

# **The struggle for survival while working with waste**

*(The success stories of the members of the Kagad Kaach Patra Kashtakari Panchayat)*

**Bharat Kamble**

**Kagad Kaach Patra Kashtakari Panchayat**

**Pune**

As the rate of urbanization and industrialisation in India has gone up so has the rate of waste production and generation. Today, the problem of waste management in the metropolises of India has become a serious issue. But unfortunately, not only the politicians and the government but also the media and common man seem reluctant to take the necessary steps to curb this problem. In this situation, a large number of waste pickers, is playing a major role in urban waste management, silently and tirelessly. Though waste collection is their source of livelihood, one cannot ignore the important role that these waste pickers play to protect the environment, as well as the natural resources of our country and reduce the load on the local government in waste segregation,. In spite of this, the mainstream society has always branded them as thieves, treated them as outcasts and have constantly condemned them. Today not only are the waste pickers on the lowest rung of the social ladder but they also fall behind in terms of their political, educational and economic status.

Caught between such waste dealers, who buy recyclable waste at throw away prices and the money lenders who charge a higher rate of interest, these waste pickers are left with no choice but to send their children out to collect waste, keeping yet another generation out of school. In this scenario it seemed essential that their children get the necessary education, that their work get its due recognition, that the waste pickers get the necessary protection at work place. This gave birth to the Kagad Kaach Patra Kashtakari Panchayat. While addressing these social issues it came to light that even for their daily expenses the waste pickers took loan from either money lenders or personal friends at a much higher rate of interest. They also borrowed from the waste dealers. They could never be able to repay the principle amount simply because they could barely manage to repay the interest every month from their meager earnings. Moreover because they had already borrowed money from him, the waste dealer would always have an upper hand while dealing with them and would buy the recyclable waste at an even lower rate. Added to this was the issue that there would be no written account of how much money was repaid and how much

remained. These problems plagued their lives. As they lacked credit standing, the banks and other recognized institutions refused to loan them any money.

In order to build their credit, to inculcate a habit of saving money and to protect them from the clutches of the money lenders and waste dealers, the Kagad Kaach Patra Kashtakari Urban Credit Cooperative was established in the year 1993. Saving as low as Rs. 50/- per month, today most of the members hold shares worth 15 to 20 thousand rupees each. Even members who earned merely 100/- to 150/- rupees a month scraped some amount for saving and this is how they have built their credit. Today the credit society has 3500 members. In the year 2010- 2011 the annual turnover of the society was Rs. 86,96,442/-. In this financial year the credit society has forwarded Rs. 47,07,020/- to its members in the form of loan.

The members can save money by holding recurring deposits, shares or fixed deposits with the society. For the convenience of its members, the savings are collected from their localities by KKPKP workers or community representatives. The members earn 9% interest on RDs, 7% on shares and 10% per annum on FDs for one year and 12% on FDs for two years. The members are also entitled to get a loan 4 to 5 times of their total savings with the society at 2% interest rate. Approximately 150 to 180 members take loan per year. Savings groups within the locality are formed so that the members get loan without delay and the financial situation of the members is discussed at the ward level. Even though the savings of these members is low, they can avail of a loan of a higher amount as the entire group stands as guarantor for the individual. This encourages the members to save regularly and also to make timely repayment of the loan. The board of directors of the credit society is made up of its members. Issues like, approval of members' loans, overview of loan repayments and other such matters are discussed and decisions are taken at the monthly board meeting. The board of directors has complete authority to take all decisions pertaining to the credit society.

### **Feedback from some of the members who have benefited from the credit society.**

**Shanta Shivaji Kadam:** "Both my husband and I, are members of the KKPKP since its inception. We came here along with our family from Solapur in 1972 due to the drought that had gripped that region. After coming to Pune we started to pick waste for our livelihood. Society has always looked down upon us because of our occupation. Both of us started saving with the credit society. To date we have availed of the loan facility thrice, twice of Rs. 30,000/- for our children's marriage and once of Rs. 50,000/- for building our house. I no longer need to take loan from the money lender @ 20% interest, instead I can easily and rightfully, get the same amount @ 2%

from our credit society.” Shantabai is proud of what she has been able to achieve over the years. She says with a gleam in her eyes that “ I almost lost my family in the village but got it back with the help of waste in the city.”

**Hausa Shahaji Sonawane:** “I have faced all the hardships that one has to while working as a waste picker. We used to live in a rented accommodation, but because of the loan from the credit society, I now own my house. The credit society’s loan installments are affordable, so I was able to repay the loan easily. We have spent our entire lives in collecting garbage. But now we want our children to get good education and for that too, I have taken loan from the credit society.”

**Sushila Kamble:** “I had taken loan from the money lender at 10% interest. From my meager income I could barely afford to pay the interest every month. The amount kept on increasing and soon it had gone up to Rs. 65,000/- ! I decided to sell off my house and repay the loan. But when the members from my locality came to know of my intentions, they informed the area representative. The area representative immediately called for a meeting where they decided to forward me the amount through the credit society. All the members from my locality stood as gaurantors for this loan. Soon I had repaid the loan, my house was saved and I was free from the clutches of the money lender. Today I work with ‘Swach’ and pay my loan installments regularly.”

Many of our members have similar experiences. These same people who never went anywhere near a bank, who were plagued with the feelings of inferiority because of the treatment given by the mainstream community and therefore thought that they would never be able to keep accounts, are today successfully managing the finances of their own credit society. They take loan for their children’s education, for marriage and other functions, to build their houses and even for medical treatment. Looking back, it’s clear that it is because of their united and organised efforts, that this group which led an insecure and degrading existence so far is now leading a respectful life. Thanks to efforts of the organization over several years, the waste picker’s work is getting the recognition that it deserves. The credit society has played a major role in helping them overcome their financial problems. This in turn has increased their confidence and self respect. Hence they have started looking at themselves in a positive manner.