



RGMVP

Working for Poverty Reduction and
Women's Empowerment

Livelihood Enhancement through Self Help Groups

DAIRY: DILAWARPUR VILLAGE, BLOCK DEEH, RAEBARELI DISTRICT

● In their own words



Phoolkali
President, Shiv
Swayam Sahayata
Samooh

"I come from a very poor family. My mother died when I was very young. I couldn't go to school. Soon my father became too old to do heavy work. We were in a very bad state. My husband, too, stays with us. Then my father told me to join the samooh. We took a loan of Rs 10,000 first to buy a buffalo. After returning that, we took another loan of Rs 15,000 for another buffalo. When the samooh's MCP happened, I borrowed Rs 1,00,000. We now have three buffaloes and two cows, and have also constructed a shed for the cattle with the loan. We earn Rs 8,000 a month of which Rs 5,000 is returned to the samooh as capital repayment and interest. We manage the house very well with Rs 3,000. My children (three sons and two daughters), unlike me, go to school."

● The Challenge

- To provide women members of the RGMVP Self Help Groups (SHGs) with means to come out of poverty through income generation and livelihood enhancement activities
- To establish convergence with other organisations/institutions working in the area to ensure that SHG women benefit from these linkages

● The Solution

Dilawarpur was a village that typified rural poverty. Most poor household eked out an existence from farming, others relied on labour on the richer families' fields while still others found employment outside the village. These poor families had very little food to eat, no means of clothing or educating their children, and no ways to deal with emergencies such as ill health or any other misfortune. In these cases, they would borrow money from the sahuikars (local money lenders) at 10 percent interest, and failure to return the loan would result in the male members of the family becoming bonded labour for the sahuikar. The women depended on their men to earn for the family while they themselves were involved with looking after the house and the children.

All this began to change when RGMVP first started motivating the women to join SHGs. Shiv Swayam Sahayata Samooh was formed on November 18, 2005. Initially, its 16 members began by saving Rs 20 per month which was later increased to Rs 40 per month. For six months, the SHG demonstrated that it was following the best practices, and its first Cash Credit Limit (CCL) of Rs 25,000 was cleared by Grameen Bank where the SHG has its account. The members of the SHG took small loans from the amount for their needs.

The turning point came when the National Dairy Development Board (NDDB) set up a Bulk Milk Cooler (BMC) at Poore Sadhai Mishr, a few kilometres away from the village. In consonance with its convergence strategy, RGMVP began encouraging and motivating the members of Shiv Swayam Sahayata Samooh to invest in mulching cattle, so that they could enhance their livelihoods by selling milk through NDDB's BMC.



Left: a SHG member milking her buffalo; right: SHG members queue up to deposit milk with the collection agent



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In their own words



Shankuntala
Treasurer,
Shiv Swayam
Sahayata Samooh

"Earlier, some families did own cows and buffaloes but we had no means to sell the milk. Once we heard that the collection centre has been set up close by, all of women got together and discussed this. We realised that since we are farmers, we would have no problem with the fodder for the cattle, and we would be able to increase our incomes through the dairy business. Before joining the samooh, I stayed at home and looked after the house and the children. But now I earn Rs 100 to 150 daily from the dairy, like the other women in the group."



Babita
Treasurer, Hari
Mahila Swayam
Sahayata Samooh

"I joined the samooh to earn better and to make a future for my children. Earlier, we depended on farming for our livelihood – and what we earned depended on the weather and God. Today, I earn Rs 300 per day from the dairy business, thanks to the samooh. My life has changed over the last one-and-a-half years. Today two of my girls study in an English medium school and one in Gyan Bharati School."



Malti
Member, Shiv
Swayam Sahayata
Samooh

"Before the samooh came to the village, nobody was bothered about the poor. Now all of us poor run the samooh. Before I joined the samooh, I had many problems. I have no husband and my father was too old to work in the fields. I have two boys and two girls to look after. We had no way to earn money. Now I earn Rs 200 per day from my dairy business and I have so much support from the samooh."



Left: Milk being delivered to the National Dairy Development Board's Bulk Milk Cooler; right: being tested

One member borrowed Rs 10,000 initially for a buffalo and then another Rs 15,000 for another buffalo after returning the first loan. When the SHG's Micro Credit Plan (MCP) was cleared, seven members took a loan of Rs 1,05,000 to purchase buffaloes or cows. At present, almost all of the group's members are engaged in the dairy business and earn between Rs 150 to 250 per day from this activity. The women have received three days of training from experts at RGMVP on the best practices of dairy work and are now adept at ensuring that their milk has the right fat content to get a good rate per litre.

The milk is collected at the village at 8 am and 8 pm every day, by Ganga Din Yadav, collection agent and the father of one of the SHG women. A sample is set aside for each lot of milk and a challan cut. An assistant helps in milk collection and carries the milk to the NDDB's BMC on bicycle. At the BMC, each lot of milk is weighed and tested for fat content – and tallied against the sample received from the village. A database of this information is maintained on computer. The rate is decided on the basis of the fat content and the weight, and is Rs 16 per litre on average for buffalo milk and Rs 14 per litre on average for cow's milk. (Before the advent of the BMC, the women used to get a rate of Rs 10 per litre for both cow and buffalo milk.) The manager of the BMC deposits the amount owed to the SHG women in the group's bank account, from where it is withdrawn by the group's Koshadhyaksh (Treasurer) and distributed to the women on the basis of milk supplied.

The lives of the members of the Shiv Swayam Sahayata Samooh have seen a marked and steady improvement over the last two years as a result of income generation and livelihood enhancement due to dairy activities.

About RGMVP

The basic premise of RGMVP's poverty reduction strategy is that the poor have an innate ability to come out of poverty. They must be provided an opportunity, an enabling environment and sensitive support. Facilitating access to microfinance through SHG-bank linkages is a critical aspect of the RGMVP's Livelihood Enhancement programme. This process has been streamlined and refined under the programme to ensure that all organised women have been linked to banks/microfinance with the SHG as the medium. The programme enables each SGH that has internalised the best practices to build up its members' capacity to invest in an income-generation activity, and enhance their livelihoods.

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