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Assessment of Women Self- Help Groups and Women Smallholder Farmers in Odisha

Mission Shakti and WFP India Partnership



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LIST OF ACRONYMS

AWC	Anganwadi Centre
BF	Block Federation
CFM	Complaints and Feedback Mechanism
CRP	Cluster Resource Person
DEO	Data Entry Operator
DF	District Federation
FAQ	Fair Average Quality
FPO	Farmer Produce Organisation
GPLF	Gram Panchayat Level Federation
GrAM	Gramin Agricultural Markets
ICDS	Integrated Child Development Services
INR	Indian Rupee
LSP	Livelihoods Support Person
MBK	Master Bookkeeper
MFI	Microfinance Institution
MIS	Management Information System
MSME	Micro, Small and Medium Enterprise
MSP	Minimum Support Price
NABARD	National Bank of Agriculture and Rural Development
OLM	Odisha Livelihoods Mission
ORMAS	Odisha Rural Development and Marketing Society
OSCB	Odisha State Cooperative Bank
PG	Producer Group
P-PAS	Paddy Procurement Automation System
RMC	Regulated Market Committee
SHG	Self-Help Group
THR	Take-Home Ration
UGB	Utkal Grameen Bank
ULB	Urban Local Body
WFP	UN World Food Programme
WSHF	Woman Smallholder Farmer
WSHG	Women's Self-Help Group

EXECUTIVE SUMMARY

Background

Formation of women's self-help groups (WSHGs) is a well-established strategy in India for empowering women and improving their livelihoods. The Directorate of Mission Shakti in Odisha has taken significant measures to support close to 7 lakh WSHGs in the state, by enabling them to access financial assistance, undertake capacity strengthening and market linkage to enhance their livelihoods and incomes. Economic activities through WSHGs significantly supplement incomes of women smallholder farmers, a critical vulnerable group, deprived of access to agricultural credit, inputs and markets, owing to gender-based discrimination. It is also true that income in the hands of women ensures food security and nutrition for the entire family. Therefore, empowering and equipping them with better incomes will bring greater benefits to community food and nutrition security.

The UN World Food Programme (WFP) India is partnering with Mission Shakti to further its commitment, towards the shared goal of enhancing the livelihoods and income of women and women smallholder farmers. In December 2019, WFP undertook an assessment of women's self-help groups in order to better define the needs and challenges of WSHGs and provide recommendations to mitigate them. The assessment aimed to provide a comprehensive profile of WSHGs in Odisha, their current linkages with markets and procurement systems and the gaps or hurdles faced by them. The assessment mission visited and interacted with WSHG members engaged in a variety of activities in six districts in Odisha. The Mission also interviewed officials involved with supporting these groups at all levels. This report presents the findings of the assessment and provides recommendations to strengthen the support to the WSHGs by Mission Shakti and WFP.

To capture and represent the results of the assessment, they are presented across six broad themes based on Mission Shakti's sequential engagement with WSHGs and in line with the overall objective.

1. Coverage

- WSHGs have a greater coverage in rural areas, and their bank linkage in both rural and urban areas is almost universal.
- WSHGs are involved in an array of activities, mostly private (such as vegetable cultivation, pisciculture, terra cotta craft, etc) and a few linked to government schemes (such as production of take-home rations, management of paddy procurement centres, electricity meter reading, etc).
- *A single de-duplicated database of WSHGs needs to be maintained for better tracking of WSHG support activities by Mission Shakti.*

2. Capacity building

- WSHGs received training related to the operations of the group and bookkeeping from Anganwadi Workers, and on skill building from various public and private sources.
- Areas identified for further training or refreshers included SHG operations and bookkeeping, and training in latest designs and market trends. There is scope for cross-learning between SHGs, where SHGs could learn from the experience of better performing ones.
- *WSHG capacities need to be strengthened by more frequent trainings, updated training content and peer-to-peer learning among SHGs.*

3. Financial assistance and management

- All WSHGs have bank accounts with steady member contributions, and most have received the seed money of INR 15,000 provided by Mission Shakti.
- All WSHGs utilized subsidized loan facilities offered by banks. Loans were also taken from Gram Panchayat Level Federation (GPLF) at 12% interest and private microfinancing institutions at 20-25 percent interest.
- Utilization of loans emerged as a concern, as loan amounts did not necessarily equate with improved incomes, mostly being utilized to meet household expenses such as children's education, husband's business, etc. Some loan amounts were used to purchase raw materials and equipment.
- Profits and income could not be clearly demarcated by the members.
- *There is scope to diversify activities of WSHGs, particularly in areas where dependence on males was high, such as transportation and marketing services.*
- *Training in financial management is important to enable better financial planning and utilization of funds by SHGs.*

4. Market linkage and profits

- Mission Shakti promotes market access for the WSHGs by organizing 'melas' or fairs at district and state level and supporting WSHGs in participating in these fairs. WSHGs also make their own efforts to reach local markets for their produce, and explore other external markets, including online platforms.
- Efforts by SHGs to expand marketing of their products or identify demand are mostly ad hoc. Moreover, gender roles influence marketing activities significantly, as WSHGs depend on men to handle marketing and sales.
- Other marketing related challenges include the need to match supply with demand, which warranted aggregation across multiple producers, and the absence of insurance or safety mechanism to compensate losses.

5. Governance and support

- *Support to WSHGs by Mission Shakti and other stakeholders needs to be built towards a common vision and should include an exit strategy for self-sustainability of the WSHGs.*
- *There is a need to manage parallel structures like Gram Panchayat and Block level Federations effectively, so that they restrict themselves to a convening role and don't compete with WSHGs in conducting activities.*

- *Vested interests and exploitative systems on the ground need to be checked, such as a predominantly male support cadre utilizing WSHG members like wage labour, paying them at fixed rates and not sharing the income or profits adequately with them.*
- *A complaints and feedback mechanism for WSHGs is conspicuously absent and needs to be established.*

6. Empowerment

- The WSHG model is indeed working as a means of women empowerment. Women have shown remarkable progress as SHG members, growing significantly in confidence and skills, displaying pride in their work and strong motivation to accelerate their progress.
- Women have been able to effectively negotiate their space in families and balance their domestic responsibilities with those of the SHG with the strength of their financial contribution.
- *Empowerment can be prioritized by enabling mechanisms in the WSHG charter, tracking empowerment outputs through MIS, periodic refresher trainings and using well-performing WSHGs for peer support and motivation.*

Conclusion and recommendations

Moving forward, there is still a lot of scope for Mission Shakti as it transitions into an independent department, to maximise the quality and reach of its support to WSHGs. These include establishing a long-term vision and charter, clearly defining all stakeholder roles and responsibilities, and aligning all processes to the vision or outcomes. Below are the key recommendations based on the assessment, which would also be supported by WFP:

1. **Collective action:** Long-term, quantifiable vision and Mission Shakti charter needs to be established, with clear alignment of structures, and stakeholder roles and responsibilities towards the common outcome.
2. **Remove systemic issues** and utilize data for decision making, including creation of an MIS and transparency portal and a complaints and feedback mechanism.
3. **Awareness and training** to be improved in content and periodicity.
4. **Build capacity** through peer learning from well-performing WSHGs, more intensive training on finance and accounts, training women as nutrition educators and expanded options for services such as transportation, sales and sourcing.
5. **Identify** market demand and conduct careful market planning with diversification of products to ensure adequate market space for all WSHGs.
6. **Empowerment:** Enhance female ownership and steering of processes, preventing domination of males as that could turn exploitative.

1. Introduction

In India, women's Self-help groups (WSHGs) are a critical tool for women's empowerment as the process of collectivization provides greater economic opportunities, incomes. The Government of India supports WSHGs to enhance women's livelihoods and incomes to bring them out of poverty. As per latest statistics, 5.9 crore women in India have been mobilized into 54 lakhs WSHGs.¹ This strategy aligns with the commitment of the Government of India improve rural incomes, as WSHGs offer women farmers, especially smallholders, a means to pool in their resources, develop their skills and start an activity to augment their incomes. It has been well established that increasing the resources available to women in a household yields improvement in the food security and nutritional situation of families, particularly children.²

WSHGs typically hold monthly meetings, generate group savings and obtain generally subsidized credit. Based on their skills or following specialized training, WSHGs undertake different activities privately or linked to government schemes that could include production of goods or provision of services. Activities include vegetable cultivation, processing of spices and condiments and production of local handicrafts, which they often sell in local farmer's markets termed "*Gramin Haats*", or through specialized marketing platforms (fairs, exhibitions, permanent outlets or *haats*) provided by the Government. Service provision could include electricity meter reading, running shops or catering services, managing community kitchens or canteens, and supply of mid-day meals to schools.

Smallholder farmers constitute more than 80 percent of the farming community in India.³ They are also among the poorest as they are in a vicious cycle of low investment, poor productivity, low value addition, weak market orientation and eventually unviable margins. Women farmers constitute nearly 40 percent of small-holders but are more likely to be deprived of access to agricultural credit, inputs and markets including the government procurement system. Agricultural support systems were designed with the perspective of an exclusive male profession and are therefore heavily staffed by men. However, over the years farming has become increasingly 'feminized', with more and more women having to manage farming while men migrate to urban areas in search of jobs. This leads to a gender bias in reaching women farmers thereby impacting their ability to access the various resources and improve their incomes.

¹ Press Information Bureau (2019). *Self help groups*. <https://pib.gov.in/newsite/PrintRelease.aspx?relid=191635>

² Kurz, K.M. and C. Johnson-Welch (2001). Enhancing women's contributions to improving family food consumption and nutrition. *Food and Nutrition Bulletin*, 22(4):443-453.

³ Mahendra Dev, S. (2012). *Small farmers in India: challenges and opportunities*. Mumbai: Indira Gandhi Institute for Development Research.

The Government of Odisha has taken pioneering steps to empower women and ensure their equal participation in the development process through WSHGs. To make a meaningful and time bound impact, the



Government of Odisha has earmarked funds for activities that support women in all flagship development schemes and, through Mission Shakti, has developed a strategy to integrate and undertake a broad-spectrum approach for empowering women. Mission Shakti, Odisha's Directorate for Women Empowerment, aims for socio-economic empowerment of women through the formation of WSHGs, providing them with access to credit and providing avenues for skill development and livelihood promotion in order to alleviate poverty by increasing employment opportunities, accelerating economic growth and promoting income generating activities under a strong leadership.

Schemes across various state departments such as fisheries, horticulture and industries, plus financial incentives, target nearly 70 lakh Odia women through 6.02 lakh WSHGs. To ensure effective implementation of ongoing activities on the ground, Mission Shakti has established widespread presence and deployed staff from the state level down to sub-district/block level. Under the guidance of Mission Shakti, the interventions undertaken by the large network of WSHGs in Odisha, coupled with the facility to avail hassle-free credit, has increased their financial viability, thereby improving the economic mobility of its members and their families.

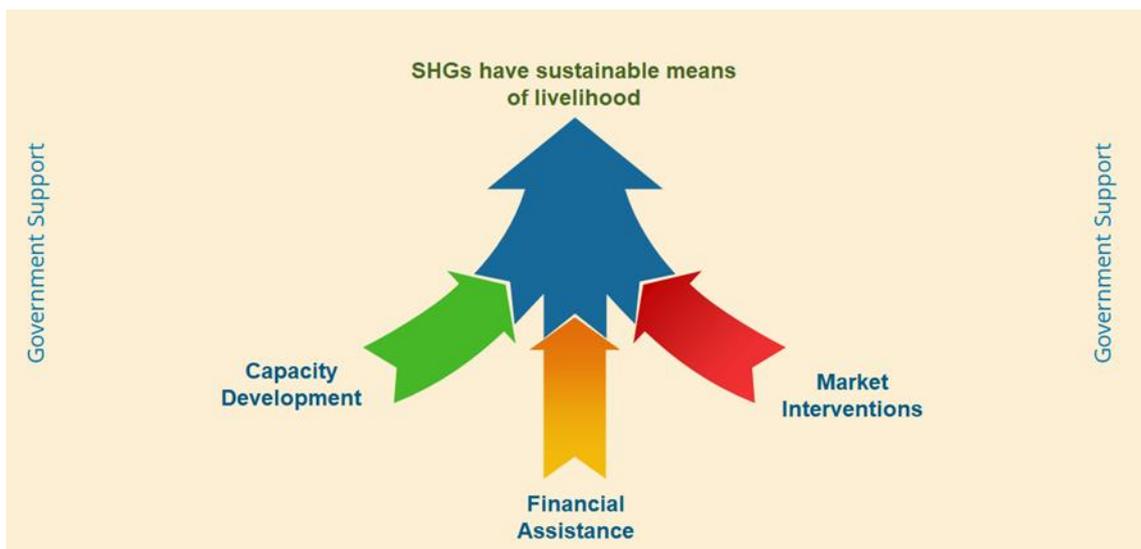


Figure 1 : Outcome and Pathways for improved livelihoods

The Government of Odisha's approach of broad-spectrum empowerment of women through Mission Shakti resonates with the UN World Food Programme's (WFP) mandate and the strategic

objectives of WFP India's Country Strategic Plan (2019-2023) which aims at improving benefits to women smallholder farmers, undertaking gender-transformative social and behaviour change communication for improved nutrition, and enhancing gender-disaggregated analysis of food security and nutrition indicators.

In view of the shared aspirations and the mandate, WFP and Mission Shakti have agreed to collaborate to towards achieving the following outcomes:

1. *Women in Self Help Groups increase their incomes through improved access to markets, government systems and financial services.*
2. *Women increase their participation in decision making within the households and communities.*
3. *Increased dietary diversity for adults and improved infant and young child feeding in the communities.*

2. Objectives of the assessment

Between November 2019 and January 2020, WFP undertook a field assessment of WSHGs and women smallholder farmers (WSHF) in Odisha which aimed to:

1. Identify the current patterns and trends of farming and other livelihood activities, the opportunities and challenges faced by WSHF in availability of marketable surplus, access to markets, working with Farmer Produce Organisations (FPO) etc. and to provide recommendations to increase their participation, productions, quality and sale.
2. Map the current activities, aspirations and challenges of WSHG that are involved in the production and sale of commodities (like turmeric, millets, handicrafts) or in providing a service (like running Aahaar centres, providing Mid-Day meals, collection of electricity meter readings) and provide recommendations to enhance their market linkages, identify areas of capacity strengthening and augment their incomes
3. Assess "*Gramin Haats*" or the traditional rural local markets in the state, examining their frequency, area and population served, facilities available, and the levels of participation by women farmers, especially WSHF. The assessment will also examine the nature and volume of transactions made and any barriers or challenges faced by the women farmers participating in the markets.
4. Understand women's position in the household and community, and the socio-cultural norms influencing their participation in decision making.
5. Observe the production of Take-Home Ration (THR) and assess the willingness of SHG members to be Nutrition Educators for improving the dietary diversity and infant and young child feeding practices in the community.

The findings of the assessment would inform recommendations to Mission Shakti towards achieving the intended outcomes, and also help define the specific areas of technical assistance and capacity strengthening to be undertaken jointly by WFP and Mission Shakti.

3. Methodology

The assessment was carried out in two phases across six districts, covering all three revenue divisions of the state. Two of the six districts covered - Balangir and Koraput - are both tribal and Aspirational districts.

The assessment used qualitative approaches, with observations of WSHG activities, *Gramin Haats* and *Melas*⁴, focus group discussions with WSHG members, in-depth interviews with WSHF and key informant interviews with state, district and block level cadres of Mission Shakti and other relevant officials concerned with supporting WSHGs. In addition, secondary data on WSHGs of the selected districts, shared by Mission Shakti, was also analysed. The teams first observed WSHG activities, and then interacted with the WSHG members and Mission Shakti officials, using different assessment tools (supplementary to this report).

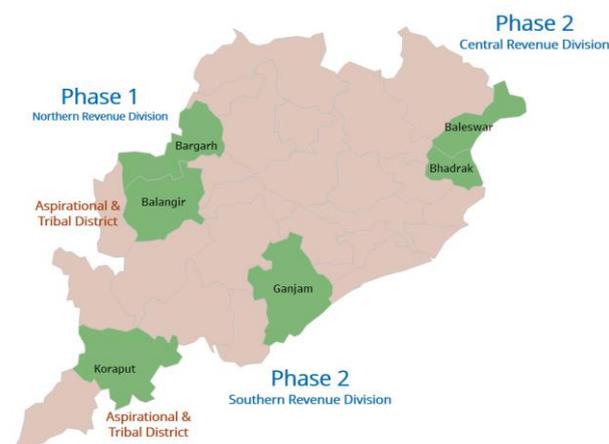


Figure 2 : Assessment Areas

The details of the assessment activities are as follows:

- In the first phase in November 2019, a team consisting of three WFP and two Mission Shakti senior officials visited the districts of Bargarh and Balangir.
- In the second phase in January 2020, two teams of WFP covered the districts of Baleswar and Bhadrak, and Ganjam and Koraput respectively.
- Altogether 78 WSHGs involved in diverse activities were covered across 17 Blocks, 5 Urban Local Bodies (ULB) and 23 Gram Panchayats.
- Activities observed included: private work, such as vegetable cultivation, pisciculture, tailoring and terra cotta, and work linked to government schemes, such as production of take-home rations (THR) for Anganwadi Centres, paddy procurement centres, electricity meter reading and tailoring unit for school uniforms. The list of WSHGs covered by type is provided in Annexure 1.
- The team also interacted with collectives of WSHGs, including Producer Groups (PGs), Gram Panchayat⁵ Level Federations (GPLF) and District Federation (DF).
- Officials interviewed included the District Social Welfare Officer, District Project Coordinator, Block Project Coordinator, Child Development Project Officer, Lady Supervisor, Anganwadi⁶ Worker, etc.

⁴ 'Mela' means fair in both Hindi and Odiya. Traditionally fairs are organized during festivals or auspicious occasions and serve as venues for fun and games, cultural performances and marketplace where locals trade their products. *Melas* are also formally organized by the Government specifically to provide a platform to WSHGs to sell their products.

⁵ Gram Panchayats are village level elected councils, the first level of rural local governance in India.

⁶ Anganwadi is a village level centre established for providing services under the Integrated Child Development Services scheme, This includes immunization, supplementary nutrition, early childhood education and counselling services for children below 6 years of age and pregnant and lactating women.

4. Results of the assessment

To capture and represent the results of the assessment, they have been discussed across six broad themes based on Mission Shakti's sequential engagement with WSHGs and in line with the overall objective.



Figure 3 : Six thematic areas of assessment

4.1 Formation and coverage of WSHGs

Formation of WSHGs under Mission Shakti and their bank linkage is facilitated by Anganwadi workers, who are incentivized for this activity. Secondary data from Mission Shakti for the six districts covered in the assessment shows that the coverage of WSHGs in rural areas is higher than in urban areas as indicated in Figure 4 below.

In Figure 4, the maximum number of WSHGs possible in a district was estimated by dividing the adult female population by ten, which is the average number of women in a group. Comparing rural vs urban, there is much lower coverage in urban areas, likely due to the fact that the need for WSHG in urban areas would be only among the urban poor who constitute a small proportion of the total urban population.

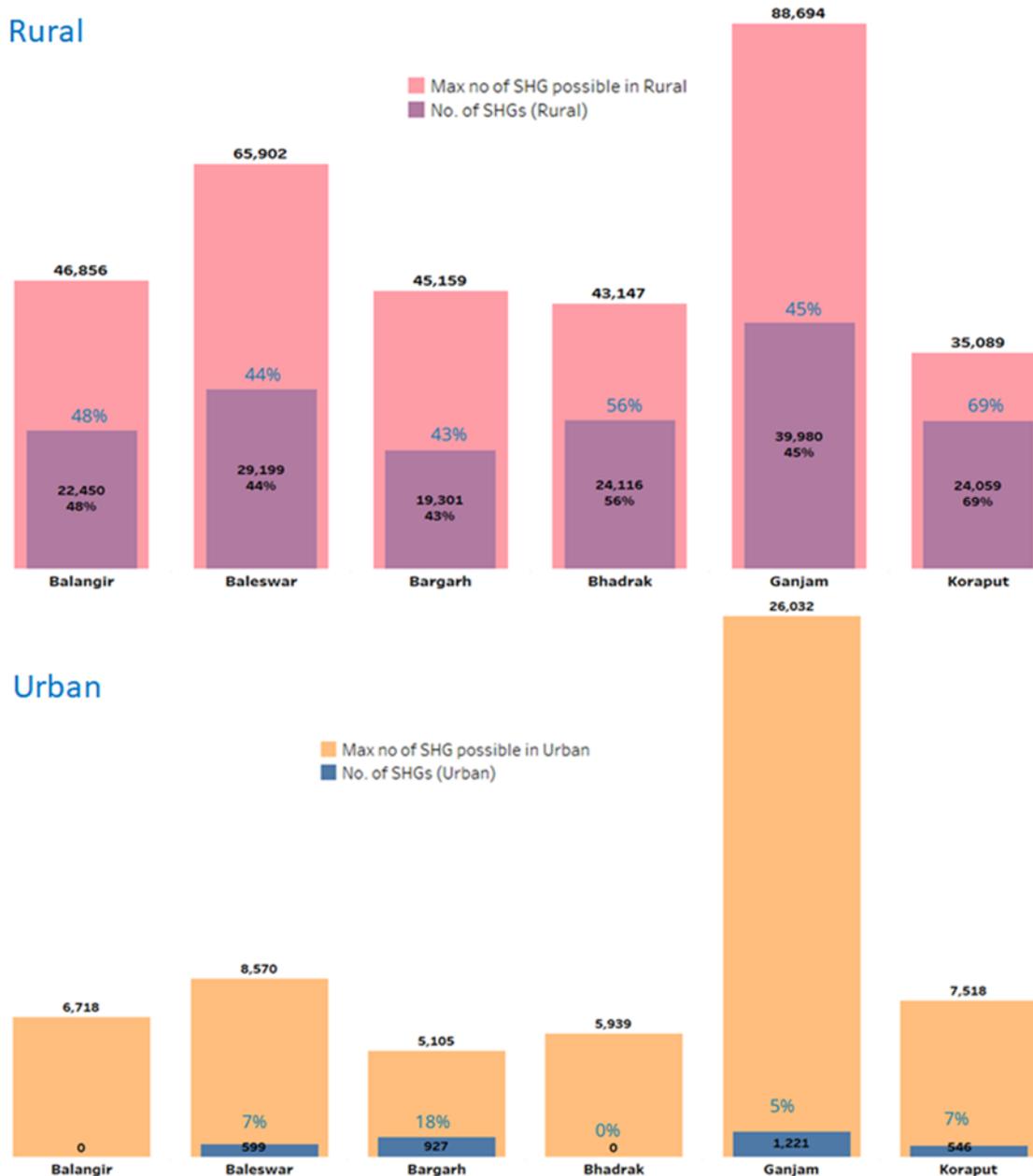


Figure 4 : Coverage of SHGs in Urban and Rural areas

Secondary data also showed that all WSHG were linked to banks except in Koraput, with 97 percent linkage (Figure 5). WSHGs are aggregated at the Gram Panchayat level into GP level Federations, which further aggregates to Block Federation at block and then to District Federation at the district level. At the same time, some WSHG members were also members of Producer Groups (PG), which are created under the Odisha Livelihood Mission (OLM)⁷ around a particular production common activity, such as handicraft production, tailoring or vegetable cultivation and encompass members from multiple WSHGs.

⁷ Odisha Livelihoods Mission (OLM) is an autonomous society under the aegis of Department of Panchayati Raj, Government of Odisha, presently implementing both National Rural Livelihoods Mission and National Rural Livelihoods Project in the state, with the specific aim of reducing rural poverty by promoting diversified and gainful self-employment to the rural poor.

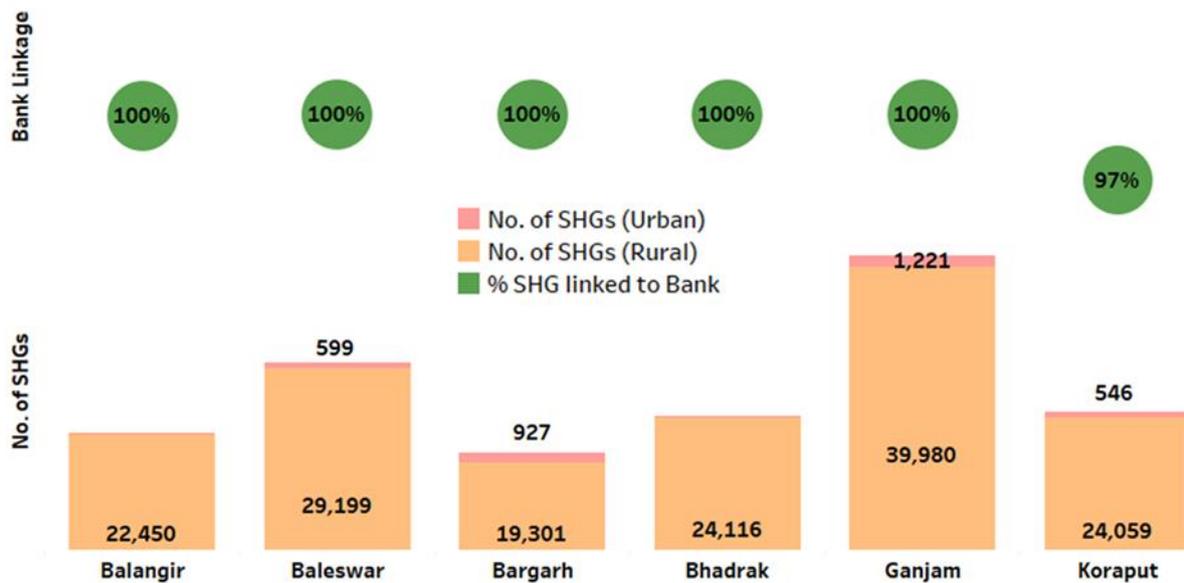


Figure 5 : Percentage of SHGs with bank linkage

Most WSHGs in the study districts were involved in private activities (Figure 6), with only a few involved in government-linked activities (1-5 per cent). In some WSHGs, members were carrying out individual activities while still availing all the benefits entitled to WSHGs. For example, some WSHGs that were engaged in vegetable cultivation were cultivating their own plots of land and selling the produce on their own, even though they had taken loans collectively as a WSHG. In another example, members of a WSHG in Baleswar were producing and selling puffed rice, but all were doing so individually.

However, not all WSHGs formed were active. Block functionaries also indicated that some WSHGs, though constituted, had also availed loans with interest subvention but were not engaged in any livelihood and income generating activity.

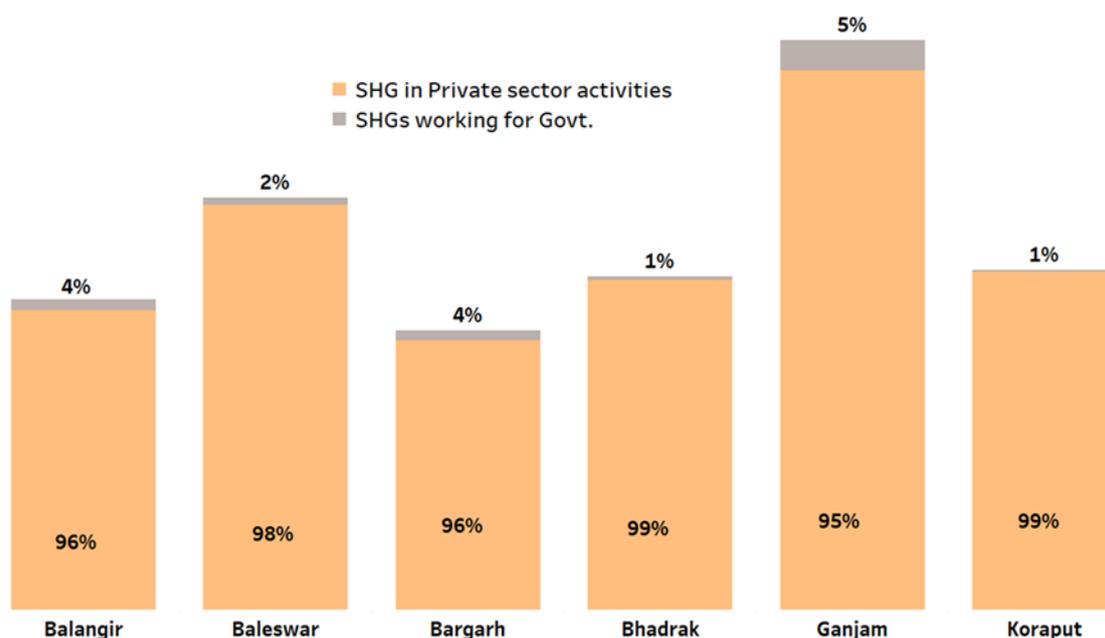


Figure 6 : Percentage of total SHGs working for Govt. and Private sector

Recommendations:

- **A single, de-duplicated database of the WSHGs** and their essential details needs to be developed, maintained, analysed and updated regularly by Mission Shakti as a Management Information System (MIS). This system will enable the stakeholders to track the capacity building and other support activities by geographies and activities and ultimately support Mission Shakti in targeting their interventions in the areas of need. As new WSHGs are created, they can be added to this database.
- **Integrated information:** The same system should also maintain information of PGs and federations at different levels. Member details could incorporate membership and position held (if any) in different such federating groups as well.

4.2 Capacity Building

Once a WSHG is formed, one of the key requirements is to train the members to be able to work together in the same livelihood activity, whether it is goods production or service provision. For the study group, all new WSHGs were given book-keeping training by Anganwadi Workers and relied on information from other sources for various livelihood opportunities. WSHG members were able to access training from private sources such as skilled individuals or non-profit/charitable institutions as well as various government departments, such as Fisheries, Horticulture and Industries.

Under the Convergence programme, 18 Government departments including fisheries, horticulture and animal husbandry are providing training to WSHGs to enable them to perform activities of these sectors.

Members, however, articulated the need for further trainings, especially on latest designs, technologies, mechanisation and market trends for activities such as tailoring and pottery.

Significant capacity gaps included the lack of knowledge on SHG operations and on bookkeeping. There were no avenues for cross-learning between WSHGs whereby those groups that were not performing well could learn from the experience of well-performing groups in similar activities. There was scope to strengthen the coordination between WSHGs and government agencies on provision of technical training and promotion of entrepreneurship.



Photo credit: WFP/ Aradhana Srivastava

Recommendations:

- **Increase periodicity of skills training sessions:** The skills training sessions of WSHGs, whether organized by MS or other agencies, need to be more frequent and with improved content, new techniques, materials and quality. Refresher trainings every six months with more updated content and in line with the latest market trends should be undertaken. This will help them hone their skills and create more competitive products for the open market.



Photo credit: WEP/ Ankit Sood

- **Capacity building and skill training** in new areas New areas of skills and capacity building should be identified through national and global research. These can be then customized to the context of Odisha. Private sector can be involved in training the WSHGs in these new areas.
- **Promote Cross learning:** Mission Shakti should proactively identify innovative and well-performing WSHGs and promote them as 'champions' to build capacity of lesser performing WSHGs through peer support and cross learning, whether in financial management, production or sales and marketing. Regular incentives like recognition, cash awards, etc. awarded in a transparent and unbiased way could also be implemented to increase competition.

4.3 Financial Assistance and Management

All WSHGs with regular meetings and monthly member contributions are eligible to have bank accounts which is facilitated by Anganwadi Workers, who help in preparing and submitting the applications and following up with the banks. All WSHGs are provided seed money of INR 15,000 and a grant of INR 3,000 to procure a smartphone, which are transferred directly to their bank account. Most WSHGs reported having received the seed money with a few exceptions. *Across all WSHGs, monthly contributions of members, mostly of INR 100, were very regular and followed by all members.*

WSHGs have access to loans from banks at highly subsidized rates, with a provision for interest subvention⁸. While members clearly understood that they could avail loans at low interest rates, there was a lack of understanding of the process of interest subvention in bank loans i.e. the

⁸ Interest subvention refers to a scheme whereby the Government subsidizes loans to WSHGs by compensating a part of the interest through grants to banks. This enables banks to extend credit to WSHGs at lower interest rates. The lending rate for WSHGs is 7%. In India all women SHGs are eligible for interest subvention on credit upto ₹ 3 lakhs at 7% per annum. All prompt payee SHG accounts as on the end of the reporting quarter are eligible for additional interest subvention of 3%. The banks credit the amount of 3% interest subvention to the eligible SHG loan accounts and thereafter seek the reimbursement. [Source: RBI notification on Ajeevika – Interest Subvention Scheme. <https://www.rbi.org.in/Scripts/NotificationUser.aspx?d=11150&Mode=0>]

process where the GoO subsidises loans given to the WSHGs, as only one group member was able to explain the process.

As per secondary data (2018-19), the percentage of WSHGs that had taken loans varied from 7 percent in Koraput to 32 percent in Baleswar, with an average loan amount of INR 1.49 lakhs (around USD 2,000), in the six study districts. All assessed WSHGs had availed multiple loans from different sources, including banks and private microfinance institutions (MFIs). GPLF was also a source of quick loans, even at 12 percent interest.⁹ For example, a tailoring group in Baleswar had taken loans twice from the GPLF, three times from the society and three times from the bank, totalling to INR 7 lakhs, while still having a loan requirement of INR 3 lakh.

Even though private MFIs charge high interest rates of 20-25 percent, one WSHG has availed an additional loan from them. Some groups informed that they faced difficulty in availing loans from some banks (mainly UGB and OSCB).

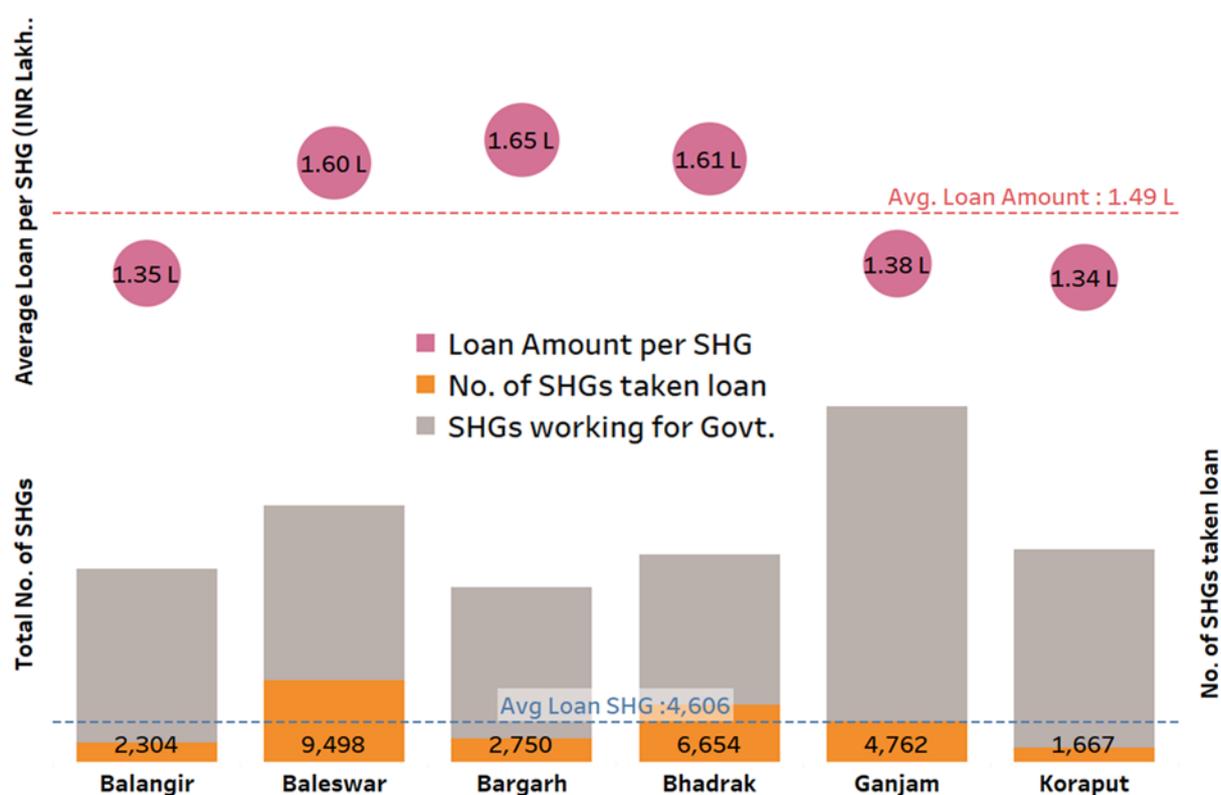


Figure 7 : Number of different loans and the loan amount

Producer Groups obtained funds from OLM through GPLF, which provides institution and capacity building funds to PGs for three years after their formation, based on proposals submitted by PGs to GPLF for the purpose.¹⁰ One WSHG engaged in vegetable cultivation in Bhadrak planned to constitute a PG to access such funds for purchasing a tractor.

⁹ GPLFs receive a government grant of INR 30-35 lakh for disbursing loans to SHGs @12% interest, towards purchase of capital equipment or building other infrastructure. It's a useful source of quick loans for SHGs, especially those who have not yet established bank linkage.

¹⁰Odisha Livelihoods Mission (2017). Master Guidelines for Livelihood Intervention under NRLM- 2016-17; Bhubaneswar: Government of Odisha

While some WSHGs have taken multiple loans, it was also seen that members were *not always using the loans for the intended purposes*. In many cases the loan amount was divided between the members and utilized by them on various household needs, such as purchasing an asset, investing in husband's business, for children's education, etc.

It was then not surprising to find that *the high loan amounts did not always result in improved incomes of the group members*. A WSHG making terra cotta products in Baleswar had taken loan seven times since its formation in 2001, amounting to around INR 17.7 lakh, which they had utilized for purchasing raw materials and for internal lending to meet members' household expenses. Some members had even simply created fixed deposits in their banks from their share of the loan. Managing books of accounts was also a skill limited to only 1 or 2 members, usually the President or Secretary of the group. In many cases WSHG accounts were being maintained by Master Bookkeepers (MBK), a cadre engaged by GPLF under the OLM to write the Books of Accounts of the GPLF and train the Cluster Resource Person (CRP) to help the WSHGs in maintenance of records.

Recommendations:

- **Promote cross learning:** WSHGs that have efficient systems of finance and operations management could be identified and utilized to build the capacities of those WSHGs that lack efficiency in operations through the process of cross learning, either through cross visits or learning sessions.
- **Increase knowledge and awareness of SHG operations:** Additional trainings or multiple training sessions could be organized to increase WSHG members' knowledge and awareness of SHG operations. This may require a post-training handholding approach and strengthening of Anganwadi Workers' capacities to conduct such trainings with WSHG members.
- **Training on financial management:** Improved financial literacy and financial management training would enable SHGs to utilize loans more prudently towards improving production and maximizing profits. Immediate cash needs of the groups could be met through enhanced group savings rather than resorting to quick but expensive loans from MFIs.

4.4 Market linkage and Profits

The approach to income generation through activities conducted by WSHGs did not appear to be sustainable. Some are using the loan to procure raw materials and equipment but almost none were reinvesting into expanding the activity, coverage or volumes.

Some enterprising WSHG members have proactively joined Producer Groups (PGs) in order to access loans and trainings from OLM, as well as to gain wider market linkages through Odisha Rural Development and Marketing Society (ORMAS).¹¹ However, most of these PGs were *formed and managed by Livelihoods Support Persons (LSP)*, a usually male cadre, created by the OLM to support WSHGs at the community level. PG members carry out the production, but the marketing and finances are managed entirely by the LSP. WSHG members are paid individually for their specific contribution to the total production. ***As a result, neither the profits generated by PGs or Federations trickle down to all WSHG members nor are the entrepreneurial capacities of WSHGs enhanced.***



Mission Shakti promotes access to markets for the WSHGs by organizing '*melas*' or fairs at district and state levels and by participating in such events organised by ORMAS, where WSHGs are provided stalls, lodging and travel reimbursement to sell their products.

Some successful WSHGs, such as the weavers in Bargarh, were able to participate in *melas* and exhibitions in other states as well as at the national level in New Delhi. They were also able to connect with online buyers by their own efforts. For example, vegetables are sold in the local markets at block and district level. Products such as spices and incense sticks are sold locally as well as in *melas*. One WSHG in Balangir that produces spices, was able to purchase its own vehicle and hire a male driver to transport its produce to the local market.

Handicrafts are mostly sold in *melas*. Agricultural produce and fish are generally sold at farmgate. Sales and transportation are generally carried out by males, who could be family members, CRPs or LSPs. Even at *melas*, where it is compulsory for women to participate, *they generally stay only for the initial 1-2 days and then leave, with the men taking over to manage the stall for the rest of the mela duration*. A weavers' group in Bargarh cited socio-cultural reasons for not going to the market to sell their products. *"Since we are women we cannot go to the market. The sales and marketing are*

¹¹ Odisha Rural Development and Marketing Society (ORMAS) is a society created under the Odisha state Panchayati Raj and Drinking Water department to develop marketing channels and strategies for micro enterprises and rural producers, towards sustainable livelihoods.

handled by our male relatives." A PG which produces plastic macron products in Baleswar also expressed that they were looking for a man to manage their shop but not getting one as *'men expect better pay'*. Government-linked WSHGs, in contrast, have a steady income, are profit making and manage some savings as well. Some WSHGs expressed the need for a permanent shop to sell their products. For instance, the PG which sells plastic macron products, wanted to set up a shop near the beach where they expected good clientele. Overall, there is a need to improve WSHGs' links with external markets and reduce the reliance of groups on traders to come at doorstep, which deprives them of remunerative prices for their products.

Incomes of WSHG members varied with the type of activity. One group in Balangir which ran a printing press plus other activities, was able to generate an income of INR 5,000-6,000 per month which was divided among the members. In contrast, a group producing spices was able to earn a total monthly income of INR 15,000-25,000. A group producing incense sticks and running a Fair Price shop, generated an average income of INR 50,000 per month. A vegetable producing group in Baleswar, on the other hand, was able to generate an income of INR 1,10,000 per month. Per capita monthly incomes of the WSHG members thus ranged from INR 1000 to 10,000.

Box 1 - Gramin Haats: A potential local marketing platform for women farmers / SHGs

Gramin Haats are the traditional, periodic rural markets where smallholder farmers, or any others who have difficulty reaching or utilizing organized markets or mandis, can sell their produce. The Government of India recently launched the Gramin Agricultural Markets (GrAM) scheme to improve their infrastructure and develop them as first mile facilitators to the agricultural market chain. Gramin Haats are managed by rural or urban local bodies depending on their location. They offer a vibrant marketing platform and have reasonable rent (INR 5-10) charged from the participants selling their products. However, the participation of women is very low. The Gramin Haat observed by the team in Bhadrak had only three women participants. Difficulties cited by women in accessing Gramin Haats included the lack of amenities such as toilets for women and dependence on male companions to accompany them to markets, for safety concerns and to help with transporting, loading/offloading or stacking goods.

Analysis of secondary data is presented in Figure 8, which highlights the patterns of income, per WSHG per member per month, from Government activities in the six study districts. WSHGs involved in government activities varied from 191 in Koraput to a high of 2,148 in Ganjam. Average turnover per WSHG was highest in Koraput and lowest in Ganjam. Considering the viable income threshold of WSHGs to be INR 10,000 per member per month, it can be seen that Koraput was the only district where WSHGs could achieve that threshold. However, the scope for groups in other districts to reach that level was high.

Matching supply with demand could be challenging for small volume producers like WSHGs. For example, the group producing incense sticks in Balangir often faced pressure from buyers to supply higher volumes. Therefore, they either worked overtime or requested more time from the buyer to meet the higher demand. Matching demand with supply could be enabled through

centralized, digitally enabled inventory management that would help buyers match their requirements with the supplies available.

Another point of concern is the lack of any insurance or other safety mechanism to manage losses, if incurred. Several SHGs reported incurring losses, especially if perishable goods were not sold on time. WSHGs producing breakable goods such as pottery, also reported about 20 percent losses when transporting their goods to markets or melas. Insurance should ideally be available for these groups.

There is also no system of tracking incremental income of WSHG members from diverse activities over a period. Though groups could estimate their incomes from the activities they've undertaken, in most cases they were not clear about the actual profits. This is critical for good financial planning.

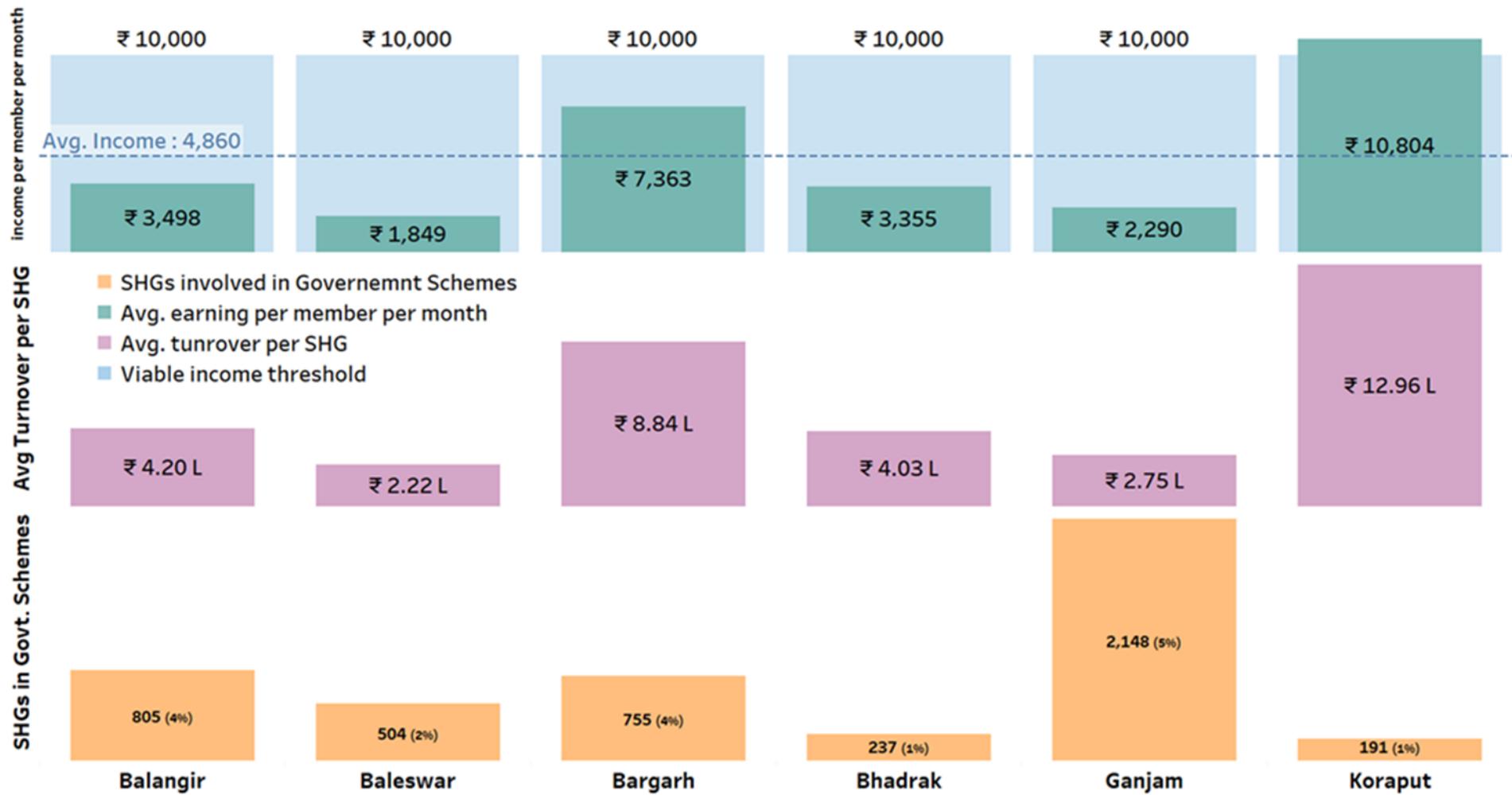


Figure 8 : Average turnover and earnings per SHG member

Recommendations:

➤ **Expand avenues for participation of WSHGs:**

Options for WSHGs to expand to newer activities and services should be identified and enabled. In addition to activities around production, WSHGs could provide services such as transportation, sales, sourcing etc. which will also help reduce their dependence on males or commercial private



providers. Interested women could also be trained as nutrition educators for community education on nutrition.

- ### ➤ **Identify market demand and expand linkage:**
- Careful demand planning is required with diversification of products so as to ensure adequate market space to all WSHGs and prevent a glut in the local market. Mission Shakti could identify market demand for different products being produced or with a potential to be produced by WSHGs. This will help tailor WSHG produced goods to the market needs, diversify their product portfolio and maximise marketability. Mission Shakti could also support expansion of market linkages, especially with private sector and through online platforms.
- ### ➤ **Improve financial tracking systems:**
- Mission Shakti could, after development of its MIS, strengthen WSHG database and maintain a system of tracking WSHG incomes from various sources. Such information will also help more targeted, need-based support to the WSHGs

4.5 Governance and Support

The WSHGs offer much scope in developing into sustainable enterprises – they are very progressive, confident and motivated about expanding their activities and improving their incomes. They were also very cognizant and appreciative of Government support in helping them in achieving the intended outcomes. Given the large numbers of WSHGs, on-ground support from Mission Shakti and other related departments is required to be extensive, comprehensive and outcome oriented. All WSHGs have been provided financial assistance and training.

However, there were some significant concerns in the governance of the groups and the support provided to them.

- The activities of Mission Shakti seemed to lack a clearly articulated plan towards a concrete vision, and with an 'exit' strategy to enable self-sustainability of the WSHGs.
- Multiple systems and agencies (Mission Shakti, Odisha Livelihood Mission, nationalised (NABARD) and private banks) are supporting WSHGs in various ways on the ground and

they do not seem to be working in collaboration or sharing information, thereby leading to parallel activities, competing goals, multiple databases, MIS, mobile applications for WSHGs and support cadre.

- There were on the ground multiple parallel, often competing structures, which seemed to create confusion in terms of jurisdiction and mandate. Federations of WSHGs at all levels (district and block) were undertaking activities themselves instead of WSHGs and were also benefitting by investing WSHG loans in their activities. However, profits from their activities did not trickle down to all members, who were often participating akin to wage labour.
- Similar to parallel structures, there were multiple stakeholders' cadres on the ground. Although these cadres are positioned to support WSHGs but were often involved in running these groups, like private enterprises, driving resolutions and managing finances. Their support therefore was potentially exploitative as they had their vested interests. The lack of knowledge and understanding of WSHG processes and finances by most of the WSHG members made them gullible to misinformation, as an example, one group was told that they need not pay interest on their loan as it was likely to be waived off in the upcoming election. As a result, they became loan defaulters, impeding their access to further loans.
- Mission Shakti's own block level cadre are not able to conduct enough site visits or communicate upstream the challenges faced by the WSHGs. With more than a thousand WSHGs per Block Programme Coordinator, it is a difficult task to cover them sufficiently through monthly site visits.
- Lastly, the absence of an effective and resolution-based complaints and feedback mechanism for both WSHGs and Government staff also prevents mitigation of above challenges.

Recommendations:

- **Clear vision and well-defined outcomes:** It is critical that Mission Shakti, as the lead department in the state, articulates a clear vision, aligning all activities in a single system towards a well-defined outcome. It is also important to have an exit strategy in place, that outlines the process of transforming WSHGs into enterprises that are self-sustaining.
- **Structure aligned towards the common goal:** The multiple and often parallel structures of governance across different departments and agencies need to be aligned towards a common goal in order to remove duplication of efforts, define the roles and responsibilities of the different stakeholders and generate complementarity of efforts utilising their strengths, towards achieving a common vision.
- **Federations for empowerment not competition:** Federations should be established to empower the WSHGs and raise their concerns collectively. However, it is important that there are no competing structures to WSHGs on the ground that could potentially impede their growth. Additionally, structures such as PGs and GPLFs should be convenors and not implementors, as then they compete with WSHGs and have an unfair advantage of scale over them.
- **A single technology-based system:** Management and monitoring processes can be significantly improved with digital technology, such as by developing an MIS and learning

platform, app-based data collection to update the MIS in real time, which in turn displays on a dashboard progress against key performance indicators. Data systems of parallel structures, like OLM and NABARD should either be discouraged or should have an automatic integration with the single system of Mission Shakti.

- **Improve on-the-ground support:** Ground level monitoring of and support to WSHGs needs to be strengthened. It is important to improve coordination between the field cadre of Mission Shakti and OLM, while also equipping them with effective monitoring aids, like a mobile application, complaints and feedback mechanism etc.
- **Refine and Redefine policies and procedures:** To ensure consistency and clarity in implementation, which further enhances programme efficiency, all activities and changes should be supported by clear and uniform Standard Operating Procedures (SOPs) that define the processes to be followed in different functions, such as constituting a WSHG, capacity building, financial assistance, market linkage, accounting, etc. If required, changes in existing policies and SOPs should be undertaken at the initial stage itself.

4.6 Empowerment

The WSHG movement has achieved significant gains in realizing the goal of women empowerment. WSHGs have effectively motivated women to step outside their homes, come together and take initiative. Some WSHG members were strong, motivated and proud of their independent activity. Every group had a few such members. Several members across WSHGs shared that initially they faced opposition from family members on the time they spent in group activities, but eventually they became supportive once the women started contributing financially to the household. Women were skilfully negotiating their space in their families, with their newfound financial power.



In this group gents are not allowed. We solve our problems ourselves.

-- SHG member, Baleswar

Its not a problem if a woman earns more than a man. Husbands should feel proud if their wives earn more!

– SHG member, Balangir

A woman can earn more than a man. However, if she stays humble [in the family], then things will be ok.

– SHG member, Balangir



There were, however, some impediments to empowerment that were noted in the field assessment:

1. Block officials of Mission Shakti reported the existence of several inactive SHGs - no real empowerment can be achieved if groups remain inactive.

2. Dependence on men was common for some labour-intensive activities such as farming, pisciculture tank maintenance, keeping watch on fields or tanks, harvesting, transporting goods to market, etc.
 - a. However, men also seemed to play significant managerial roles in many groups, a potentially exploitative arrangement and impeding independent decision making by the women members.
 - b. In many WSHGs or PGs, men (whether LSP or husbands of position holders) dominate the management of activities, including maintenance of books of accounts, finances and marketing.
 - c. Sales are also often carried out by male family members or male LSP directly. Such male dominance is often aided by the prevailing traditional gendered norms, and therefore is easily accepted by the women. But in the process WSHG members are reduced to passive workers, with no stimulus to hone their own decision making power and managerial skills.

Recommendations:

- **Amend the WSHG charter to strengthen empowerment:** The Mission Shakti charter for WSHGs can be amended to incorporate clear procedures to strengthen empowerment, such as prohibition of externals from performing roles such as bookkeeping, sales, marketing and managing group records.
- **Strengthen capacity for independent decision making:** The capacity of women to take decisions and manage their affairs independently should be strengthened. This will automatically reduce their dependence on any external support that has the potential to turn exploitative. Some specific actions that can be taken to strengthen the empowerment of WSHG members:
 - Intensive training and handholding of WSHG members on bookkeeping and record maintenance.
 - Sensitization of existing male support cadre for WSHGs to ensure that they play a supporting and enabling role rather than dominating and controlling role, under influence of prevailing gendered norms.
 - Support procurement of women-friendly drudgery reducing implements to support farming activities.
 - Other WSHGs could be trained to provide services that could reduce reliance of WSHGs on external support. For example, WSHGs could provide transportation services to take WSHG produce to markets.
 - Conduct empowerment sessions every six months to motivate women to improve their self-confidence and encourage taking up new roles, like sales and marketing.
 - Strong, well performing WSHGs could be used as peer educators and motivators to encourage other groups to improve their confidence in independent decision making and action. Such groups could also be used to motivate inactive WSHGs to initiate an activity.
- **Harness the empowerment potential of federations:** Collectives of WSHGs at all levels, instead of conducting economic activities like WSHGs, can be encouraged to participate in larger scale

enterprises. For example, collectives could bid for large contracts such as managing catering services in a hospital. Mission Shakti could support such ventures by providing them assistance in bidding and access to credit, insurance and financial services like audit.

- **Empowerment tracking through MIS:** The Mission Shakti MIS could include empowerment indicators such as 'number of WSHGs with members as bookkeepers' or 'number of WSHGs with members managing sales themselves'.
- **Empowerment Review/audit:** To ensure that empowerment objective of the WSHGs is met, Mission Shakti could hold an annual empowerment review or audit in which WSHGs could be assessed for their achievements on key empowerment parameters through a more detailed survey with some participatory methodologies included to assess roadblocks and generate context-specific solutions.

5. Supporting women farmers: Paddy Procurement by WSHGs

Traditionally, WSHF who individually cultivate paddy were not able to generate much income. For example, a WSHF in Bargarh cultivated an annual crop of 10 quintals of paddy from her 2 acres of land. The need for cash forced her to sell the grain at farmgate, at the rate of INR 1,500 for a quintal, getting her a total income of INR 15,000, thus recovering only half of her total input cost of INR 30,000.

Many WSHG members who are smallholder farmers were able to utilize the WSHG platform to enhance their agriculture productivity through improved access to credit. WSHF members of WSHGs engaged in vegetable or other crop cultivation were able to pool their lands, access credit for agricultural inputs, and benefit from trainings by the State Horticulture Department for improving cultivation practices. This led to high value crops or varieties (whether vegetables or commercial crops like lemon grass and sweet corn), better yields and higher volume of marketable surplus.



A significant step towards enabling women empowerment and enhancing the access of women smallholder farmers to minimum support price was the Odisha Government's decision in 2019 to involve WSHGs under Mission Shakti in paddy procurement on behalf of the State Government. The WSHGs would get a commission for their services. The move was also expected to ensure that farmers receive the Government's minimum support price (MSP) for kharif paddy and prevent them from being exploited by millers or private traders. The WSHGs were given a three-day training on the process of online paddy procurement under Paddy Procurement Automation

System (P-PAS).¹² They were required to use a laptop with a printer to enable online operation in paddy procurement.

The group was also required to hire the services of a female Data Entry Operator (DEO) and a bookkeeper from among the local community to help them. WSHG members were also trained on checking the quality of paddy under Fair Average Quality (FAQ) norms and maintaining records. Staff of the Regulated Market Committee (RMC) would support the WSHGs with quality checking equipment and in conducting the quality checks.

The field assessment team interacted with WSHGs conducting paddy procurement at two time periods - just before the start of the procurement operations (during Phase 1) and while the procurement was ongoing (during Phase 2). This helped assess the WSHGs' experience before and after the process had begun.

Before the start of the paddy procurement season, the WSHGs running paddy procurement centres were very excited and motivated to initiate the task.



They recognized this measure as a significant step to empower them and the farmers. Farmers of the community were also happy that the procurement centre was closer to home and would save them time and transport cost. They were also less likely to be exploited in these centres.

Though the WSHG members had just received training, they felt that they needed refresher training. All such WSHGs had the necessary equipment, with some shared by RMCs and were confident of conducting the task with the support of the RMC.

During the second phase of the assessment, the paddy procurement season was nearing its closure. It was observed that WSHGs were managing the procurement operations albeit with support from males, whether from within the family or outside. Taking time out from housework to attend to the paddy procurement centre was a challenge for the women. Dealing with predominantly male farmers, millers or procurement officials was a new experience, one that the women found difficult initially but gradually learned to *manage*. However, it was noted that the entire process was dominated and dictated by millers, who were able to exploit the WSHG members' weak knowledge and lack of experience to their benefit, dictating their terms in the

¹² P-PAS is an ICT based system conceptualized with the goal of obtaining a clean & correct database of farmers cultivating paddy and willing to sell their surplus paddy to the State agencies through societies. The focus is on authenticating genuine farmers and weeding out the middlemen. Unique farmer IDs issued by the system are linked to Aadhar to enable biometric authentication. The system generates an online queue by issuing tokens to farmers to sell paddy at the procurement centres. The software also records the quality and weight of the paddy and auto generates a vendor receipt for the farmers. Payments are digitally transferred to the bank account of the farmer directly.

payment process. Quality checks were almost never carried out, except for moisture checking. The value negotiation had been done with the miller before start of procurement (5-10 percent). RMCs were also not regular in their support. All WSHGs managing paddy procurement felt that their training was not adequate – this led them to rely on externals who had their own vested interests. They lacked clarity on the commission to be received and also reported pending payments from millers.

Yet, it was heartening to note that despite initial hiccups, they were confident and keen to conduct the activity in the next season as well. Some persistent challenges were also brought to light. Even though the new automated paddy procurement system is inclusive as it prioritizes smallholder farmers, the low volumes of produce and critical need for cash is likely to compel such WSHF to continue farmgate sales. *This was confirmed by a WSHF in Bhadrak, who had to sell her paddy to a local trader due to delay in token generation for selling to the government procurement system.*

There are some basic recommendations to improve paddy procurement services by WSHGs:

- **Expand and extend the training for WSHG members** on running paddy procurement operations as this is an entirely new area for them. The WSHG members require a clearer understanding of the procurement process using the P-PAS and the role of different stakeholders, including farmers, RMC officials and millers. They also need to be made aware of the practical issues that might most likely arise during the procurement process and how can they be mitigated. More importantly, clear guidelines should be given to them to follow so that they do not succumb to the pressures of the millers.
- **Initial handholding support** is required from Mission Shakti in enabling WSHG members to initiate the procurement operations, especially in engaging with millers and farmers. Periodic support visits would also be helpful in resolving any issues and ensuring presence of RMC officials to support quality testing. A dedicated helpline for them to clarify recurring issues should also be established.
- **The paddy procurement system needs to be enhanced** for the overall benefit of the farmers and the agencies involved in procurement. Some recommendations are:
 - Undertake a special drive to register more and more small and marginal farmers with special focus and attention on women farmers.
 - Prioritise the token generation for small and marginal farmers and develop a mechanism through which farmers can check the status of their token generation.
 - Undertake data analysis and enforcement to ensure that quality checks are done before procurement.
 - The government should invest in establishing machinery for drying, threshing and overall improvement of quality. These machines can be operated by WSHGs and can be either placed at GPs or even mandis.
 - Strict enforcement should be undertaken to stop any value negotiations.
 - New technology features like chat bot can be implemented in the paddy procurement system that allows real time responses to the queries of the operators.

6. Case study: Production of Take-Home Rations (THR) by SHGs

The THR is an important component of the Supplementary Nutrition Program under the Integrated Child Development Services (ICDS). THR is given to pregnant and lactating women, children from 6 months to 3 years, and out-of-school adolescent girls (11-14 years) as they do not have to attend Anganwadi centre (AWC) on a daily basis. Severely underweight children (3–6 years) are also given THR over and above the hot cooked meals.

In April 2011, the Government of Odisha reformed and revitalised the ICDS system through decentralisation, in response to the judgement of Supreme Court of 2006 to ensure 'universalisation with quality'. The objective of the new system



was to decentralise the procurement of materials under ICDS, thereby enhancing community participation and involvement in implementation. This led to the contracting of WSHGs for local production of THR. In Odisha, every block has two THR units (on an average) managed by WSHGs. The WSHGs are responsible for local procurement of raw materials (except wheat) for THR, and production and timely distribution of THR to all Anganwadi Centres in their area.

The Mission Shakti field assessment team visited several WSHGs producing THR and observed their operations. During the visit, some WSHGs were engaged in the first step of cleaning of raw materials and others with roasting of grains. During the field visit it was found that, all WSHGs were meeting the selection norms defined in the guidelines issued by the Department of Women and Child Development and Mission Shakti. All WSHGs visited had the required equipment for production of THR. The sign board of THR Unit (including name of WSHG, ICDS project and district with government and ICDS logo) were displayed prominently as prescribed by the department.

During the visit, it was also observed that all WSHGs had the FSSAI food licence along with up-to-date nine¹³ books of accounts and as per 2019 directives, WSHGs followed the fixed day approach of mixing the ingredients (the 23rd of every month), and the production of THR were finished within 10-15 days as per the need. However, the WSHGs visited were not able to adhere strictly to the quality control and quality assurance protocols for production of THR. Improper storage of material was found with raw material bags placed adjacent to the walls in storeroom and the re-bagged gunny bags of roasted grains were lying open in the passage. The cleanliness of the equipment was also found compromised. Some WSHGs were found with different qualities of

¹³ (i) Cash book (ii) General Ledger (iii) Purchase Register (iv) Stock Register of Raw material (v) Stock register of finished products (vi) Voucher Guard File (vii) Cheque Issue Register (viii) Minutes Book (ix) Cost Sheet (THR Processing)

packaging materials for THR. The monthly lab reports on quality of THR were also found to be delayed, being received after the distribution of THR to beneficiaries had been completed.

WSHGs, as nutrition educators, could play a critical role with greater impact in reduction of under nutrition in the community. Though not formally trained, WSHG members were keen to engage with the community on nutrition issues. Women exhibited high awareness on nutrition issues, particularly pregnant and lactating women, children and adolescent girls. Appreciative of the government nutrition schemes, they also felt that family members, particularly mothers-in-law and husbands had a responsibility to ensure food and nutrition for the rest of the family. The broader community also had a responsibility to address cases of malnourishment in the community.

Recommendations to improve THR production by WSHGs by enhancing their capacities and incomes are as follows:

- **Skill enhancement of WSHGs:** Transmission of techniques and skills on various income generating activities, should be embedded in the system to empower the WSHG members. A periodic capacity building plan can be designed including new income generating opportunities along with existing projects. WSHG members can be trained on THR production, production of nutritious products, production of flour, mixture etc. This will enable WSHG to sell products in open market by making the maximum use of the existing equipment and resources.
- **Capacity enhancement of WSHG on nutrition:** WSHG members being in the forefront as an active community member can be engaged in imparting Nutrition Education to community through incentives. A comprehensive capacity enhancement plan on role of WSHG and nutrition can include nutritional and health benefits of THR, importance of WSHG in THR production, balanced diet, recipes from THR etc. These trainings will provide WSHG with access to information and knowledge on the subject matter, thereby empowering them to be a changemaker for better nutrition outcome of the community.
- **Performance based grading of WSHGs:** Stringent monitoring and supervision mechanism is needed for close monitoring and grading of WSHGs during the production of THR. The WSHGs not adhering to the standards of procedure should be graded accordingly and these factors can be considered by department while giving the next order to WSHGs for production of THR. The performance-based grading system will create an environment of transparency and harmony resulting in motivating the WSHG members to improve their performance and ensure production of quality output.
- **Improved composition and packaging:** The composition of THR should be revised based on the caloric requirement of beneficiaries, especially for children in the age groups of 6 months-3 years. The packaging material and its size should be customised according to the monthly allocation to the beneficiaries. The improved packet size and material shall aid in better storage and increasing the shelf life of the product.

7. Conclusion and Recommendations

Overall, the assessment reconfirmed the need and importance of Women Self-Help Groups in increasing the financial and social mobility of the citizens.

The field observations provided a first-hand account of the effectiveness of these mechanisms in providing an understanding of women's participation in WSHGs, and their engagement in a range of income generating activities.



A high percentage of women in rural areas are part of these groups, which have universal bank linkages and undertake diverse activities. The women in these groups are regular in their monthly contributions and also understand the importance of doing these monthly savings. The members are proactive, confident and enthusiastic and do well with government support. Some groups have gone even beyond the state boundaries to develop new skills and participate in national level fairs.

However, the assessment shows that the skills and capacities of the women are still not developed enough for them to be self-reliant in managing the affairs of the groups and increasing the incomes.

1. Although most of the groups have received some kind of trainings but they have never been re-trained nor has the curriculum been adapted to the current needs of the market.
2. The presence of multiple stakeholders with competing priorities and targets also leads to misinformation and often exploitation of the women.
3. Limited use of technology and the lack of updated information from the field also hampers the ability of Mission Shakti to monitor, adapt, target and undertake informed policy decisions.
4. Weak systems also allow the incorrect utilisation of the benefits especially financial instruments such as loans and grants. More critically, the business models adopted by most of the SHGs are unsustainable and have a high potential of failure in the absence of frequent loans. Most of the loans are used for procuring raw materials, equipment etc. for the next season/cycle while profits are not used for advancing their activity.
5. The rampant participation of males and more importantly, as decision makers on management and finances, defeats the goal of self-reliance and empowerment.

To fully realise the potential of Women Self Help Groups and mitigate the above mentioned challenges, there is an urgent need to first articulate and define the goals and outcomes of the programme and then make advancements in areas related to the strengthening of government

support systems at all levels, improve management and supervision of the WSHGs, streamline on-ground structures to remove competing or exploitative mechanisms and empower and build capacities of WSHGs in technical and financial areas to enable them to function independently – all aligned to the goals and outcomes of the project.

Mission Shakti should also make efforts to fully capitalise the power of information through the use of technology. Simple electronic systems that allow electronic capturing of data from the field on a regular basis into a single database, followed by robust analysis and finally visualisation through a transparency portal. The Mission Shakti portal should also be the source of capacity development, awareness, skill development and as such easy to understand content could be added on it. The system, coupled with a complaints and feedback mechanism, will enable all stakeholders to track progress, target intervention by areas and need, resolve any roadblocks towards realising the vision and at the same time provide an authentic source for information and training. The illustration shown in Figure 9 below, describes a simple analysis through which all stakeholders can measure the impact of the loan taken to the income of the WSHG member. The goal would be to bring all WSHGs into the INR 10,000 and above while maintaining the average loan amount.

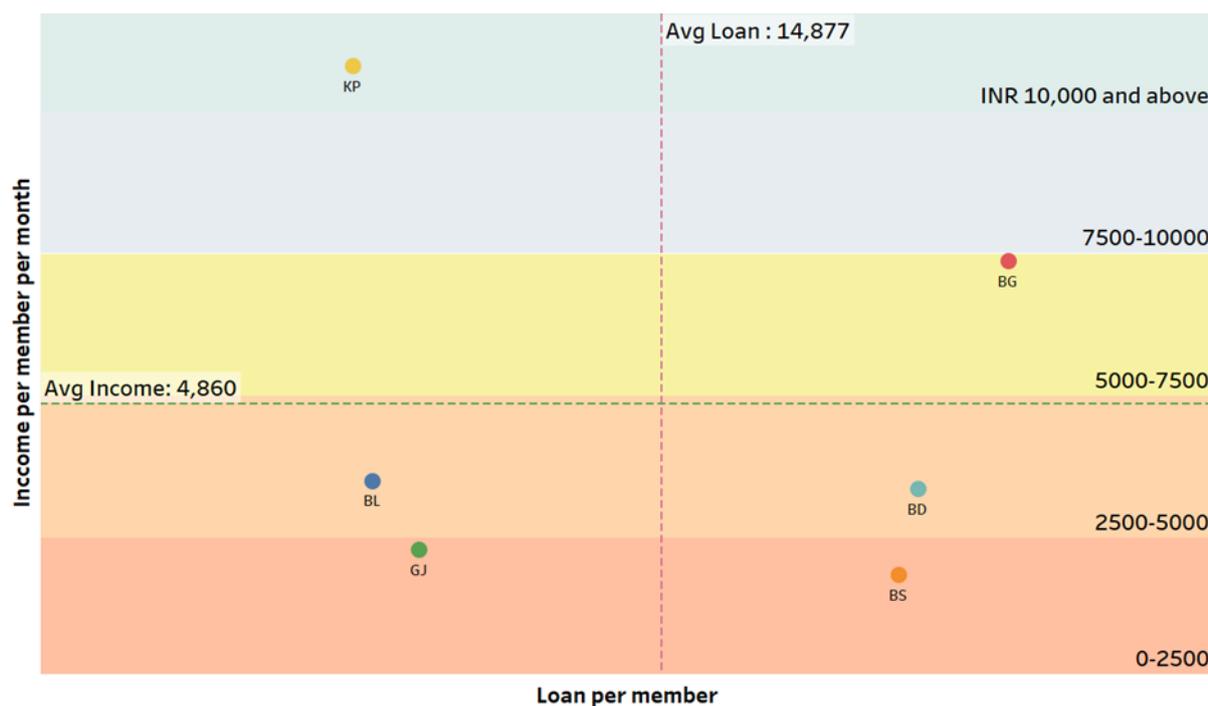


Figure 9 : Illustrative example for measuring performance of WSHGs

There is immense scope to enhance the WSHGs in helping them grow from collective thrift groups to sustainable micro, small and medium enterprises (MSME). As Mission Shakti is poised to become an independent department, there is a unique opportunity for Mission Shakti to become the aggregator of all WSHGs in the state and impact sales through increased aggregated volume. The illustration below describes the 6 key recommendations.

01

Collective action

Long term , quantifiable vision and Mission Shakti Charter needs to be established

- Revisit SOPs
- Define roles and responsibilities of all stakeholders toward the common outcome
- Create non- competing structures (GPLF, PG should not do activities)

02

Remove systemic issues

Remove systemic issues and use data for informed decision making

- Collect ground level data- undertake monitoring, analysis and adapt
- Create a complaints and feedback mechanism
- Increase use of technology inline with need :
 - MIS vs Transparency portal
 - Mobile App should provide : Info + CFM+ Inventory Management
 - Website should provide : statistics+ information+ training modules

03

Awareness & Training

Awareness, training content, periodicity to be increased & improved

04

Build Capacity

Build capacity, open new avenues

- Well performing SHGs for different activities could be identified as 'champions' to build capacity of other SHGs
- Expand options for using SHGs for services – transportation , sales , sourcing etc.
- Need to train SHGs in maintaining accounts to improve their financial records and reduce dependence on men
- Interested women can be trained as nutrition educators

05

Identify market demand

Careful market planning is required with diversification of products so as to ensure adequate market space to all SHGs and prevent glut in the local market

06

Empowerment

Males should not be involved in supporting WSHGs – it defeats the purpose of women empowerment and has the potential to turn exploitative

Annexure 1: Type of SHGs covered in the assessment

Activity	Number of WSHGs covered
Linked to Government Schemes	
THR production Unit	6
Paddy procurement	9
Aahaar centre	1
Electricity Meter Reading	4
Diet Management in hospital	1 DF
Tailoring Unit for school uniforms	1 WSHG +1 GPLF
Linked to Private Work	
Vegetable garden	18
Pisciculture	9
Weaving Unit	3
Terracotta unit	2
Incense sticks	1
Spice production	2
Straw Craft	1
Floriculture and nutri-garden	3
Mushroom cultivation	1
Plastic macron craft	1
Puffed rice	1
Goat rearing	1
Tailoring	1
Paddy craft	1



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