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Megh Self Help

Volume 1, Issue II

Quarterly Newsletter on SHG movement in Meghalaya

Suggested contribution Rs.1/-

Report of the "Committee on Financial Inclusion"

In order to reach out to the weaker sections and low income groups who remain excluded from even the most basic opportunities and services provided by the financial sector, the Government of India constituted a "Committee on Financial Inclusion" under the Chairmanship of Dr. C. Rangarajan. The Committee submitted its final report to the Hon'ble Union Finance Minister on 04 January 2008. The major recommendations of the Committee include:

1. Launching of a National Rural Financial Inclusion Plan (NRFIP) in mission mode with a clear target to provide access to comprehensive financial services, including credit, to at least 50% (say 55.77 million) of the financially excluded rural cultivator/non-cultivator households, by 2012.
2. Constitution of two funds with NABARD - the Financial Inclusion Promotion & Development Fund (FIPF) and the Financial Inclusion Technology Fund (FITF) with an initial corpus of Rs. 500 crore each to be contributed by GoI / RBI / NABARD.
3. Deepening the outreach of microfinance programme through financing of SHG/JLGs and setting up of a risk mitigation mechanism for lending to small marginal farmers/share croppers/tenant farmers through JLGs.
4. Use of PACSs as Business Facilitators and Correspondents
5. Micro finance - Non Banking Finance Companies (MF-NBFCs) could be permitted to provide thrift, credit, micro-insurance, remittances and other financial services up to a specified amount to the poor in rural, semi-urban and urban areas
6. Opening of specialized microfinance branches / cells in potential urban centers for exclusively catering to microfinance and SHG - bank linkages requirements of the urban poor.

NABARD Schemes: Technology Support to NGOs

NABARD has been sanctioning financial assistance by way of grant to NGOs for promotion and credit linkage of Self Help Groups. Of late, NGOs, that have promoted a large number of SHGs under SHG Bank Linkage Programme, are expressing difficulties in maintaining proper database of the SHGs under their control. This has led to poor monitoring of the

of database and effective implementation of SHG-Bank linkage programme.

To avail of the benefit under this scheme, the following eligibility criteria would be applicable:

- ♦ The NGO should have completed three years of operations and accounts should have been duly audited.

- ♦ It should have promoted a minimum 500 SHGs.
 - ♦ It should not have been blacklisted by any agency.
- To apply in the prescribed format please visit <http://nabard.org>

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SNIPPETS

- ♦ More than 400 women join the SHG Movement in India **Every Hour**
- ♦ NABARD has sanctioned Rs 4.5 lakhs to the Meghalaya Co-operative Apex Bank (MCAB) for promotion of 300 SHGs over a period of 2 years

IFAD - MRDS project introduces Bokashi

The IFAD - MRDS Project with technical support from Bethany Society has initiated demonstration on improved technique of animal husbandry management commonly known as Bokashi Method. This method of pig rearing was first practiced in Japan and one of its salient features is the use of Indigenous Micro Organisms. The use of these micro organisms cuts off the foul smell that one usually associates with pig sheds and ensures a clean, healthy, smell free environment for pigs.



SHG members from Khrang village constructing a Bokashi pig shed. So far 12 SHGs have taken up Bokashi

Benefits of Bokashi

- ◆ Minimal Use of Water
- ◆ Pigs are protected against diseases
- ◆ Pigs are fed at sunset and only once a day. The farmer has time to take up other income generating activities
- ◆ Even local breed of pigs can weigh 100 Kgs. in 7-8 months
- ◆ High Grade Organic Manure from this method ideal for homestead gardens.

Success Story: A Tale from Thangrain

Thangrain Village is a village comprising of 280 households situated in Laskein Block of Jaintia Hills in Meghalaya. It represents a typical Jaintia tribal village - low in economic and educational status. The social ramification of this abject poverty is that a large proportion of male members of the village have taken taken up drinking as a means of seeking solace from this reality.

The poverty stricken scenario of Thangrain village can be partly attributed to the lack of external support and assistance that can address the prevailing socio-economic situation existing in the village. The intervention of the IFAD-MRDS Project which ultimately aims to instill a sense of pride and empowerment of communities to economically stand in their own two feet was a timely coincidence.

The Project organised a series of community meetings that were aimed at forming Self Help Groups so as to be able to tap in on existing income generating skills and resources available with the communities. The effort resulted in the emergence of a twelve-member male group in the village called Shakhmat Long I'

A week long hands-on training programme to enhance the existing skills of four selected skill craftsmen belonging to the group in the design and production of cane and bamboo products was organized. The inherent skills in the group coupled with the new techniques

they acquired from the training led to orders being placed for 20 flower vases, 50 bamboo stools and 35 trays. These orders further enhanced the confidence and morale of the group which diligently completed the task within a specified time working through late nights



and early morning hours. To meet the cost towards procurement of raw materials required to craft the ordered items and to raise their corpus fund, the group resorted to organizing social festivals and engaged themselves in daily wage earning. It was highly encouraging to observe that within a span of three months a corpus of more than Rs 45,000 was raised apart from their meager monthly contribution. Sale of the ordered items is expected to further add Rs 1,35,000 to their group corpus fund.

The intervention of the project has not only inculcated a sense of self pride, self sufficiency and confidence but has also transformed the once purposeless members of a community to a group that has a voice and respect within the village setup.

Excerpts from the speech made by Shri S K Tewari, IAS, former Chief Secy to the Govt of Meghalaya, at the launch of the IFAD-MRDS Project

"The last 20 years have focused on the rich and more or less either neglected the poor or hoped that they will disappear. If we have a look at the global priorities of spending, the world spends 780 billion per year on their military and their weapons. Less than 1% of this would solve the problem of illiteracy, poverty, poor health services. Europe spent 105 billion dollars per year on alcoholic drinks; 17 billion dollars are spent on pet food; 11 billion for ice-cream. Those are the priorities of the world and since it is a world of globalization - these are also the priorities of India. In this atmosphere we have to understand those of us who are interested in addressing the problems of poverty and those who are poor have to know that this is a hostile world. Over the last 10-20 years the world has been hostile to the poor. Therefore while implementing any project, including this Project one has to remember that it is not only about opportunity, it is also about power. If you cannot organize the poor into a constituency which will wield power to influence consumption patterns, to influence government spending decisions, to access public services - poverty cannot be removed."



KHASI SECTION

Factsheet MRDS

IFAD – MRDS projek ka wanlam ia ka Bokashi

Ka IFAD – MRDS projek lyngba ka jingiarap teknikal na ka Bethany Society ka la shimti ban pyni kumno ban kyntiew ia ka rukom ri ia ki mrad kaba tip kum ka Bokashi Method. Kane ka rukom ri sniang la trei nyingkong eh ha ka ri Japan bad kawei na ki mat ba lamphrang ka dei ka jingpyndonkam ia ka Indigenous Micro Organisms. Ka jingpyndonkam ia kine ki micro organism ka pynduna ne ka weng noh ia ka jingsma iwtung jong ka sem sniang bad ka wanlam ia ka jingkhuid bad ka jingkoit jingkhiah ia ki sniang

Jingmyntoi jong ka Bokashi

- ◆ Ka jingpyndonkam duna ia ka um
- ◆ Ia ki sniang la iada na ki khniang jingpang
- ◆ Ia ki sniang la ai bam dang da sep ka sni bad shi sien shi sni. U nongrep u hap ban shim ne trei ki-wei pat ki kam pynroi pisa.
- ◆ Ki sniang Khasi ruh ki lah ban khia haduh 100 kilo hapoh ka 7-8 bnai.
- ◆ Ka Khyndew lyngba kane ka rukom ka iarap na ka bynta ki kper kiba ha iing.

◆ No of Households covered so far: 29,072 (out of target of 29,300)

◆ No of Villages covered so far: 540 (out of target of 570)

SHGs Mobilized

- ◆ No of Male SHGs: 252
- ◆ No of Female SHGs: 327
- ◆ No of mixed SHGs: 131
- ◆ No of Active Savers: 3842 (1920 Male, 1922 Female)
- ◆ No of Active Borrowers: 396(192 Male, 204 Female)
- ◆ Value of savings mobilized: Rs 661128 (Male Rs 269724, Female Rs 285948, Mixed Rs 105456)
- ◆ No of SHGs savings linked to Bank: 479
- ◆ No of SHGs credit linked to Bank: 33
- ◆ No of SHGs given seed capital: 203
- ◆ Amount of seed capital given: Rs 344100

GARO SECTION

Bokashi ba Wakko nambata Gadango jilani chol

IFAD-MRDS, Bokashi ingipa niamo pangchake wakko nambata gadango jilna gita, diklianiko dakenga. IFAD MRDS project, Bethany Society ni Bokashi ba wakko nambata gadango jilna man.a gita changa sapaniko skie on.anio pangchake dakmesoke on.aniko dakna a.bachengataha. Indakgipa niamo wako jilna gita, skanggipa Japan. A.songo dake nichengaha aro iako dakani dingtangmanoha ga.suaniade an.ching an.tangtangan man.na amgipa a.ao donggipa jo.ongrangko jakkalani gamchataniara wak nolko seengatjawa aro wilwilao wkrangna rontalgipa balwako man.gen

Bokashi niamo wakko jilani lapde

- ◆ Chiko bang.gija jakkalna nangaia aro wakni bang.a sab-sirangoniko champenga.
- ◆ Wakna, sal napango changsa mang.mang cha.aniko on.a nangaia.
- ◆ Uni gimin, game cha.giparangna gipin tangka man.dapani cholrangkoba dakna man.aia.
- ◆ An.chingni jilronggipa wakba Bokashi niamo jilode jasni ba jachetni jamanon Kg 100 – rongde ong aia.
- ◆ Ia wakni ki.iara noksam nokgilo bari baganrangna jakkalna nambatgipa a.salba onga



Khasi Hills ni Khrang minggipa songni SHG member ranged Bokashi waknolko rikengaha aro dol 12 SHG rangde da.o Bokashi niamo wakko jilengaha.

Budget 2008 - 2009 Highlights

Life Insurance for all Women SHGs

The Union Budget 2008-2009 has announced that all women SHGs that are credit linked to banks will be covered by the Life Insurance Corporation of India (LIC) under the Janshree Bhima Jojana for insuring life and disability.

The Janshree Bhima Jojana is a scheme that provides life insurance protection to the rural and urban poor persons below poverty line and marginally above the poverty line. The groups previously covered were Beedi workers, Brick Kiln workers, Carpenters, Cobblers, Fisherman, Handicraft Artisans, Handloom Weavers, Hand-

loom and Khadi Weavers, Lady Tailors etc. This scheme is now being extended to cover all women SHGs in India that are credit linked to banks.

The premium under the scheme is Rs.200/-per annum per member. 50% of the premium i.e. Rs.100/- will be contributed by the member and/or Nodal Agency/State Government and the balance 50% will be born by the Social Security Fund

Other Budget Highlights

- ◆ Rs60,000 crore agricultural debt relief package; complete loan waiver for small and marginal farmers; 4 crore farmers to benefit
- ◆ Rs3,966 crore for schemes for SCs and STs; Rs18,983 crore for schemes earmarking 20 per cent funds for SCs and STs
- ◆ National Rural Employment Guarantee Scheme to cover all 596 rural districts

Profile of Self Help Promoting Institutions in Meghalaya- NEICORD

In November 1981, a group of concerned Christian leaders came together to address the needs of the poor and marginalized. As a result, the 'North East India Committee on Relief and Development' (NEICORD) was born. NEICORD is a non profit Christian organization responding to the needs of the poor and the marginalized irrespective of color, race, gender and religion. It is involved in relief and development works in NE India with a focus on micro enterprise development, health, HIV&AIDS, integrated development and community capacity building

These are some of the projects that NEICORD are involved in with regards to community mobilization and SHG formation:

Goalpara Integrated Community Development Project (GICDP): Apart from building the capacity of SHGs, this Project also provides health awareness, adult literacy programmes,

trainings on good agricultural practices and income generation programmes through SHGs. This project works in 5 villages under Chirang district: Balagari, Rajpara, South Gandabil, Parbatjhora & Kherdanda. At present there are 24 SHGs in 5 villages.

Livelihood Improvement Project for the Himalayas (LIPH): This is the same as the IFAD-MRDS Project and the main activities include: SHG mobilization and formation, Capacity building and book keeping to group members, thorough study on livelihood activities and strengthening existing activities, Women empowerment and reduction of women drudgery, Awareness program on health, Government schemes and Right to Information Act, linking the community with all the line departments, including SHGs to Banks. NEICORD works with MRDS in two blocks of Ri Bhoi district: Jirang and Umsing and have so far mobilized 158 SHGs

Urban Community Development Project (UCDP): The project works in a slum in the Pynthorumkrah area of Shillong, Meghalaya and has four programs: Group formation and Community Leadership, Functional Literacy, Primary Health Care and Income Generating Activity. In 06-07 4 Self-Help Groups were formed but the aim is to form as groups as possible in this area and eventually to federate them to form a Community Federation, including men and women, which will function independently.

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