% of SHG/ Women Federation members are directly influenced by political factors. And most of the women in the groups are dominated/ controlled by their peers.

- k) In 70% of cases, petty contractors and small-time politicians hijacked the public works and other related jobs allotted to SHGs. Just the bills are made in the names SHGs.
- l) 65% of Women SHGs/ Federation members join the groups to benefit from Govt sponsored SHG loans. They are not precisely aware of their roles, responsibilities and the objectives of the group.

5.0 RECOMMENDATIONS

- The WSHG movements or the Mission Shakti schemes must be implemented without the interference of political factors.
- The programs and meetings of the WSHGs must be conducted without the presence of political personalities
- The WSHG members must be genuinely trained in their vernacular languages by experts regarding the mission, vision and goals of women empowerment programs and schemes.
- The WSHG members must be made aware of women's rights.
- The WSHG members must be trained to start any business venture that would help them earn a good income, which would improve their personal and family financial position.
- From top to bottom, the administration must support these WSHG members in every way possible to make the schemes and projects successful.
- The WSHG members must be served with handholding support from the grassroots levels in every aspect possible because 77% of the members are homemakers and do not have much idea about the work process.
- The WSHG members must be provided with market linkage programs or Govt. buyouts of their products or services so that businessmen and traders won't exploit them.
- The WSHG members should not be treated as vote banks as they are treated now.

6.0 CONCLUSION

It may sound reasonable and soothing and give a feel-good factor while going through articles and reports regarding astounding success of women SHGs in Odisha, but I would reiterate that it would be better to scan through the grassroots rather than go by the manipulated fake data submitted and provided to the sources. If the women empowerment schemes are doing so good, how come the poverty index in rural areas is increasing, and more and more families are included in food security schemes? How come crime against women is steadily growing in the state, and the state stands at a shamelessly number one in crime against minor girls as per NCRB? Why are poor rural women forced to sell their babies? How come the number of applicants for ration card benefits has increased in the last few years?

It may not be a feel-good, but we have to realize the truth. Especially in Odisha, the SHGs and their members are used as Vote banks during elections. Usually, the Govt. loans are sanctioned to the groups before the elections to lure them to cast votes in their favour. In many cases, the SHGs names are used as namesakes, and businessmen take the financial benefits. The women empowerment schemes must be kept out of reach of shrewd politicians, and the implementation part must be scrutinized seriously. Otherwise, the concept of women empowerment and creating women entrepreneurs would be just a theoretical aspect. According to NCRB, Odisha records the highest

crimes against minor girls in India. From top to bottom, must be ethical and transparent in this matter. NGOs involved in women empowerment and SHG formation must be held liable for failures. And most importantly, the women must be trained in business aspects, and handholding support is a must if such a movement reaches its destination.

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