

Micro Credit and Women's Empowerment

The Lokadrusti case

A UNDP study
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In mid 2001, the United Nations Development Programme commissioned a multi-location research study to explore the linkages between micro credit and women's empowerment. The study was expected to explore the space available to women and used by them in their individual capacity, as a group engaged in savings and credit, and in the larger socio-economic environment. The research aimed at looking closely at 5-6 voluntary development organisations (VDOs, also known as NGOs) that had a strong micro credit programme for/with women. Among the VDOs under study was Lokadrusti, an organisation based in one of the poorest regions in the country - at Khariar, in Nuapada district of Orissa.

This report, on the Lokadrusti case, is in four parts.

- The first (Part I) contains information gathered during the course of the study. It is factual, and provides information on the area, the organisation, the micro credit intervention, supporting interventions, women's responses, and the information provided by/gathered from meetings.
- The second contains the analyses of the information gathered, in the context of the study's main focus – namely, change in the status of women as a result of micro credit interventions.
- The third contains recommendations arising out of the analyses.
- Part IV contains a summary of the findings, as already contained in or indicated by the analyses in Part II or arising out of the recommendations in Part III.

PART I - INFORMATION

1. Nuapada district

Nuapada district, in its current form, came into existence in 1993. Prior to that, till 1936, it was a part of what is Madhya Pradesh today. It then became a part of the erstwhile Sambalpur district. In 1948, it became a part of Bolangir district, and a year later it was included in Kalahandi district. In 1993, it became a separate district. The constant transfer of this region from one district to another has resulted in it being a very neglected district. During the course of the study, with the first rains of the season, telephones across the district went dead, including those at the district headquarters at the Collector's office in Nuapada. Several villages became unapproachable.

The 1999-2000 annual Nabard plan for the district shows Nuapada district having a population of over 4,70,000, covering over one lakh households. Of the one lakh families, approximately 36% belong to tribal families, 16% to scheduled castes, around 30-35% to backward castes, and the rest to other castes. The Nabard plan also indicates that as on 31.3.99, commercial bank branches in the district together had Rs 30 crores of deposits, and loans outstanding of Rs 19 crores, whereas regional rural banks had Rs 17 crores of deposits and loans outstanding of Rs 12 crores.

The majority of the population lives in rural areas, and 84% of the families belong to the small and marginal farmer category. There are over 50,000 agricultural labourers in the area.

Although the area is one of the most drought-affected districts in the country, it does receive rainfall of over 1100 mm in most years. Khariar block lies between 2 rivers, which makes travel from and to villages in Khariar difficult during the monsoon. Boden and Sinapali blocks have more forestlands and tribal population, than Khariar block. In Khariar, Boden and Sinapali blocks where Lokadrusti works, rainfall in the last 3 years was as shown below.

	Total rainfall in	1988	1999	2000
1	Khariar block	756.58 mm	1190.45 mm	812.32 mm
2	Boden block	1220.70 mm	1259.00 mm	641.30 mm
3	Sinapali block	521.00 mm	759.90 mm	646.50 mm

Of the net sown area of 1.9 lakh hectares, around 34,000 hectares are irrigated, mostly through canals and tanks. The remaining 1.56 lakh hectares are dependent on the monsoons for irrigation.

Around 38% of the total geographical area lies on steep hill slopes and ridges. About 28% of the area consists of foothill slopes and uplands. Of the remaining 34% of geographical area, a third, although on slopes, can be and is used for a

variety of agricultural crops. The remaining two-thirds of this 34%, or less than a fourth of the whole, is considered fairly productive. Rice, vegetables, maize and small millets are grown in the area. The forest cover is fast depleting in the area.

2. Lokadrusti

Lokadrusti began in 1985 as an unregistered group, engaged in development research. It was registered in 1988, with the aim of addressing some of the issues that had arisen during the research phase. It works in the drought prone southern half of Nuapada district (Boden, Sinapali and Khariar blocks belonging to Khariar Tehsil) for its development intervention.

Lokadrusti is working with large numbers of families in several villages of Boden block, and also plans for a significant presence in the other two blocks. It has worked on watersheds, on water harvesting structures, in education, health, group savings and credit, grain banks, seed supply, on bank linkages, in direct credit provision, in agriculture, and in marketing in the area. Apart from its interventions on the economic front, it has played a significant role in enabling the setting up of bridge schools to help the young, especially girl children, to become literate and have the opportunity to enter government schools. Schools in the area appeared to have a high attendance. The mid-day meal as well as the opportunity provided by Lokadrusti to prepare hitherto working children, girls and boys, for the government schools probably helped.

Lokadrusti has chosen to work primarily with women on most of its interventions. However, in watersheds and water harvesting structures, men have been key players, and in some of the other interventions, too, men have played some role. The reason for choosing to work with women was that men tended to migrate seasonally for work, more often than women, and any long term action, therefore, needed to have women in key roles. Women with migrant husbands, divorcees, and women whose husbands no longer lived with them, often had the responsibility of rearing their children. Without sufficient work, their cash inflows were low and they had serious problems meeting family needs. It appeared to Lokadrusti appropriate, therefore, to work mainly with women in the local communities.

In times of need, people approached the local moneylenders, who accepted as repayment a bag of paddy worth Rs 400 at harvest, for every Rs 100 lent. Lokadrusti started its work among women with the setting up of grain banks, popularly known as "Muthi Chawal". Storage centres were set up in villages, so that grain could be stored, and lent to members, and the excess sold when the price was right. Mahua, too, was procured by some groups and sold collectively. Women were also helped to get organised and seek and obtain public works on contract. The three main streams of mobilising women included

- (a) the Muthi Chawal groups in each village
- (b) the Self Help Group (SHG) or savings and credit groups of women in each village – there were some men's SHGs, too
- (c) the Mahila Samiti or advocacy group in each village which worked for improved infrastructure for the village, for obtaining public works contracts, and took up the cause of individual women in distress.

In order to facilitate its work among women, Lokadrusti consciously recruited women alongside men on its staff for field work, and ensured that they were placed in field stations, taught to drive two-wheelers, and were mobile. Gender sensitivity training is organised from time to time for the staff of Lokadrusti. Of the 110 staff members that Lokadrusti has, half are women, and they belong to the categories of animators, teachers, and coordinators.

3. Methodology

As the study was on micro-credit and women's empowerment, it was decided that the study look closely at the women's self-help savings and credit groups (SHGs), and their impact on women's empowerment. Lokadrusti has helped promote 326 SHGs in 17 clusters (or concentrated pockets) in 146 villages, reaching out to over 3700 women in 3 Blocks of Nuapada district. The study began with a planning session with a small think tank at Lokadrusti. It was felt that at least 9 of the 17 clusters should be visited. In each cluster visited, 3-4 individuals were to be interviewed and meetings held with local SHG representatives, in the mornings. In the afternoons, the cluster meeting was to be held at the village where the cluster headquarters was situated. In all, it was expected that 36 individual interviews, 9 village level meetings, and 9 cluster meetings would be held. As there was only one federation (Samajik Bank), one meeting with the leaders of the Samajik Bank, too, was scheduled. Meetings were also to be held with local bankers, DRDA officials and the District Collector.

A format was designed for use in individual interviews, another for use in village level meetings and a third for use at cluster meetings. These are attached at the end of this report as Annex 1, 2 and 3. The consultant hired by UNDP and (at any point) two of four senior Lokadrusti staff jointly conducted the interviews and meetings. Translations from Hindi/English to Oriya and back, were necessary for much of the study.

Heavy rains during the first few days of the study made it difficult to send word to the Lokadrusti field office in Jambahalli

and to villages about the study, and to formally arrange for the field staff and leaders of the SHGs to be involved in the design of the study. It was decided, therefore, to take the formats designed as a starting point, and to allow local issues and interests arising during the course of discussions, to lead the study. Several villages were unapproachable (because of incessant rains), with deep cuts in the roads leading to them. Boden block had the largest numbers of villages covered by SHGs and the first few days were spent reaching those villages in the block which could be reached. Later, with some road repairs, Khariar and Sinapalli blocks, too, were reached, as were some villages in Boden block which had earlier been cut off.

In all, finally, 55 women were individually interviewed in 20 villages. Of the 55 women interviewed, only one belonged to a family with as "large" a landholding as 6 acres. All the others belonged to families with 2 acres or less, and some were landless. The women were selected at random, and no effort had been made to identify/select women from families with small land holdings, or from any particular social grouping. Occasionally, when a woman spoke of a larger landholding, it turned out that the land was divisible among 3-4 adult males. All the women interviewed came from the scheduled tribes category, or scheduled caste category, or from backward class category. While most said that they could just about sign their names, 10 of the women had studied in school at least up to 3rd class.

Village level meetings (with representatives of all the SHGs in that village) were held in 20 of the 146 villages, at which more than 400 representatives of at least 55 SHGs participated. Of the 90 villages with SHGs in Boden block, 11 were visited. Of the 20 in Khariar block, 6 were visited, and of the 36 in Sinapalli block, 3 were visited.

Cluster meetings were formally held in 7 of the 17 clusters, at which 43 of the 146 villages were represented. In one other cluster (Kirekala) where a formal cluster meeting had been planned, due to some miscommunication about timings, the cluster meeting was converted to 2 village level meetings instead. In two other clusters (Kotamal and Godthala of Khariar Block), the cluster meeting was converted to meetings in each of three villages in each cluster, as the villages were close by, and as each village had several SHGs. Two other clusters (of Boden block) not visited at all, were represented at the Samajik Bank meeting. That is, of 17 clusters, 10 were actually visited and interactions were held with members and leaders in their area, and two others, too, contributed to the study.

Attempts to arrange a meeting with the District Collector failed, as she was unavailable at district headquarters for much of the period of the study. She had only recently joined and was already expecting a transfer nearer her family. A meeting was held at the Collectorate, however, with the Project Director, DRDA, and another at Boden with the Block Development Officer of Boden block. A brief meeting with the Sarpanch of Pharsara village, too, was organised. The Branch Manager of the State Bank of India, Boden Branch, and the Branch Manager of the Kalahandi Grameen Bank, Khariar Branch were interviewed. Where the former branch had the savings accounts of several of the SHGs that Lokadrusti had promoted, the latter branch dealt with SHGs that it had directly promoted. The schedule of visits and meetings is provided at Annex 4.

Several men's SHGs, too, have been formed in the area. Some were started before the women's SHGs, and some after. They are not nearly as many in number as the women's SHGs. Interviews were also held with representatives of some of the men's SHGs, where possible. A visit was made to the water harvesting structure at Maharajor, and informal discussions held at the site with a few women and men who had benefited from the structure. A few children were briefly interviewed about their perceptions of their mother's role/s in the SHGs.

The reports published by Lokadrusti were studied, and as it was agreed that some more information was required on the financial performance of the SHGs, a format (at Annex 5) was designed for the field staff to fill up. Even though this added to the work of the field staff, Lokadrusti felt that the pressure of the study would help bring in the required data, and that the format would be incorporated in its regular monitoring and reporting systems. The short time in which the data was collected led to some errors in the compilation of the tables. Nonetheless, the information proved invaluable, providing insights which may otherwise have been missed.

On the second last day of the field visit, a meeting was held with the representatives of Samajik Bank. Apart from using the meeting as an opportunity to understand the Samajik Bank better, it was also used to place before the women some of the early observations, and to have their specific input on these. A detailed exercise on the impact on the areas of the "rice business" and the "moori business" (discussed later in the report) resulting from SHG credit, had been planned, but was not possible because of lack of time. The exercise, however, was conducted on the last day of the field visit with the senior staff (field and management). The last day was used to place before the Lokadrusti staff the issues arising from the study and to get feedback from the staff members.

This report has used the term "VDO" (voluntary development organisation) for the more commonly used term "NGO" (non-governmental organisation), as the latter term should surely include all forms of organisations (companies, cooperatives, clubs, development organisations, liquor shops, etc) that are non-governmental.

4. Savings and credit groups

The women members of the savings and credit groups tended to call the groups SHGs, and the term "SHG" has been used in this report to mean the savings and credit groups of women at village level. There were some men's SHGs, too, in some villages, and they have been referred to specifically as "men's SHGs" in this report. At the time of the study, Lokadrusti was working with over 3700 women in the 3 blocks, around savings and credit activity. The following table provides an overview of the concentration of women's SHGs and members in the three blocks. The oldest SHG was formed in early 1998, whereas the youngest of them was formed in June 2001, that is, during the period of the field study.

Table 1: Spread of SHGs as on 31.03.01

	SHG particulars	Khariar	Boden	Sinapali	TOTAL
1	Circles	1	1+1=2	1	4
2	Clusters	4	6+4=10	3	17
3	Villages	20	56+34=90	36	146
4	SHGs	77	115+75=190	59	326
5	Members	903	1314+813=2127	691	3721
	Some averages:				
6	Villages per cluster	5	9	12	>8
7	SHGs per village	Nearly 4	>2	<2	>2
8	Members per village	>45	Nearly 24	>19	>25
9	Members per SHG	Nearly 12	>11	Nearly 12	>11

The 90 SHGs in Boden block have formed a federation known as the Samajik Bank, which operates a revolving fund for lending to the SHGs for on-lending purposes. Lokadrusti hoped to form 3 federations in all – one for each block. In all three blocks, clusters of SHGs, too, have been formed.

The SHG was expected to accept member savings, access external funds, operate bank accounts, and lend to members. In most SHGs, every member was expected to save a fixed amount every month – usually, Rs 10 or 20 per month. The group could alter the amount to be saved in a particular month – decrease it because work was hard to come by, or increase it because the women had managed to get a labour contract. Loans were dependent on need, and were not related to amounts saved, or capacity to repay.

The tasks of the cluster organisation were to promote SHGs in the area of the cluster, and to try and saturate the area in terms of SHGs and their membership. Each cluster, to the extent possible was expected to cover villages within a 5-7 km radius. Clusters were demarcated keeping road communication and other interactions among villages in view. The job of a federation was to enforce discipline, tap external resources for on-lending, and undertake some advocacy and training. The first (and currently only) federation, the Samajik Bank in Boden Block was set up because Lokadrusti felt that the SHGs were very small and could not raise enough of own funds to prevent distress sale of paddy and minor forest produce. Lokadrusti lends through the Samajik Bank, from its own small corpus as well as from funds borrowed from the local State Bank of India branch.

The SHG members met at least once a month, and often twice. The savings collected by the group were deposited in the group's savings account in the nearest bank branch. The nearest branch could be in the same village, or in a village as far as 7-8 kms away. As many of the villages did not have bus facility, for cluster meetings, as well as for visits to the banks, women walked, or were taken by their husbands on bicycles. The President and Secretary, elected by the members from among themselves, were authorised to operate bank accounts. Groups could lend their own funds to members, and could also borrow from the Samajik Bank for on-lending to members. A second visit in the month was made to the bank branch, when amounts had to be withdrawn for lending to members. The SHGs charged members interest at a rate between 2 and 5% pm. The local moneylenders lent at 10% pm interest. To keep calculations simple, some groups, for example, asked members to pay Rs 100 as interest for every Rs 1000 borrowed, at the end of 3 months. An overview of the financial status of the 17 clusters is provided below.

Table 2: Financial overview of SHGs as on 31.03.01

	Cluster	No. of SHGs	No. of members	Member thrift - Rs	Interest earned - Rs	Samajik Bank loan - Rs	Total funds - Rs	Loans with members - Rs	Bank balance - Rs
1	Baklighunti	24	282	57,078	1,088	38,200	96,366	30,174	66,192
							45,280	22,500	22,780

2	Bhaisadani	20	223	22,428	352	22,500			
3	Chikal Chuan	12	122	21,168	309	13,900	35,377	18,400	16,977
4	Dhamnapada	27	308	38,635	639	61,500	100,774	66,809	33,965
5	Ghatmal	17	186	25,455	690	44,500	70,645	55,378	15,267
6	Godthala	22	260	35,975	313	5,000	41,288	16,300	24,988
7	Khairpadar	13	148	13,175	-	-	13,175	-	13,175
8	Khamtari	16	193	29,555	252	6,000	35,807	15,300	20,507
9	Khandapara	14	182	9,861	-	-	9,861	-	9,861
10	Jharnamal	18	196	22,683	665	23,000	46,348	28,841	17,507
11	Kirekala	21	237	39,239	3,816	10,600	53,655	22,266	31,389
12	Kirkita	25	306	50,423	888	-	51,311	30,322	20,989
13	Kotamal	12	138	12,817	100	-	12,917	1,010	11,907
14	Kusumkhunta	27	348	23,815	-	-	23,815	-	23,815
15	Maharajor	22	233	27,255	33,993	13,600	74,848	53,487	21,361
16	Mohulpadar	12	114	24,940	3,047	16,700	44,687	37,058	7,629
17	Tetalpara	23	262	46,516	885	54,500	101,901	66,488	35,413
	TOTAL	325	3738	501,018	47,037	310,000	858,055	464,333	393,722

Figures in Table 1 were obtained from internal reports of Lokadrusti, whereas figures in Table 2 were obtained from formats prepared specially for the study and administered by field staff during the course of the study. There are small variations in the figures in the two tables, but nothing to significantly alter the observations or findings. At least one reason for the differences was that some field officers had included information on SHGs for a period beyond 31.03.01. During the field visits in June 2001, it was noticed that some SHGs listed in the field reports were not listed at the stock taking by women leaders during cluster meetings, when all the SHGs that were members in the cluster were listed. Perhaps some had been wound up. These discrepancies, too, were noticed subsequent to the visit, and as they, too, did not affect the main purpose of the study, no attempt was made to reconcile the differences.

Together the women had almost Rs 5.5 lakhs of own funds (savings and interest earned combined). They had loans outstanding to the Samajik Bank of a little over Rs 3 lakhs, while idle funds parked in the savings accounts in the commercial bank branches were a little under Rs 4 lakhs. Lokadrusti felt that at least one of the aims of setting up SHGs was to demystify banks and, therefore, encouraged SHGs to visit the banks regularly to operate their savings accounts.

The Samajik Bank charged the SHG interest at the rate of 1% pm, and the difference in interest was seen as a source of income for the group. Although the interest earned was seen as belonging to all the members of the group, interest had not been credited to the individual accounts of members. As the Samajik Bank expected the loan to be paid in full at the end of 3 or 6 months, the SHGs, too, tended to ask members to pay the full loan amount with interest at the end of a quarter. The Samajik Bank lent to such SHGs as had a good record of regular savings, and operated their savings accounts well. The first loan from the Samajik Bank was expected to be double the members' savings, and, thereafter, the equity-debt ratio was expected to decrease to 1:3 and then to 1:4. When an SHG had Rs 10,000 of own funds, it was expected that they could approach the local commercial or regional rural bank directly, and that the Samajik Bank funds would no longer be available to them. For a repeat loan from the Samajik Bank, all the members were expected to have cleared the earlier loan, and the SHG itself was expected not to be a defaulter to the Samajik Bank.

On average, there were nearly 4 SHGs per village in Khariar Block, and around 2 in Boden and Sinapali Blocks. Some villages had as many as 5 women's SHGs. Each village had a 5 member executive committee, drawn from all the SHGs in

the village. This committee was expected to take responsibility for all the SHGs in the village. The President and/or the Secretary of the village executive committee was expected to attend the monthly cluster meetings. The delegates to the cluster meetings elected one among themselves as the President of the cluster. In Boden Block, cluster Presidents formed the Board of the Samajik Bank, and elected a President for the Samajik Bank.

The cluster meetings used to be held at a different village each month. However, wherever a community building cum storage centre has been constructed in a cluster, cluster meetings tend to be held there subsequent to the construction. The Samajik Bank or Boden Federation is situated at the field office of Lokadrusti, in Jambahalli.

The SHGs and the clusters are not as yet registered. The Samajik Bank is registered as a society under the Societies Registration Act.

5. Lokadrusti interventions supportive of SHGs

It is important to mention that even though there were in effect three sets of organisations in many of the villages visited – the SHG, the Muthi Chawal and the Mahila Samiti, the women were most conscious of and articulate about the Muthi Chawal and the SHGs. Except in Khariar block, they seemed not to consider the Mahila Samiti as a separate entity. The Mahila Samiti was conceived as an issues based organisation and one to help get contracts for public works. In several villages women spoke of having gone to the Block headquarters on various issues – for obtaining seeds, contracts, housing for deserted women, pension for widows, drinking water facility, approach road, and so on. Even where the Samiti was working well, the women did not seem to think of it as distinct from the other two organisations.

The members of the Mahila Samiti in any village consisted of many more women than the members in an SHG. All members were required to pay a rupee a month towards the Mahila Samiti, and this amount was put in the bank account of the local Mahila Samiti. The women in Boden block said that this amount was very difficult to collect, even though the Rs 10 or 20 or even 50 towards savings in the SHG was easier to collect. In Khariar block, where large numbers of women in each village were associated with the SHGs, the Muthi Chawal and the Mahila Samiti, the women said that they did not have much problem collecting the monthly fee for the last.

On the other hand, the Muthi Chawal appeared to have left a deep impression on the minds of most of the women in the area. It appears necessary to describe briefly this set of organisations, as the Muthi Chawal engages in savings and credit in kind, even as the SHG engages in savings and credit in cash. One of the members in Kotamal village (Khariar block), describing the Muthi Chawal, said:

“We are 13 of us. Every day, each of us, sets aside a handful of rice. We meet once a month and bring the rice. We keep it in one of the houses. The largest measure brought by a member is taken as standard, and the others make up their contributions to an equal amount. Roughly it works out to a quarter kilo per house per month. Usually, there are 3 or 4 members who straightaway ask for the rice and take it away. For each 4 kilos of rice taken, a member must return the 4 kilos and a quarter kilo for every 8 days from the date of lifting the rice till she returns the rice.

We used to have food for work programme, when they would pay us every 8 days. Therefore, most people tended to repay in 8 days. Now that that programme has stopped, those who lift the rice will probably repay 3 months later after harvest. There are 5 SHGs with 80 members in our village. Our meeting (Muthi Chawal) is usually of 2 hours duration and all 80 members turn up. Any extra rice remaining is left at the teacher's house. We probably have 150 kilos left over at the moment, though in most months most of the rice is taken by needy members.

This year we did not have any grain harvested. As a result, all the rice contributed was purchased rice, and, therefore, of standard quantity. When we do have our own harvest, we will have different qualities contributed. We will need to decide how best to value the contributions then. We want our Muthi Chawal to last forever.”

On the whole, there were 100 quintals in all the villages, or 100 kg of paddy per village, or, Rs 40,000 worth of rice in all. The maximum in any village was 5 quintals, built over 5 years. It could have been more except that the groups give some rice away in charity from time to time.

In Jambahalli (Boden block), 12 members bring a fistful of paddy each, every 8 days, to the home of the Secretary. When it becomes half a mand, it is lent. (One mand = roughly 3 kilos, and one sula = half a kilo). 1 mand lent for 1 month carries 1 sula of interest. The members said that there was no storage problem as most of the grain gets lifted by those who need it. Each group has 15 to 25 mands stock. All castes are members in the groups.

The women expected that in years with good harvest, they might have to store and sell some grain, but that due to the drought of the last few years, in most months, the grain collected is taken by needy members.

Almost all the women who were members of SHGs, were also members of the Mahila Samiti and the Muthi Chawal.

However, especially in Boden block, membership in SHGs was much lower than that in the other two village "organisations". Some women who were not members of SHGs said that their families could see the value of membership in the Samiti and the Muthi Chawal, but that regular saving in the SHG was difficult. However, it must be mentioned that even in Boden block, which has perhaps had the most attention and inputs from Lokadrusti, new SHGs were still being formed. What was interesting to note was that it is SHGs in Boden block that have received external funding (from the Samajik Bank), whereas SHGs in Khariar and Sinapalli blocks have not received external credit. Yet, membership in SHGs per village was much higher in Khariar (at 45 per village) than in Boden (24 per village).

6. The meetings

The interviews and the meetings in the villages and with Lokadrusti staff and others were very enriching. Many meetings had a large section of the village turn out and observe and hold in awe the confidence with which the women articulated their views on a number of subjects related to the SHGs. This section of the report provides some glimpses of the village/cluster meetings, as the meetings were a major source of information, not just because of what the women felt and said about themselves, but also because these open meetings provided insights into the position of the women and their SHGs, in the larger village community.

6.1 Meetings in Khariar Block

In **Kotamal village** of **Kotamal cluster**, the 20 women (from a mix of castes) present at the meeting were very clear that the SHG was about their own money. They did not appear to have expectations of external borrowings. Women said "We are poor and used to have to go to mahajans. Instead, we hope now with our own savings put in a bank, to access it in times of need, at lower interest rates. We feel that our new mobility has given us courage. We have formed the SHG in order to learn. Earlier there was a lot of male dominance in our homes and village. Through the SHG we hope to have joint strength."

It appeared that in most villages, loans were expected to be paid in lump sum along with interest after 3 months, usually to coincide with some harvest. In this regard, the women said that they would prefer to set monthly loan instalments and interest payments, but at the moment the SHGs required loans to be paid 3 months later with interest.

When questioned about high interest rates, they said "When we borrow from the government at low rates, they keep knocking on our doors. Here we expect a more dignified relationship."

On the question of additional burden being borne by them because of the SHG, a woman leader said, "We think that the SHG is wonderful. Our husbands say 'Go and learn'. Who says we are unhappy? We are happy. When we go to meetings, our husbands cook food, and also keep some for us. We come back tired from meetings. How can we then sit and cook? Even on other days, as we both go out to work, whoever comes home first tends to cook. If your men do not cook, then they are very selfish men. Once we learn about books of accounts, we can keep our own accounts."

This was repeated in village after village, and husbands said that indeed they cooked, not just at the time of the SHG meetings, but at other times, too. What was not ascertained was whether this was true more of the ST families than of others, or, whether it applied across sections of communities where families were used to the "working" mother/wife.

In **Ranimunda village** of **Kotamal cluster**, there were 7 SHGs. We had a meeting with about 30 women and an equal number of men. Several children listened to the discussions, totally engrossed with what was happening. Even though it was raining, there was tremendous enthusiasm in the village to discuss the SHGs. A leader shyly said, "We hope to become one large organisation some day. Around 70 families are already in SHGs and many more are coming forward now to form SHGs. We do not expect external loans. Our primary objective is to become self-reliant. We have kept either Rs 10 or Rs 20 as the amount to be saved each month by every member. Two of the groups have started rotating their own funds. We want daughters to be educated so that they will get good husbands, and so that they will become like you. We charge 5% interest on loans per month."

The women did appear to want to work towards being one large cohesive organisation where their money was concerned.

In **Shraddhapur village** of **Godthala cluster**, we met with over 40 women leaders and members from the 7 SHGs in the village. The meeting was extraordinary from the viewpoint of women's commitment to their SHG, and their confidence in it and in themselves. As in other villages, several men and children looked on, but in this village their fascination at the women's success was apparent. The 7 SHGs together had 75 members, drawn from Sabari, Goud, Nariya, Bulini, and other castes. The village had a population of approximately 900, and 203 households. "When others see our profits, then they, too, will come forward. We were not as articulate earlier. We know bank and government officers now. They know us. We used to be shy. The teacher (Lokadrusti's) taught us not to be afraid. She asked us to form SHGs. Just saving has added to

our courage. It gave us a reason to intermingle. In our village, the castes did not mix earlier. We were invited to one another's weddings, but we would not visit one another's homes earlier."

This was one of the few villages in the Lokadrusti area where women made a distinction between "mixing across castes" and "participating in social events across caste". This was also one of the few villages where joint business ventures were reported as having been profitable.

"We borrowed for purchase of mahua as a group. We'd buy at Rs 3 a kilo and sell at Rs 4 a kilo in 2-3 days time when the traders visited us. We have our own trees, our own mahua. The Mahajan cannot come to each of us to buy, so it is better for us and for him that we pool our produce together. By organising this, we have ensured that more of our village wealth has remained in our village – that it has not gone to some middleman. By pooling together we have managed to capture more of the final price. We have learnt from repeated transactions how to manage this business. The Mahajan's method of weighing is faulty. We bought our own scales and we use that instead now. We have given loans for deliveries, for court cases, for business. Not all our groups have lent as yet. Banks are fine, but we should rotate our own funds. We should enter business. We should make our money work for us and simultaneously make it grow. Money grows only when it works. The body of a person, and money, get wasted when they lie in a corner."

In Chandgiri village of Godthala cluster, over 30 women participated in the meeting. The discussions were lively and the women articulate. One section of the women regularly migrated for work to Raipur in Madhya Pradesh, and women from this section were fluent in Oriya and Hindi. When asked why they had formed SHGs, members said, "We have formed SHGs in order to take loans for food, for education, for difficult times. We have formed SHGs for unity." On loan conditions, the response was, "We pay interest of 5% pm. Principal and interest are paid at once –but it would be better if we could pay in instalments. We have lent Rs 2000 to one woman who is a bangle seller. It is not too much of a risk as her business is good." On asked about idle funds, they said, "We walk 2 kms to the bank to remit our savings. We lose wages for the day. Two women go from each group. In the first year, the bank treats our account as a recurring deposit account and pays us interest. Later it treats it as current account and we get no interest." (The words "recurring" and "current" were not used by the women, but they described instead the nature of the account – the first as that of pure savings, and the second as remittances and withdrawals for regular business.)

In most villages, women expressed some resentment at having to walk distances to remit small amounts in banks.

In **Godthala village of Godthala cluster**, a leader said, "Our mobility and ability to have discourse are the real returns that we get from our SHGs. However, the bank is 7 kms away and we lose our day's work when we go to the bank to deposit or withdraw our money. We have 4 SHGs in the village, and so, 8 women lose their wages each month. This is foolish. We must make our money work for us. We light agarbathi for Lakshmi in our home, but we lock her up in a bank. Perhaps we should form our own bank."

The meeting in this village was a quiet affair, with only a few curious onlookers.

Overall observations relating to SHGs in Khariar Block

1. Large numbers of women were participating in SHGs in each village, as in Muthi Chawal, even though only one of the SHGs in the cluster was more than a year old. New SHGs continued to be formed.
2. Women of all castes were members in SHGs, and were comfortable dealing with one another. Women from the BC and ST communities were a little wary of women from the SC community. Women visiting hamlets other than their own, was a new phenomenon.
3. The women expected, on the whole, to be self-reliant in funds mobilisation. They appeared to want a permanent arrangement in their control, to meet their financial needs. They appeared not to have financial expectations, either of the local banks, or of Lokadrusti.
4. There were some examples of successful group business. Joint activities actually had impact on local traders and the manner in which they conducted their business.
5. Women did not appear to have thought through the rules for lending. They certainly did have the capacity to evolve appropriate rules for themselves.

6.2 Meetings in Sinapalli Block

Khairpadar cluster covers 8 villages, and 13 SHGs reaching out to 148 members. We met at **Sardhapur village** with around 25 women. As with villages in Khariar block, the women expected to have self-reliant SHGs. They were all praise for their Muthi Chawal – even more so than for their SHGs. However, they did say, "SHGs are for us. We lean on them. We charge 3% monthly interest when we lend our own money to members. We lend for seed, for fever, for household needs. We accept monthly loan instalments. We do not know accounts yet, but we will learn if taught." They added, "In our Mahila Samiti

meeting, we discuss SHG, Muthi Chawal and other items. We are only 6 months old. We have a total of 10 mandis in Muthi Chawal of which half is lent out." The women did not appear to be familiar with one another, and each woman spoke only of her own SHG and its members.

The **Khandapara cluster** meeting was held in **Bhooliyabhata village**. There was a gathering of around 35-40 women. The women were articulate and had plenty to say. The cluster covers 8 villages and 14 SHGs with over 180 members. Although the cluster is known as the Khandapara cluster, Bhooliyabhata village is central to all in the cluster. The furthest village is Pottipada, 10 kms away.

"Since these cluster meetings, we have been travelling to one another's villages." The leaders knew about the numbers of SHGs in each village, and about the mix of castes in each SHG. The older women were striking in their full knowledge of all the groups. The oldest group in fact was only 7 months old.

One of the women said: "We are poor. We have needs. We'll have our SHG till our death. We are saving for ourselves. We are not saving only for loans. Earlier, we had not visited other villages." Another added, "We may have financial problems at times. Therefore, we have formed SHGs – to borrow for illness and other needs. We are poor. There are times that we need money but have no balance at home. We do not want to put out our hands and beg from a marwari. We want our money to grow." Another when asked about bank remittances, said, "The bank is in Nilji, 10 kms away. Three or four of us from each village walk to Nilji. It is not right that we lock our money in the bank." The women were confused about the Mahila Samitis, Muthi Chawal and SHGs. They could not clearly differentiate among these. However, as with the SHG, they loved the Muthi Chawal and said that they wanted it to last forever.

The women were together handling procurement and sale of mahua, tendu leaves and other commodities. An elderly woman present in the group did the projections for the savings and credit for the whole cluster, for the next few years very well. She wondered, however, if 70 women in a village could form a single organisation. The cluster meetings were held in different villages each month, and so all knew about each other. A common meal was organised at the end of the meeting by the host village and all participated in it, regardless of caste. The women of Tetalpara cluster had in fact complained that where earlier they would have a common feast because cluster meetings would be held in different villages each month, now that they were always held at Tetalpara, the common meals had stopped.

In Khandapara village, of **Khandapara cluster**, the women were subdued in front of the men for a long time. The village was tucked away in the hills and probably difficult to reach even in normal times. The heavy rains had made deep cuts in the roads/approaches to the village. There were 3 groups in the village. In particular, one man's presence appeared to be very disturbing, and he appeared to be controlling the group. Till he warmed up, the discussions were dull. The bank was 10 kms away and the women from each group walked to remit small thrift amounts. "We are 6 women (2 from each SHG) who go the bank – we start at 7 am and return to our village at 4 pm. At the bank we are kept waiting. Our village is a remote village up in the hills, with little exposure to the outside world. Each one asks the other to go the bank. It is more sensible to rotate money in the village. No one's feet need ache this way." All this was discussed after the gentleman in question first disallowed any discussion on the bank remittances claiming that that was the only way to manage the accounts. The women responded warily to begin with. When he warmed up, then the women, too, spoke freely. "If we show Rs 3 lakhs of saving in our village in 3 years, then the bank will come running to us – we will not have to go the bank," the same difficult man later said. "Paddy can be purchased and stored and sold for profit by the women. The BDO will come running to us, and we will be able to get drinking water and other needs met."

Overall observations relating to SHGs in Sinapalli Block

1. The groups were, almost all, formed after November 2000. Yet, at the Bhooliyabhata meeting (Khandapara cluster), there was a spirit of camaraderie, of solidarity, of trust. On the other hand, at Sardhapur (Khairpadar cluster), where the SHGs were of more or less the same age, the women were wary of one another, and left it to the Lokadrusti staff to "own" the meeting.
2. Where the Khandapara cluster had 182 members from 8 villages, the Khairpadar cluster had 148 members from the 8 villages that it covered. The numbers of women engaged in SHGs, and perhaps the distances between the villages in a cluster probably has an impact on the vibrancy of the groups and their members.
3. Had the cluster meeting been held in Khandapara, tucked away in the hills, perhaps the cluster meeting would not have had the attendance or spirit that it had. While having cluster meetings in different villages is important for the building of solidarity and larger vision, the choice of cluster headquarters (in terms of location in relation to other villages), too, is important, it would seem, for vibrancy.
4. The women in Sinapalli Block were not forming SHGs primarily for the purpose of accessing external funds. They appeared to want to work with one another for more self-reliance, and for greater visibility. However, here, too, as in Khariar Block, the women had not thought through the rules related to their SHGs.

6.3 Meetings in Boden Block

The first set of SHGs in Boden Block was promoted in early 1998. Since then, new SHGs continue to be promoted, and some were being promoted at the time of the field study.

Baklighunti cluster covers 9 villages, 18 women's SHGs, with around 190 women as members. It also has 6 men's SHGs. The cluster meeting was held in **Baklighunti village**, which is in the centre of the 9 villages. The furthest village Suglivada is just 3 kms away, though on hilly tract. It takes the women an hour to walk to Baklighunti. Men appeared to have formed their SHGs before women did. Most groups appeared not to have lent money, except on occasion, from their own funds.

In one of the SHGs, 5 members had left the group. The group invited 5 others to join to "take their place". The new 5 had to bring in what the previous members had taken out. As the size of loans to individual members was unrelated to thrift, and as interest was not credited annually to members' thrift accounts, the groups felt that every new entrant had to bring in a "share" equal to everyone else's at that time, in order to enjoy equal rights.

In Baklighunti there were 3 defaulters. Some of the SHGs in Tutupada and Pharsara appear to be using their own funds well, and had no defaulters, and the women felt that they were probably the best functioning SHGs. However, none of the leaders was familiar with any of the SHGs (other than her own) in her cluster. In fact, the leaders of most of the groups were unsure of how much their own thrift and profits were approximately. They kept referring to their passbooks.

When asked what was the maximum loan size that a woman could absorb and comfortably repay, several said Rs 30,000 to Rs 40,000. This was said in line with the SGSY funding in the area, and there was an expectation that Lokadrusti would help find such loans for them. When the more modest assessment of Rs 2000-3000 of the women from Tetalpara cluster was mentioned to them, they laughed and said that there was some element of greed in their own response.

The women felt that they did not have much solidarity. They said that they had nothing to show for their combined strength except the building in which we all sat (built with Lokadrusti funds). They noticed that the cluster President had not come for the cluster meeting. They said that they did once elect a President, a Secretary and a Treasurer for their cluster but said, "All three go in different directions."

In Pharsara village of Baklighunti cluster, the meeting was held just outside the home of the Sarpanch. The women were shy to speak so long as the father of the Sarpanch was around. The men said that they had formed SHGs after seeing the women form and manage SHGs.

A woman leader said, "We hope to have all the SHGs in the village merged into one large bank. That will wean us away from Samajik Bank. SHGs are for savings and self-reliance."

When asked why the SHGs borrowed from Samajik Bank when they had enough of their own money lying idle in the bank, a leader said, "Why should we borrow from two sources? Our funds lie in the bank, and we borrow from Samajik Bank. The SHG is a method of accessing external funds."

There were 4 SHGs in the village and one men's SHG. A fifth SHG of women had been set up and had also been wound up. "Mangala SHG had problems with default by a member because of migration and has had to be wound up. People migrate to places as far as Ayodhya and Andhra Pradesh for brick making, and also to Raipur for labour. Whole families move out at times. Migration has been high, particularly in the last 4-5 years," it was reported.

In the **Tetalpara cluster meeting** held in **Tetalpara village**, covering 9 villages with 20 SHGs, with over 150 women as members from all castes, women complained that Tetalpara was not central to all the 9 villages. A leader, not from Tetalpara said, "Earlier the cluster meetings would be held in a different village each time. However, now that Lokadrusti has built a small community cum storage centre in Tetalpara village, all cluster meetings are held here. Shradhapur is central to all the villages, and the building should have been constructed there. What is the use of cluster meetings? When we met in different villages, each time the host village would arrange for food. Now that is not possible since the meeting is always held in the same village. We come because they ask us to come. We do learn from one another."

When asked about the purposes for which women borrowed, another leader said, "In Jholapada we have 2 SHGs. One took a loan from the Samajik Bank, bought mahua at Rs 7 a kg, could not sell it, and now we have repaid only Rs 1000 out of the Rs 3000 loan that we took from the Samajik Bank."

"The maximum that a woman can borrow and comfortably repay in our villages is Rs 2000 to Rs 3000 if she is in business. However, if she has a shop, then she could borrow as much as Rs 5000. Currently, we return the entire amount at the end of 3 months with interest. It may be more sensible to repay it slowly over time, in monthly interest with interest on decreasing balances."

When asked what they expected to be in 10 years, a leader replied, "Ten years from now, we will be much bigger - people will look at us and form SHGs. We will not be going to marwaris any more. People who are ill, will not feel as helpless as they

do now. We have grain and we have money. We will grow. Our combined strength is 20 SHGs with approximately 200 members. If we rotate our own funds, we will become big soon."

In many villages, in all 3 blocks, women and men had spoken of helplessness in the face of ill health, especially children's ill health, and had said that the SHG provided the financial support needed at such times. Another leader from Tetalpara village had said at the Tetalpara village meeting, "Our funds are best in the bank. Our funds are for lending in an emergency. We borrow from the Samajik Bank and lend for regular needs."

The women were aware of the default to SBI, Boden branch. "It is true that our men are defaulters to SBI Boden. That is why the bank has a problem lending to us. The men did not tell or ask us when they took their loans. The banks gave very large loans, and also did not bother to follow up. Men borrowed, got drunk, took another wife. When bankers finally came to collect, our men would show them someone else's bullocks and claim that these were what they bought with the loan. The banker would tag the bullocks and leave. We are the ones who are suffering as a result."

The cluster President said, "If we don't return our loans to Samajik Bank, we will not be able to show our faces at meetings. No defaulter can digest a default. If an SHG does not repay, we will all go and collect the loan. Many have entered new businesses, or expanded their businesses because of the loans."

Dhamnapada cluster covers 8 villages with 24 SHGs and 1 men's SHG. The 24 SHGs together have 264 members. Dhamnapada seemed quite central to all the villages, with Bhoipada the furthest, at about 6 kms distance. The meeting was well attended by most of the villages. Bhoipada was not represented.

The leaders from Jamgaon village which has 5 SHGs had full knowledge of one another, whereas leaders from other villages did not know about other SHGs even in their own villages. One reason for this may have been that one of the leaders from Jamgaon has been the Samajik Bank President for some time, and, therefore, the SHGs of that village have had more exposure to the larger vision for the area. When asked why Jamgaon leaders knew about all the SHGs in their area, and they did not, the leaders from the other villages said that the SHGs in Jamgaon were close to one another, whereas theirs were scattered. It is likely that in the other villages, there are small distinct habitats of different communities, whereas, even though there is some separation in Jamgaon, the habitats roll into one another.

The SHG in Dhamnapada had borrowed 3 times from the Samajik Bank - Rs 3000, Rs 4,000 and Rs 5,000. The last loan had not been paid fully. There was Rs 3,500 to be repaid still. The leaders said that they had cleared some loan to SBI, and, therefore, were unable to repay on time to the Samajik Bank.

One of the SHGs in Boirgaon, too, had borrowed 3 times from the Samajik Bank - Rs 2,000, Rs 4,000 and Rs 5,000. Repayment for the last loan was delayed. An SHG in Mohulpadar had borrowed twice - Rs 3,000 and Rs 4,000, whereas Darlipada was too new a group (just 6 months old) to be able to access Samajik Bank loans. Jamgaon had a group which was in default to Samajik Bank for several months.

Boirgaon leaders were unsure of how much money they had in their own bank account, and the leaders said that their husbands kept their pass books and made bank remittances.

Some of the Dhamnapada cluster leaders, as in Baklighunti cluster, said that they expected Rs 30,000 to Rs 40,000 per member as loans either from a commercial bank or from Samajik Bank. However, some of the other leaders said that Rs 5,000 was the maximum that a woman in the area could borrow and repay comfortably at this point of time. They felt that if the loan is used on the farm, then as the yield comes in all at once some months later, it was alright to have to repay the loan at once with interest to Samajik Bank. However, for most of the other loans, they felt that regular monthly instalments and interest payment would be more reasonable.

The leaders present were not too sure who the President, Secretary and Treasurer of the cluster were. SHGs were not discussed much at the cluster meetings. Contracts, water, roads were discussed at the meetings, the women reported. Default to Samajik Bank, however, was discussed they said, and added that they passed resolutions on default for Samajik Bank's records.

A suggestion was then made to the women to try to project their combined business over the next 2-3 years. They were surprised, but delighted, at how much of the local finance would be in their control, if they worked in collaboration with one another. They said, "We will think of this cluster as ours. We will think of us as one large family. We will think of the money as ours. That will make us and the money grow."

The Kirekala Cluster meeting had to be cancelled because of some miscommunication regarding timings. The village Kirekala has 3 men's SHGs and 2 women's SHGs. Members tend to save different amounts - Rs 5 or 10 or 50 in the men's SHGs. At each monthly meeting the decision is made on how much every member must save that month. The group's decision is binding on the members. The oldest groups were started in April 1998.

When men were interviewed on changes that they had noticed in women in the village, they said in seriousness and with respect that the way women of their village now sat alongside them in public, was new. "They would not have been caught sitting earlier if we were around. On other issues, too, we now have mixed meetings and that was unheard of earlier. Earlier almost all women were "thumb impression" women, whereas now almost all can sign their names."

"At home, a woman would never have had a meal without her husband having his first earlier. Now, they do not seem to wait for us. They just keep food for us if we are late", they added. Not all these changes can be attributed to the SHGs they felt. The times, too, were changing, they said.

The men said that there were 60 houses in the village made up of Majhis, Harijans and Lohars, and said that almost every family was involved in one or more SHGs. The men wanted to spread the SHG message to 5 other revenue villages and 3 hamlets of the same panchayat,

Sarojini of Ma Mauli SHG was 30 years old, and had a son with hearing problems, and 2 daughters. The son and the younger daughter, still an infant, did not go to school, whereas the older daughter was at school. Sarojini herself had studied till 7th class. Where Natho Majhi, another leader was very quiet in front of the men, and would redirect to her husband all questions asked of her, Sarojini, a Harijan, was assertive and made a point of responding directly to information sought on the women's SHGs. When asked if the burden on women had not increased as a result of the SHGs, she responded sharply, "No. There is no load on women. We go to meetings because we learn. We also teach as a result. We go to the Collector to solve drinking water and other problems. What is a load? Attending a meeting, or having drinking water problems?"

As men were speaking of changes that they perceived in women, Sarojini said, "Earlier we used to be afraid of our mothers-in-law. Now, we do what we think to be right. That strength came not just from the fact that we now have money, but from the fact that we have a collective."

Maharajore cluster of Boden Block covers 10 villages with 19 SHGs and some men's SHGs, too. The SHGs together have around 240 members. Although the cluster is known as the Maharajore cluster, meetings tend to be held at Jambahali, where the field office of Lokadrusti is situated, or in Jambahali main village. Jambahali appeared to be quite central to all the villages, with Maharajore being the furthest away, at 3 kms.

The leaders felt that the SHG was not a burden, and that they could do all else and SHG work. "The SHG is a forum for learning and that makes us happy," a woman said. They felt that the maximum a woman could absorb was a Rs 1100 loan. Men could absorb Rs 2000, they felt, while in extraordinary cases, women could absorb loans of Rs 5000. "It is not how much you stock in your shop, it is how much will move in the village that decides the size of your business", one of the leaders said.

The approach road to the village was very bad, very slippery, running alongside a tank, and almost impossible to use after the first rains of the season. The women said that they felt uncomfortable about sending younger girls to school on this road. The women have been to the BDO to fight for pension for widows.

Maharajore has defaulted to the Samajik Bank and broke a large group into 3 smaller ones thereafter. The dues have not been paid yet by the 2 defaulting groups, which appear to have been closed by Lokadrusti, although the women still speak of there being 3 SHGs in the village. The groups keep their own money in their bank accounts, but borrow from Samajik Bank. All the leaders were very confused about how much they had borrowed from the Samajik Bank, from their own funds, and for seed purposes. Groups had borrowed for mahua business, and managed it on no-profit, no-loss basis.

They thought that it would be good to have cluster meetings in a different village each month. Some had travelled to other clusters for their meetings, on invitation by those cluster leaders.

The women spoke of several premature births and several miscarriages. They said that some have just one child and no more, even without undergoing any operation or taking any other precaution. They also laughed and said that there had been cases of women having undergone tubectomy and then having conceived.

Mohulpadar cluster held its meeting at **Makkarbilli village**. It covers 6 villages and these together have 6 women's SHGs and 3 men's. Kumarkhol village has no SHGs, while Kumarkhunti has only a men's SHG. The cluster meeting was strange, and not like any of the others. The women would hardly speak. At first they would not come. Some men from Makkarbilli and some women from Mohulpadar came at first. Then towards the end of the meeting, some women from Makkarbilli turned up but they were not members of SHGs. Of them, one was the woman at whose house the keys to the grain storage centre (where the meeting was being held) were kept, and people termed her as the owner of the building. The building, in fact, had been built by Lokadrusti for the use of the Muthi Chawal and SHGs and Mahila Samiti. As the women's organisations were not registered, it is likely that the land on which these storage centres were constructed by Lokadrusti belonged to private parties and could not be transferred to the women's groups.

The SHGs had defaulted to the Samajik Bank. Many present said that they were poor and, therefore, they did not repay. They felt that monthly loan instalments and monthly interest payments might be easier to handle than full payment at once after 3 months. Women from the other villages complained that although they had walked from their villages, the women from the local village had not bothered to come. Mohulpadar men's SHG representative was present and he said that their SHG members were regular in loan repayments. "We think that default is a burden on us, and so we repay regularly," he said. Harijans and Majhis were members in some of the SHGs.

Overall observations relating to SHGs in Boden Block

1. Several of the SHGs had a good mix of castes. There were SHGs with members of a single caste, but these were more a result of where the members lived, and less, it appeared, because of any caste bias.
2. With 90 villages and over 2000 women covered by the SHGs, and many more participating in the Mahila Samitis, women had a high visibility in the Block.
3. External loans were being accessed even as an equal amount of savings lay in the bank, idle.
4. Several SHGs were in default to the Samajik Bank, and some of these had been wound up. The external loans were less than the idle funds lying in banks.
5. Unlike Khariar and Sinapalli Blocks, the women of Boden Block did expect external loans. They expected the local bank, and/or Lokadrusti to bring in external funds, and did want to keep their funds parked in the bank, either for their own security, or as collateral for the lender.
6. Unlike Khariar and Sinapalli which were comparatively new, Boden had a large number of very articulate women, with a vision, who were acknowledged as leaders by the women and men of the Block.
7. Women, however, were not familiar with bookkeeping or accounting, and were dependent on local men or Lokadrusti staff for management of their accounts.
8. With the village "institutions" not registered, problems are likely to crop up later about the ownership of the properties being set up for and used by the women.

Meetings with bankers have been covered at length at different places in the report and are, therefore, not being covered in this section of the report.

PART II - ANALYSES

7. Changes in the lives of individual women because of micro credit

7.1 Access to savings and credit: Although Lokadrusti began work in the area much earlier, the oldest SHGs were around 3 years old. When asked why SHGs had been set up in the first place, women had responded saying that they needed the SHG to save for difficult times. In Boden Block, there was also an expectation in several villages that the savings would then help them access larger loans from external sources. All the same, the savings alone, even without the external loans, were valued by the women and their families. These savings were equated with staying power in times of need, and credit worthiness. Almost every woman met wanted her pass book to be seen. The pass book of the individual and that of the group, were equated with wealth and were flaunted in most meetings.

Where women had borrowed from their SHGs, (whether from the SHG's own funds, or from external funds), it was often the first new loan from a "formal" lending agency for the family, after several years. Large numbers of men had become defaulters to the local bank, and had not been able to access credit from the banks. While on the one hand, it could be argued that the men were supporting the women in their own interests, to access funds, the women were using the loans accessed for a range of purposes chosen by them, and the family farm was only one of the many purposes. There was a strong emphasis on borrowing for income generating activity, but women had borrowed for other purposes, too, such as for their own health, children's health, education, and so on. As the Muthi Chawal provided an opportunity to "borrow" for food, borrowing for food from the SHG was not common, even in drought years.

Even though women had access to credit, they tended not to rotate their own funds much, with the result that they did not access as much credit as they might have. There was an underlying emphasis that borrowing was sensible only if for income generation, and, as a result, women tended to treat their own savings as funds "to fall back on" at times of emergency, even though their own idle funds exceeded their external borrowings. The other reason for funds lying idle in the bank was perhaps that more funds in the bank might result in larger loans from the bank. The women in such areas as did not access external funds, spoke of the burden of remitting savings in banks, and said that they would prefer to rotate their own funds among themselves. They already had experience of the Muthi Chawal growth, and expected the same kind of growth for their cash savings. Women who had accessed loans from external sources spoke of the need to borrow from only one source, and argued that their funds were for emergency needs.

7.2 Increase in income: Women had entered the rice and moori business, and had set up shops for the first time, because of loans from the SHGs. In these family businesses, the finance was raised by the women, and most of the

production/marketing too, was carried out by the women. However, when more distant and/or larger markets were sought, when the goods could not be sold locally or carried on head loads to the market, then men took over the marketing with the use of bicycles. Women still walked distances for their own work – be it the attending of meetings, or, the sale of produce.

While the rice and moori businesses, as well as some of the shops had increased individual incomes, women engaged in such businesses at individual level probably did not exceed 5-6% of the total numbers of women in the SHGs. On the other hand, many more women were engaged in or had tried to enter joint businesses, as with mahua procurement. These had not the same success rate, it appeared. They had succeeded in some areas, where the women had fewer expectations of Lokadrusti or banks, and did not expect to be bailed out if in loss.

7.3 New skills: Where joint businesses had succeeded, they had opened a whole new world for women, in the fields of strategic planning, negotiation with tough traders, as also in the skills of procurement, storage, weighing and marketing.

Even though women's literacy and numeracy skills had not undergone any significant change (except for women learning how to sign their names), women did remember most of their transactions. The transactions, however, were very simple in most cases, as the transactions were few. Many groups had done very little loaning of their own money. Many which had borrowed from Samajik Bank tended to share the amount equally among members. Interest was not being credited to members' accounts at the year end. Therefore, most tended to be able to keep in memory most of the transactions.

The books of accounts were not kept by the women. Men in the village or Lokadrusti staff helped maintain them. The women felt that if they were trained they could possibly maintain the books. The SHGs could have provided women with learning opportunities in the fields of finance management, bookkeeping, accounting, but even the recognised leadership had little knowledge or skill in these areas. Large numbers of women did have the capacity and the interest to learn on all these fronts, and to manage and control their own organisations.

Women said that they understood money better, that they enjoyed discussing rules and procedures, that just meeting and working with women from other villages was enriching.

Most women, however, did not relate their own savings to opportunity for growth. They saw their own savings as capable of meeting ad hoc and/or emergency needs, and as a sign of increase in their credit worthiness. Most also had not questioned the depleting value of their savings lying idle and earning a low or no interest in the banks. As already mentioned, most had not noticed that their combined savings lying with the bank were more than the combined loans from the bank via Lokadrusti.

Women also had not acquired organisational management skills of any significance, as the performance of the SHGs, or of the members vis-à-vis their SHGs was not being monitored with the objective of organisational development, at any level within the system. Much of the monitoring, as with SHGs promoted by many VDOs was with a view to preparing statistical reports. The sheer numbers of SHGs perhaps makes it very expensive to monitor performance and standards of accounting and management.

In Mirdhapada of Tetalpara cluster, for example, a loan of Rs 2000 was taken from the Samajik Bank, and given to 9 of the 14 members. The decision to lend was not taken at a meeting where all the members were present. There was conflict as a result. Drought was now being cited as a reason for non-repayment. One member had borrowed Rs 400 for treatment of illness and now says she cannot repay. Of the 9 members, some have repaid some amounts. The President said that the repayments amounting to Rs 500 were lying in her house for some months now, and that she would wait till all the members paid before giving it to Samajik Bank. Her right to hold back and keep repayments in her home had not been challenged. Even though several cluster meetings had been held in the area, the matter was not discussed.

In Tetalpara, on the other hand, one of the members had a problem with repayment – the group did not want to default to the Samajik Bank. Therefore, after discussion, the rest of the members paid up on her behalf, and she was expected to repay later to the SHG. The Samajik Bank does have a Manager who looks after the accounts, and a 5 member committee which looks at default. Notice was sent to Mirdhapada. There is not, however, a systematic follow-up on default.

The SHG in Arjuna village of Baklighunti cluster began in December 1999. Members' thrift stood at Rs 310 in June 2001. Apparently, the President had gone out of the village in search of work and had kept the pass book with her. The SHG members did nothing. One remittance of Rs 210 was made in December 1999, and another of Rs 100 in January 2000. The SHG's defunct status was not known to the other SHGs in the cluster. SHG functioning is not a part of the cluster discussion, though loans from Samajik Bank are discussed. The members appear not to know that they could have changed their President and that they could change the signatories to the bank account. On the other hand, in one of the SHGs in Tutupada village, members changed their leader because she was difficult, and they could not understand why the SHG in Arjuna did not.

SHGs are financial institutions, and in any financial institution, unless care is taken to have sound accounting and management systems in place, and unless the leaders and managers are helped to equip themselves with the necessary

skills and systems, default, mismanagement and even fraud, are inevitable.

When women leaders at cluster meetings were asked why it was that these issues were not discussed at cluster meetings, they reported that in the interest of a more democratic set up, SHGs are represented by different members at each cluster meeting. Therefore, most women were not familiar with the problems in their cluster. While changing women delegates to meetings is good for the individual woman delegate, it is not good for institution building. Where the savings and credit activity is not institutionalised, there the reins remain with the promoting organisation, and that does deny the women the opportunity to learn finance management, organisational management, conflict management - skills not beyond the competence of most of the leaders in the Lokadrusti area.

It is often argued that savings and credit can bring but some financial relief. That is probably because most VDOs miss the opportunity to use the savings and credit services to help build strong, visible, inter-generational, financial institutions, designed, owned and controlled by women, and sensitive to them. The savings and credit services are instead led by ad hoc arrangements and ideas.

7.4 Mobility: The mobility of large numbers of women involved in the SHGs (as also in the Mahila Samitis) had increased. Members and leaders had stepped out of their own habitats, to neighbouring ones. Lokadrusti was attempting to form clusters of SHGs in small compact areas, and encouraged regular meetings within the cluster. These meetings were valued by the women and appeared to have (a) increased their mobility; (b) increased their contacts; (c) made them think for and contribute to a larger world – one beyond their own families, and even beyond their villages.

As many of the villages did not have bus connections, women tended to walk across the hills to most meetings held in other villages. In spite of the large numbers of women involved in Boden area, women inevitably reported that they walked with other women, or, on occasion, travelled with their husbands on their bicycles, to the meetings.

The SHGs appeared to have contributed significantly to expanding the mental and physical spaces available to large numbers of women. Apart from visiting one another's villages, many women had been to the local bank because of the SHG, and to the Block headquarters, for discussions and negotiation with government officials on getting contracts, seed procurement (available on subsidy and/or for cash/credit purchase), and other specific issues relating to individual women in distress. Key leaders had travelled and interacted as resource persons for meetings organised by the government and other agencies.

The Branch Manager of State Bank of India, Boden branch said, "SHG leaders come on their own to the bank to deposit the group monthly savings. For the opening of new accounts, men usually accompany. Initially, women opened these accounts in the joint names of two leaders. Now we have changed those accounts to the names of the groups. We drafted a simple resolution and once the SHGs come to us with that, we make the changes. Signatories to these savings accounts, too, have changed on occasion. The women are very vocal and assertive. Earlier, when we visited their villages, the women would ask their husbands and children to speak to us. Now they come forward themselves and are at ease with us." The women and men in the villages visited had also made similar statements about their interactions with bankers and others.

Almost all women spoke of the widening of their world because of the SHG. They said that it was not as if they had not been out of their villages earlier. More than the geography, it was the agenda for which they now travelled, and the fact that they travelled, not with family members, but with friends from other castes, that made them feel that their world had become larger.

Where different caste groups lived separately in nearby hamlets, or in clearly demarcated spaces, there the women reported that the SHG had helped them come together across caste lines around issues. In such places the SHGs tended to have "homogeneous" membership – that is, all members in an SHG were from the same caste group. In one such village (Chandgiri), when women were asked if they knew one another before the SHG, women said about the other castes, "Oh yes, we have always called them 'Mama', 'Kaka' and so on." It was interesting to note that references were made only to male relations. In Palma village, where the hamlets were half a kilometre away from one another, women reported that they started visiting one another's hamlets only after the formation of the SHGs.

In many villages, however, the habitats were not caste based. In all such villages, each SHG in the village had membership from different castes. In all three blocks, women from such villages reported that caste was not a big issue for them, and that even before the SHGs, they did visit one another and did participate in one another's feasts.

7.5 Status in family and community: During the course of individual interviews and village level meetings, women members of SHGs appeared self assured and confident. Men and children watching the meetings looked on with respect, and in most places did not interfere with the proceedings. The 15 year old son of one of the leaders, when interviewed, spoke of great admiration for his mother. He said that earlier, if he needed money, he would never think of going to his mother. He said that now he would go as often to his mother as to his father for his needs. He said that it made him very proud to see

the way in which his mother moved about in the village. A few other younger children interviewed said that they recognised that their mothers were important, but perhaps because of their age, could not remember a time when it was different, and assumed that this had always been the case.

The sheer numbers of women engaged in SHGs in Boden block as a whole, and the numbers engaged in SHGs in each of the villages visited in Khariar block, appeared to have made the SHG an important organisation in the lives of the women.

At the very first set of village meetings at Amlabahili and Nangpara of Boden Block, the self assertion of women who were members of the SHGs, as against those who were as yet unsure of becoming members, was striking. The men in these villages appeared to have prevented the formation of more SHGs, even though membership in the Muthi Chawal and the Mahila Samiti were encouraged. When questioned about family attitudes to the different organisations, women (non-members) said that the Muthi Chawal helped the whole family, and the Mahila Samiti helped bring work to the village. However, the SHG required a discipline in lean and good months, and more important, it required travel outside the village (to cluster meetings, the Samajik Bank, etc). Men agreed that that was why they discouraged women from their families to join SHGs.

7.6 Workload: While women who were not members were so because of their husbands, those who were, spoke of supportive husbands and families. Almost all SHG leaders said that their husbands cooked for their families when they went out of the village for cluster or Samajik Bank meetings. Some said that their daughters cooked when they were away. It was mentioned that as they belonged to the working class, even on normal working days, whoever (husband or wife or mother) came in first from work, tended to cook the evening meal. Yet another practice mentioned by some was that of the man cooking when the woman had her period.

When asked about the increase in workload because of participation in the SHG, woman after woman expressed annoyance and said that the SHG was an educational experience, and that if there was a price to be paid for it, they would pay it. Many laughed and said that participation at the meeting, thinking through issues, and getting hot freshly cooked food at the meeting were all a pleasure, and made the morning rush at home, and the long walk to the cluster or other outside meeting worth it. Some women said that the cluster meetings were therapeutic – they felt that they had a day off from all work.

When asked about the losing of a day's wage to attend a meeting, the women said that those who did not regularly attend meetings, found that their villages paid the price for it, as other villages got the public work contracts and other benefits. This was one of the instances where it appeared that women did not distinguish between the SHG (cluster/federation) and the Mahila Samiti meetings. On the other hand, in relation to remittance of savings amounts in banks, women were conscious of loss of wage and/or time. The walk to the bank was treated as a burden, in most instances. Where attendance in meetings was clearly seen as an investment in themselves and their village, the walk to the bank was equated with loss of wage and/or loss of energy.

7.7 Education of children: Most women were sending their girl children and boy children to school, although most tended not to educate girl children as much as the boys. Very few reported that they were not sending their daughters to school, and a few also reported that their eldest sons had not been sent to school as the family, for various reasons, had needed their earnings.

The Branch Manager of KAGB, Khariar Branch felt that girls went to school because of mid day meals introduced 3 years ago. "Of 180 school days, they attend 80 days", he said, "which enables SCs and STs to get stipend, at Rs 1000 per day-scholar. They also get jobs after matriculation - this, too, is a reason for schooling. If they get appointed as anganwadi teachers, they get Rs 500 per month for doing some work in their own village."

In the schools visited during the field study, there were more older girl children than boy children, perhaps because these were schools aimed at preparing dropouts to return to school, and there was a higher incidence of older girl children dropping out of school. The children attending these schools appeared to be there for the sheer joy of it, and even though a single teacher handled a wide age range, the children were helping one another learn.

The presence of girl children at school was more because of Lokadrusti's multi-pronged approach when working with women and the local community than because of the micro credit intervention. The only link with micro credit perhaps was that women did trust Lokadrusti more because it helped them on the economic front, and, therefore, when Lokadrusti set up schools and asked that girl children, too, be educated, the community was willing to do so.

7.8 Infant mortality: During the course of discussions and interviews, especially in Boden block, it appeared that the family sizes were quite small. In some villages, women spoke of the whole village consciously having taken to family planning. However, many women had also reported the death of a child after birth, during infancy, or during pregnancy. When in village after village women reported miscarriage, infant deaths, and small family sizes, some attempt was made to find out whether there was any bias against girl children. In Jambahalli of Boden block, 17 women present at the meeting, had

among them 15 living sons, and 5 living daughters. Seven sons and 4 daughters had died at different times after birth. Boden block has a large scheduled tribe population.

In Palma of Khariar block, 32 women had among them 58 living sons, 37 living daughters, and 16 sons and 6 daughters had died during pregnancy, or in infancy or childhood. In Chandgiri, also of Khariar Block, with no person from the scheduled tribe class present, a similar stock taking of conceptions indicated a happier story. The 38 women present at the meeting had 40 living sons, 47 living daughters, and had lost 13 sons, 10 daughters, and 4 others (sex not determined) during pregnancy. Orissa is one of the states where the female population as a percentage of the total population is decreasing. In both Palma and Jambahalli, for the group present at the meetings, girl children conceived were fewer in number than boy children conceived. In Jambahalli, 4 of the 17 women had not conceived any children.

Women expressed outrage when it was suggested that perhaps girl children were not wanted. Their response in Jambahalli and Palma was that they yearned for children and were grateful for any they had. The figures of deaths of boy children, too, did not suggest any anti girl child sentiment. A more thorough study on the subject of gender ratio, beginning with conception, especially in the tribal belt, may be needed, in order to assess whether these cases were exceptions, or whether indeed this is a serious problem for the area as a whole. Such a study may throw more light on the sex ratio problem for the whole country. Women of the area did not have access to effective ante natal and post natal care.

7.9 At the individual level, women did appear to have gained very significantly in terms of mobility, self-confidence, widening of interests, access to financial services, building of own savings, competence in public affairs, and status at home and in the community - perhaps not just from the SHG, but also from the Muthi Chawal and the Mahila Samiti. What the women still needed to acquire was competence in organisational management and long-term vision building and planning.

8. The position and status of the women's SHGs within the community

8.1 Women's visibility: If the mobility of the individual woman had increased, the sheer numbers of women moving around, especially in Boden block, appeared to have had impact on the role of women in the area. SHG/Mahila Samiti leaders reported that they had been invited to give talks at meetings organised by local universities, banks, and governmental agencies. Although the numbers of women giving these talks was probably just a handful, the fact that women were being invited to represent their own interests and to educate others about their interests, indicated that the women's groups and their leaders were taken seriously, not just in the immediate Lokadrusti area, but in the district, too. At the DRDA office in Nuapada, the officers requested the Lokadrusti chief executive to participate at a meeting called by the Collector on SHGs, and were glad when Lokadrusti offered to send one of the women leaders to participate instead.

8.2 Women's groups in the consciousness of the village: In all small villages in Khariar and Boden blocks, where there was more than one SHG, the SHGs (again perhaps along with the Muthi Chawal and the Mahila Samiti) had a strong village presence. Most adults were aware of their existence and even of their rules, procedures, and meetings. Men in the village knew the names of the leaders, and knew about the age of the group and about the quantum of monthly savings. The SHGs were not seen as nominal associations. They were seen as and talked of as being of value to the village. The women's groups were often the only functional "institutions" in the village.

8.3 Women as village leaders: Women leaders of the SHGs of Boden block were acknowledged as women leaders for the village. In Khariar block, where work was not as old, women leaders were yet to be recognised by the village as its leaders, even though there did appear to be admiration for them. In Sinapalli block, the SHGs were far too young for its leaders to be acceptable as leaders for the village as a whole. In Boden block, the large membership of women from a small geographical area had made the SHG a force in the village and in the block. Moreover, in this area, excluded by external financiers because of high loan default, external credit had once again been accessed because of the women's groups.

Lokadrusti had initially promoted men's SHGs in some villages, but then had decided against it as more men than women tended to migrate for labour. All the same, in many villages, men spoke of their interest in promoting their own SHGs, although in some they narrated earlier experiences of mismanagement and fraud in men's SHGs, and said that women were better at thrift and credit. In some villages men came forward just to exchange experiences about the SHGs that they had promoted after seeing the success that the women had had with theirs. The men saved higher amounts each month than the women. There was acknowledgement in the villages of women's success with the SHG, and acknowledgement, too, of following their lead.

8.4 Capacity of the women's groups to protect and promote women's interests: Smt Basanti of Maharajor cluster of Boden block reported that in their cluster, they had 240 women and Rs 33,000 of own funds in the SHGs. She then went on to explain that because of drought, one of the women in her village had been in starving condition. Her brother had migrated for work and she was left with no money. She was without food. She was allocated some land because women went to the

block to appeal on her behalf. Although this was probably undertaken by the Mahila Samiti, it was mentioned in relation to a discussion on SHGs and their impact. There were other instances of women deserted by their husbands, or widowed, and the women reported action taken by them to help the individuals. The women in Tetalpara said that they had taken a stand to put a stop to heavy drinking in their village, and now most of the men did not drink. The local distillery was shut down.

In Bhasadani cluster, Sagidihi village was central to the cluster. Women leaders said that they came from the surrounding hills to Sagidihi for their cluster meetings. A dispensary was to be built in that village. Apparently, the men of the area wanted the dispensary in some other village. Women said that as they held meetings in Sagidihi, and as women from all villages came there regularly, the dispensary ought to be situated there. "All of us got together and we won the battle", said a leader, with 7 daughters and 1 son.

8.5 Collective strength: In Tetalpara, one of the more saturated villages in Boden block, one of the leaders said "We already have 5 SHGs. We'll probably have 2 more within the year. Therefore, of 83 houses in our village almost all will be covered by the Mahila Samiti, the Muthi Chawal and the SHGs. We first started with the Muthi Chawal, then had the Mahila Samiti, and then the SHGs. We have 3 quintals of rice in the first, Rs 500 in the second, and a lot of savings in the SHGs. We think of every non-member woman as if she were a potential member of these and extend services to her."

What neither the women, nor Lokadrusti were conscious of was that the total savings that lay in the bank was probably a significant portion of the total deposits mobilised by the bank branch, and that their combined savings exceeded their total borrowings. Even though they were doing and could do more for themselves than the external financiers, they had not yet understood their joint strength. They still believed themselves to need help, when it was their money which probably boosted the branch's deposits.

In one of the villages, the local priest had felt threatened by the SHG, and he warned the women of tragedy befalling their children if they continued to work as an SHG, and to use the community cum storage centre built for them by Lokadrusti. The women, in spite of their collective strength, felt overwhelmed by the threat, and were unwilling to challenge him. They did, however, work on him with the help of Lokadrusti, and did overcome their fears, and did finally conduct meetings inside the new centre, and now continue to work as a cohesive group.

Women who had organised joint marketing of mahua successfully, were conscious of the strength of collective action, and had made the local traders conscious of it. There were, however, quite a few examples of unsuccessful attempts at collective marketing.

The SHGs of Khariar and Sinapalli blocks did have cluster meetings, but did not have a federation (a Samajik Bank for their block). The women, unlike those in Boden block, expected to be fully self-reliant, and did not appear to be wanting or expecting loans from Lokadrusti. When women were asked in each of the blocks about whether they knew the combined strength of the SHGs in their village, and whether they would like to work as one, the response in Khariar and Sinapalli blocks, where Samajik Bank money had not reached, was one of pleasant surprise at their combined strength. Most said that they would like the small SHGs to become one large organisation. In Boden block, in villages where SHGs had not become defaulters to the Samajik Bank (and the Samajik Bank had many defaulter SHGs), there was a similar response. However, in villages that had defaulters to the Samajik Bank, the response was that managing small groups was difficult enough, and managing a large village level organisation would be even more difficult.

8.6 Village caste consciousness and SHGs: Homogeneous membership in SHGs is believed to help group cohesiveness. In Lokadrusti area, even though most of the groups had a happy mix of caste, the very first defaulter groups to be met were SHGs with homogeneous membership, and indeed the cohesiveness was visible, if for the wrong reason. In Jamgaon of Boden block which has 5 SHGs, two SHGs were in serious default to the Samajik Bank. At least one of them had also drawn out all its money from its savings account and had lent it all out, so that recovery from the group's own funds became impossible. Both the groups had membership drawn from scheduled caste, and both used drought as a reason for default, even though the remaining SHGs in the village, living and working in the same conditions, were regular in loan repayments. When the other SHGs in the village were asked what they intended to do to help recover amounts from their village, they said that it would be very difficult for them to do anything as the defaulting members took a common stand on the matter. To make matters worse, the President of one of the defaulting SHGs was also a key leader of the Samajik Bank. In Maharajore, again of Boden block, the women said that they had been one large group of mixed castes, but then broke into smaller groups when some sections defaulted. The splitting did not bring back the defaulted amounts.

8.7 The Block and SHGs: The BDO of Boden block had only recently been posted at the block. He was not too familiar with information on the block. He agreed reluctantly to meet us and said after checking with the old census figures, that in 1991, the population in the block was 63,683. In all, 8,117 belonged to scheduled caste category, 26,601 to scheduled tribe category, and 28,965 were mainly from backward classes, and others. Assuming 5 members to a family, of the 12,000 families in the block which included some semi-urban pockets, 2,000 plus were members of SHGs, and Lokadrusti expected at least an equal number of women to join the SHGs in the block in the next few years. However, the BDO said, "I do not know much about the SHGs. I do not have much time for them. I do know, however, that the women in SHGs understand

business now. They are in rice business, in vegetables, and in forest produce." In several of the interactions, women of Boden block had specifically mentioned their visits to the block headquarters, and of their successful and failed attempts at getting justice/assistance for women in distress. The new BDO, obviously had not yet had the opportunity to interact with them.

8.8 Within their communities, the SHGs were respected, women were visible and sought after at block and district meetings, and were accepted as leaders. Women had represented issues of interest to them, and had protected/promoted the interests of women, successfully at times, and unsuccessfully at other times. Where at the individual level, the women had found their world enlarged with active and purposeful interaction with other castes, this had not as yet translated to a village with less caste consciousness. The women of Boden block were not conscious of their own current and potential strength in matters of finance, whereas the women of Khariar and Sinapalli blocks expected little from external agents, and expected to be fairly self-reliant.

9. Changes in the larger socio-economic environment because of the women's SHGs

9.1 Banks and SHGs: The Branch Manager of the State Bank of India, Boden branch said that there were around 2000 savings accounts in his branch. Of these, 15% were those of SHGs, he added. The actual number of SHG accounts in the branch was found to be 125, and the percentage mentioned did not appear correct. However, when asked what the total deposits in the branch were, given that the women had around Rs 3 lakhs in all in the branch, the branch was reluctant to provide information on that.

The Branch Manager mentioned that the SHG-bank linkage had begun the previous year. Prior to that the branch had given loans only to individuals. "Now we lend to SHGs and require that the group be small and homogeneous, that it not be registered, that it be flexible, that the members belong to the BPL (below the poverty line) list, that they not be defaulters to the bank. The women's expectation is that each borrowing will be larger than the previous one. In SHGs they seem to be taught that they will keep getting bigger and bigger loans. Therefore, when they first deposit their savings with us, the expectation is that they will be given a large loan at the end of 6 months. Self-help is not what motivates them - it is the expectation of that larger loan."

"We do evaluate them after 6 months, but in our case we found many women and almost all the men in the SHG areas, to have been defaulters to the bank. It is for this reason that we chose not to finance the SHGs directly, but instead to lend through Lokadrusti. We had financed some of these women leaders earlier with Rs 25,000 for their moori business. How on earth can the small moori business absorb Rs 25,000? The loans did not come back. The terms of repayment, too, are such that there is a moratorium for one full year initially, and the borrowers forget their responsibilities. On the whole, many of the schemes for financing the poor are not thought through well."

In Dhamnapada village of Boden block, women said that they needed Rs 30,000 to 40,000 credit. When they and women from other villages were asked what it was that a woman could borrow and repay comfortably, the maximum figure quoted in several meetings was Rs 5000. They went on to say that although for current times this would be what could be absorbed by a few, for most others, not more than Rs 3000 was "digestible". However, they said, "The government has taught us to ask for Rs 30,000 to Rs 40,000 under various schemes. When it says that such money is available and that we should try and access it, it is too much to resist, even though we are all conscious that we will not be able to absorb such a large loan. Also, the government has given indications that it does not expect its loans back - so those of us who know the art of accessing such 'loans' do get such loans, and do not think of it as a loan."

Lokadrusti had disbursed the SBI loan through the Samajik Bank to the SHGs. Of the first 60 SHG loan accounts in the ledger of the Samajik Bank, 39 were defaulters of over 6 months. Sameshwari SHG of Chitarama borrowed Rs 5,000 on 22.06.00, and repaid just Rs 1,080 on 07.04.01. Thakurani SHG of Mahulpada borrowed 2,400 on 29.04.99 and had repaid nothing even towards the end of June of 2001. Jagannath SHG of Makkarbilli borrowed Rs 8,100 on 04.01.00 and had repaid nothing since. Duarani SHG of Boigaon borrowed Rs 10,000 on 29.09.00 and repaid just Rs 1,400 on 23.05.01. All remittances to Samajik Bank were first adjusted against principal. Only the last instalment is adjusted to interest.

Default was not frowned upon by Lokadrusti, even though it was worried by it. This is true not just of Lokadrusti, but of most VDOs and governmental agencies engaged in the promotion of SHGs for savings and credit. Most, including Lokadrusti, do not have a system where a defaulter pays a price for default. Default is explained away - drought, illness and so on. Default is not monitored or dealt with either at SHG level, or at the Samajik Bank level, or at Lokadrusti level. Even though many groups had defaulted to Samajik Bank, Lokadrusti paid up to SBI. The SBI Branch Manager said that the bank had lent through Lokadrusti approximately Rs 5000 per SHG. Although the amount was a cash credit facility available for a year, Lokadrusti preferred to clear the loans fully as if they were short term loans, he explained. Forty accounts were, therefore, fully paid. Although details of loaning to SHGs led by leaders of the Samajik Bank were not looked into, it is likely that the Samajik Bank lent more to the SHGs that they represent than to others. Jana Kalyan SHG of Tetalpara, whose President had been President of the Samajik Bank for lengths of time, and who was still on the Board of the Samajik Bank, had received

over Rs 80,000 of loans at different times from the Samajik Bank. It was good with repayment, but then repeat loans were usually given shortly after repayment of earlier loan outstanding. So, too, Binapani SHG of Jamgaon, whose President was President of the Samajik Bank, had received nearly Rs 45,000 of loans, and had defaulted fully on the last loan of Rs 12,000.

Of Rs 2,90,000 lent by the SBI branch, the current outstanding (at the time of the interview) was Rs 1,30,000. Against this, the SHGs together had over Rs 3 lakhs in their savings accounts with the branch. The branch was not aware of the SHG loan repayment performance, as Lokadrusti paid up on time. The bank's own recovery in the previous year was very poor, the manager said. The Samajik Bank loan recovery performance, too, was not encouraging, he added.

The Branch Manager, KAGB, Khariar branch, when interviewed about SHGs promoted directly by the branch said, "We have lent Rs 7,53,000 to 36 SHGs over 3 years. I find that repeat loans make them stronger. In our branch, the total lending in the last 3 years was Rs 80 lakhs, with a 50:50 ratio for urban and rural loans. Therefore, the Rs 7.53 lakh loans to SHGs is significant." He added, "Whenever there is a bank linkage, the first question in everyone's mind is 'What is the economic activity?' I say, 'Let her consume my loan, if that is her necessity.' For then, she will not need to sell her cattle for consumption purposes, and, therefore, my loan is in fact a contributor to her economic activity. However, as the loan sizes increase, I do need to ask 'What's the economic activity?'"

When asked about KAGB's approach to giving loans to women whose husbands were defaulters, he said that there were a large number of migrant workers in the district. "If a migrant husband is a defaulter, should we deny the wife a loan?" he asked.

External loans, while useful perhaps at the individual level, had not resulted in good banking behaviour, or sound banking business for the area.

9.2 The government and SHGs: Even though he did not directly deal with Lokadrusti-promoted SHGs, the Branch Manager, KAGB, Khariar Branch, was familiar with Lokadrusti's work, and specifically mentioned that he appreciated Lokadrusti's attempts at federating SHGs. He mentioned that Collectors and governmental departments constantly sought information regarding SHGs purportedly with a view to assisting them. He said that he was very wary of governmental role in SHGs. "The Collector asked for a list of our SHGs. I refused to provide the list. I believe that Lokadrusti did give them a list. I am always afraid that external political forces and interference, and populist ideology will destroy the SHGs. SGSY will destroy the SHGs. We and Lokadrusti organise SHGs over time. Block staff organise them quickly, grade them, place money with them under SGSY, and then our SHGs start to put pressure on us to make similar large sized loans available. We make loans available to them first on a 1:2 equity-debt ratio, then increase this to 1:3 and then to 1:4. SGSY loans are on much easier terms, and whatever borrower discipline we are trying to inculcate, will be lost if our SHGs received these easy loans."

The DRDA Project Director and APAD, Nuapada when interviewed said, "I am new here. In Khariar Block there are SHGs for women. SHGs need proper guidance and constant visits by facilitators regarding savings, loans and business. In many cases women have not entered into any business. Most SHGs seem primarily interested in accessing external loans. Many save, simply to demand a loan later. Their husbands are defaulters - how can they get bank loans? Facilitators put it into the heads of the members that if they save they will get bank loans. I say that they should build on their own funds. The women threaten that they will break their SHGs if they do not get external loans. Some SHGs are in rope making and other businesses even without governmental support. They are also into animal husbandry, farming, vegetable vending, trade."

"We have 220 SHGs of women and men in the district. The DRDA is not in the business of promotion of SHGs. The NGOs promote them. There is not that much progress. Information does not flow in from all. Of 220 SHGs, 75 are in grade 2 - that is, they are ready for bank finance. Of these, 20 have been financed under SGSY. The Collector has called for a workshop on SHGs. After the workshop, we'll take a fresh look at SHGs. Watersheds and SHGs are priorities for our district. The banks target group finance, while we have been looking at individuals so far."

There was not a clear long-term vision on SHGs – either in the women, or in government officials. Women could have contributed to the discourse on SHGs, but had interacted with the banks and government officials, primarily with a view to accessing external loans.

9.3 SHGs as potential leaders in the local financial market: Let us examine just how important bank linkages and external borrowings are to a set of SHGs, to a village, for on-lending to women.

Let us take an average SHG in the Khariar Block of Nuapada district, and see what it could yet mean to the members in the village, and indeed to the village itself. Let us also examine what length of time is needed for the members to access a Rs 3000 loan, agreed by most as what could be easily absorbed and repaid. Let us assume that an SHG in Khariar block has 10 members, of mixed castes, mostly small landholders or landless, and that each member saves Rs 20 pm. The group charges 3% pm interest on loans and does not expect to borrow from any external source. Currently, most such groups tend to remit their savings in the bank each month, and the bank is anywhere between 1 and 8 kms away. Two women travel to the bank and all such women reported that they lose their daily wages on the day they go to the bank. While women did not mention loss of wages to attend cluster meetings, they spoke of tired feet and/or wage loss in relation to

visits to banks. The local wage was stated to be Rs 25 per day. That is, in order to remit Rs 200, Rs 50 was the "expenditure" borne by the women with responsibility (which the group did/could not compensate). Or, for each such remittance which when lent can earn only 3% pm, there is a cost of 25% in the very month that the money is raised, that someone is bearing within the group. On occasion they actually went to the bank a second time in the month to withdraw a part of their savings to lend to one or more members.

If, however, at each monthly meeting, the women lent to themselves the bulk of the amount raised by them at that meeting, without going to the bank, the leaders would not need to lose their wages, and the picture might look as shown below. The small amount of idle funds could be kept in the home of one of the leaders, or in a post-office account. Loans would of course need to be for any of a number of purposes, and not just for "income generating" purposes.

Month	New thrift brought in by members in month (Rs)	Loan instalment returned by members in month (Rs)	Interest on loans paid at 3% pm by members (Rs)	Amount lent out to members in month (Rs)	No. of members to whom new loan is made in month	Loans outstanding with members at end of month (Rs)	No. of borrowers at end of month	Idle funds at end of month (Rs)	Average size of loan disbursed during month (Rs)
1	200	0	0	200	1	200	1	0	200
2	200	50	6	200	1	350	2	56	200
3	200	100	11	300	1	550	3	66.5	300
4	200	150	17	400	2	800	5	33	200
5	200	250	24	500	2	1050	6	7	250
6	200	300	32	500	2	1250	7	39	250
7	200	350	37	600	2	1500	7	26	300
8	200	350	45	600	2	1750	8	21	300
9	200	400	52	650	2	2000	8	23	325
10	200	400	60	650	2	2250	8	33	325
11	200	400	68	700	2	2550	10	1	350
12	200	500	77	750	2	2800	10	28	375
	2400	TOTAL	428	6050	21				

If the village has 7 SHGs and 70 members, as some of the villages do, who each save Rs 20 per month, then, the picture for the village could be as shown below.

Year	Opening balance (Rs)	Thrift during year (Rs)	Interest earned at 36% pa (Rs)	Total funds at year end (Rs)	Average thrift and interest per member at year end, with all the interest earned distributed (Rs)	Average thrift and interest per member at year end after setting aside half the interest earned for expenses (Rs)
1	0	16800	2996	19,796	283	261
2	19796	16800	10123	46,719	667	595
3	46719	16800	19815	83,333	1,190	1,049
4	83333	16800	32996	133,129	1,902	1,666
5	133129	16800	50923	200,852	2,869	2,506
6	200852	16800	75303	292,954	4,185	3,647
7	292954	16800	108460	418,214	5,974	5,200
8	418214	16800	153553	588,567	8,408	7,311
9	588567	16800	214880	820,247	11,718	10,183
10	820247	16800	298285	1,135,332	16,219	14,088

The average thrift and interest per member shown in the last two columns in fact is the average loan size per member (not necessarily per borrower, though, as that will be higher if all members are not borrowers at once). In the middle of the 6th year, with average thrift and interest having crossed Rs 3000, every member could have access to a loan of that size. For ease of understanding, a uniform 3% pm interest on loans over the years has been shown in the above tables. However, as it emerged during discussion in village after village, the interest rates, which were as high as 5% pm in some of the villages, and as low as 1% pm in a few, would most likely keep reducing as the loan size grew. This would be both because of the

incapacity to pay a high interest on large loans, and also because the women would have captured a very large share of the local financial market, and could afford to set the trends and choose the rates that they wanted.

What the women in the Lokadrusti area can do for themselves in the field of finance, in 5-6 years, most primary agricultural credit cooperatives, and for that matter, most cooperative and commercial banks in the country have not been able to do in over 50 years. For that to happen, however, much more effort has to go into institution building in the area. The SHGs in Lokadrusti area are in a position to get converted to long-term institutions, serving local women and through them the local communities over generations. After all, if 70 women from one village can together have Rs 11 lakhs plus of own funds in 10 years, then around 19,000 women can have, in 10 years, the Rs 30 crores mobilised by the commercial banks, over 50 years, in the district, from a lakh of families.

9.4 SHGs as potential leaders in the local commodity market: In village after village of Boden block, the women spoke of having entered "business" with the SHG loans. In Khariar block, the women of Shraddhapur village which had 4 SHGs spoke excitedly of their profitable mahua business. When questioned how such a small area could sustain so much "business", the women presented the economics of their "business".

The rice business: Boden block has at least 80 women now engaged in rice business, whereas earlier it used to have at most 30 women. The women reported that the cycle of paddy procurement, milling and selling is usually a 3-day cycle. Every 3 days, if each of the women has a turn over of Rs 500, and if the business runs for at least 210 days every year, then :

the total combined annual turnover = Rs 500 x 80 women x 70 (210/3) days = Rs 28,00,000.

That is, about Rs 18 lakhs of additional rice business now takes place in the small block because of the SHGs.

Assuming profit to be at 20% of turnover, then profit is Rs 5,60,000 annually, or Rs 7,000 per woman. At least 50 women have additional income of Rs 7,000 annually now.

At two different villages, two different sets of calculations relating to the rice business were presented by the women. These calculations indicated that the women did indeed understand their business. At the first village, the calculations were as follows:

1 bag of paddy costs Rs 330.

This bag of paddy is converted to half a bag of rice, and the sale price of 1/2 a bag of rice was Rs 450.

Milling costs = Rs 15. Therefore, profit per bag = Rs 105, which is inclusive of the cost of time of the woman. This profit is around 23% of the sales.

In another village, the women presented the following calculation:

1 mand of paddy costs Rs 12 (ranges from Rs 8 to Rs 15 in year).

Therefore, 10 mand of paddy cost Rs 120.

This converts to 5 mand of rice which can be sold for Rs 150.

Therefore, net profit = Rs 30 per 10 mand, or 20% of sales.

When women were asked who were the buyers for the rice, when the area was an agricultural area, they said that initially they used to sell a lot of the rice in Boden block headquarters, where people come in on government service or as traders. Now they search for more distant markets. They said that they carried head loads of rice for sale to some extent. For the more distant markets, their husbands took the rice on their bicycles. They said that without access to loans of Rs 500, they would never have got into the rice business.

The moori business: A similar exercise was conducted with the women on their moori (puffed rice) business. That was a more complicated exercise.

8 mand of paddy costs Rs 100.

This converts to 24 mand of moori, as moori is much lighter.

The moori can be sold for Rs 164.

Cost of wood for making the moori = Rs 20.

Cost of milling of the paddy in the first place = Rs 4.

Therefore, net profit = Rs 40 for every 8 mands, or Rs 120 for about Rs 500 of sales.

Given the small geographical area of Boden block, even the small numbers of women in just the rice/moori business, did appear to significantly increase the business in the area. The potential for women to capture a major share of the local

financial and commodity markets in an organised manner was very high. Lokadrusti's strategy of working with numbers in concentrated clusters could yet change the economy of Boden, Khariar and Sinapalli blocks. Where in Boden, the figures were quite significant already, more villages needed to be reached out to in the other two blocks perhaps, before similar impact on the economy could take place.

9.5 Local banks have probably realised that the SHGs could outstrip their performance, which is why perhaps, information on deposits mobilised was not forthcoming. Lokadrusti had hoped that the constant interaction with the banks would help women use banks intelligently. Even though large numbers of women do visit bank branches regularly, they do not yet appear to have taken their external borrowings seriously. With governments and donors continuing to push money, it is unlikely that credit behaviour will improve significantly. The SHGs may be more responsible with their own money, and as the projections show, can probably have a very significant presence in the local financial market. The women already have had an impact on the local commodities market, even with so few of them engaged in it. With more focussed attention, and more value addition, the women could probably have a leading role to play in local agricultural produce processing and marketing.

PART III - RECOMMENDATIONS

10. Increasing impact

Lokadrusti has worked in a concentrated manner with large numbers of women in 3 blocks of Nuapada district. Lokadrusti has on its staff and board, people belonging to the district, who want to have an impact on the development of the district. It has aimed at the local women taking responsibility for the development of the area, as more men migrate for work than women. It has reached out to women from scheduled tribes, scheduled castes, backward classes and a few also from other classes/castes, and has helped women to work across castes. It has provided three sets of opportunities for women to work constructively with one another for their own development, and for the development of their villages – the Muthi Chawal (itself a savings and credit organisation of one kind), the SHG, and the Mahila Samiti.

What the Lokadrusti has achieved in so short a time is remarkable. What the women in the area have achieved is very impressive. The women have self worth, appear to be valued by families and their villages, and have even begun to impact business in the area.

Lokadrusti has worked very systematically at aiming for the inclusion of as many women as possible in any village in the savings and credit activity. It has also worked in village after village in any given area, bringing together numbers of women large enough for local communities and institutions to take cognition of. By continuing to keep the groups small and distinct from one another, (even if federated), it may find that it continues to be rated highly in governmental, donor, banking and women's circles, which have a short term perspective on women and their money. By assisting the building of strong institutions, it may find itself much less popular with governmental, donor and banking agencies, but it may find that the women will truly become designers and managers of long-term financial institutions, far more efficient and resourceful than most other alternatives, serving themselves and their communities with elan.

Even though the oldest of SHGs in Khariar block was only about a year old, in every village visited during the study, large numbers of women appeared to be coming forward to form SHGs. In Sinapalli, the work appears to have started in late 2000, and although women are coming forward in numbers, there is as yet some caution, as the groups are quite young. Although fewer villages have been covered in Khariar block than in Boden block, there were more women per village engaged in thrift and credit in Khariar block than in Boden block. The personal understanding and approach of the local field officer and teachers appointed by Lokadrusti to SHGs did appear to have impact on the spread of SHGs. The positioning of the field office in Jambahalli may have inadvertently resulted in interventions needing more time from women of Boden block than in the other two blocks. A third reason for the difference in numbers of women engaged in SHGs per village could be that in Khariar and Sinapalli, the strategy appeared to reach out to as many women as possible in each village, whereas in Boden, the effort has been to cover as many villages as possible, and as a second step, to cover as many women as possible in each village.

What could further increase their impact is perhaps a series of steps to systematically work towards institution building, so that the women's institutions have lives of their own, unrelated to Lokadrusti's capacity to continue to meet the costs of operation/management of the groups. The following steps could further increase the influence of women on their own lives as well as on their communities and the larger environment.

1. It might be helpful to encourage the women to define more clearly each of the three streams of organisations (the Muthi Chawal, the Mahila Samiti, the SHG) that they are engaged in. Each has a very distinct contribution to make to women's development. While in the first phase of work, the overlapping of issues might even have been helpful, as the numbers and size of work increases for each, a much more professional approach may be needed for each, in order that it serves its members effectively over lengths of time, and over generations. Leadership and skills required for each

are quite different.

2. Lokadrusti could conduct workshops at each cluster level to help the leaders assess potential membership in their villages, and chalk out a plan for membership growth in each village, for each of the 3 streams of institutions.
3. Lokadrusti could explore the legal forms of organisation available in the state to the SHGs, the Muthi Chawal and the Mahila Samiti, so that these become legal entities under appropriate laws. The unregistered status of the groups has made common ownership of property difficult. The Muthi Chawal in particular needs storage capacity. A liberal cooperative law has been passed by the Legislative Assembly in Orissa, and was awaiting the Governor's assent in January 2002. It provides a new opportunity for democratically controlled businesses such as the Muthi Chawal and the SHGs to acquire body corporate status, without governmental interference. Pressure also needs to be maintained to ensure that the government desists from working towards amending for the worse the law relating to societies.
4. The Mahila Samiti could probably be financed out of a percentage of the value of the contracts that it manages to obtain. Workshops need to be organised with stake holders for each of the 3 sets of institutions, so that they define their institution, design it appropriately, and mobilise resources for it in an accountable manner.
5. The Mahila Samiti could strengthen its advocacy agenda. For that, however, Lokadrusti and the women of the area, need to develop their vision for the development of women and of the area. Based on the vision, they may need to leave to the SHGs and the Muthi Chawal what these can handle. The Mahila Samiti could then position its resources strategically, so that what needs to be done through action in the ground, is handled in that manner, and what can more effectively be achieved through advocacy, is handled through advocacy.
6. Lokadrusti could conduct a review of the functioning of the Samajik Bank in order to especially assess (a) the need for external loans when the SHGs have so much of idle funds; (b) the impact on borrower behaviour of external funding – and comparison between Boden and Khariar blocks may come in handy for this; (c) the quality of leadership which is emerging at the Samajik Bank level.
7. It could discuss with women leaders the pros and cons of institution building versus continuance as small groups, and help groups project the strength of their combined village financial business. It must be mentioned that it appeared highly unlikely that Lokadrusti, or for that matter, any other VDO, could regularly monitor the performance of so many SHGs. That being the case, and default and mismanagement cases having come to light during the study, Lokadrusti may want to consider helping develop strong self-managed institutions, fewer in number, with a membership large enough and yet cohesive enough for most organisational skills to be available from within the membership, and also for enough competition to be available within the organisation to act as check on management.
8. Lokadrusti could develop sound accounting, management and monitoring systems, and formally train its own staff and leaders of the financial service institutions in their use.
9. The SHGs and the Muthi Chawal can meet all their own costs and those of any service federation that they set up, except for the cost of training and study visits. Lokadrusti may want to initiate a process of discourse within the SHGs, etc, so that they understand the costs of managing organisations, and begin meeting their own costs from the interest margins available to them.
10. The Muthi Chawal has been a mix of business and charity. Perhaps it should be built up as a strong service organisation, dealing with savings and credit in kind. For it, too, strong accounting, management and monitoring systems need to be developed.
11. Interest earned needs to be credited annually to members' accounts. Without that, groups do not want to merge with other groups, as their profits will then have to be shared with other groups. If at all merger of SHGs in a village is to be considered, then it can be only after the disbursement of accumulated profits. Once merged, the organisation can take in new members at any time with just the monthly savings, and not an amount equal to what the others have. Interest earned will then be available for meeting organisational costs, as well as for crediting to members' thrift accounts, in proportion to their thrift.
12. Feasibility studies may need to be undertaken for agro processing and marketing by women. Without more understanding of these businesses, (a) joint action is as likely to fail as to succeed; (b) several promising projects may never be undertaken; and (c) women may not be as shrewd and market savvy as they need to be when entering hitherto male domain.
13. The issue of sex ratio may need to be studied, first in order to ascertain whether indeed there is an issue there, and then, if necessary to identify underlying causes and to address them, if indeed there are fewer girl children than boy children.
14. Lokadrusti may need to choose to lead the way in the SHGs as it has in the Muthi Chawal. It may need to develop its own strategies, even if they mean moving away from common perceptions about size, legal status, potential, and homogeneity of SHGs.

PART IV – FINDINGS

11. The findings in brief

11.1 At the individual level, the women did appear to have gained very significantly in terms of mobility, self-confidence, widening of interests, access to financial services, building of own savings, competence in public affairs, and status at home and in the community.

11.2 What the women still needed to acquire at the individual level, was competence in organisational management and long-term vision building and planning.

11.3 Within their communities, the SHGs were respected, women were visible and sought after at block and district meetings, and were accepted as leaders.

11.4 Women had represented issues of interest to them, and had protected/promoted the interests of women as a class, and of individual women in distress, successfully at times, and unsuccessfully at other times. Even where unsuccessful in relation to their primary objective, they did manage to make their presence felt.

11.5 Where at the individual level, the women had found their world enlarged with active and purposeful interaction with other castes, this had not as yet translated to a village with less caste consciousness.

11.6 The women of Boden block were not conscious of their own current and potential strength in matters of finance, whereas the women of Khariar and Sinapalli blocks expected little from external agents, and expected to be fairly self-reliant.

11.7 Even though large numbers of women did visit bank branches regularly, they did not yet appear to have taken their external borrowings seriously. With governments and donors continuing to push money, it appeared unlikely that credit behaviour would improve significantly.

11.8 The SHGs may be more responsible with their own money, and as the projections show, could probably have a very significant presence in the local financial market.

11.9 The women already have had an impact on the local commodities market, even with so few of them engaged in it. With more focussed attention, and more value addition, the women could probably have a leading role to play in local agricultural produce processing and marketing.

11.10 The Mahila Samiti, the Muthi Chawal, and the SHG may need to invest more in their own design and development, if women are to have even greater influence on their own lives, as well as on the larger community.

12. In conclusion

When it was first suggested that Lokadrusti be included in the study, there had been some apprehension about whether there would be any significant impact of the SHGs, given that the oldest SHGs in the area were started in 1998. The energies released by the Lokadrusti interventions, even the young SHGs, have, however, been very substantial. It is one thing for one woman to have greater mobility. When hundreds of women in a small area become mobile, relationships have to change. Attitudes have to change. Lokadrusti has managed to initiate a process whereby women of the area are highly visible, respected, admired. Lokadrusti needs to ensure that they continue to be that even without its support, over decades.

I would like to thank every SHG member and leader, the chief executive and staff of Lokadrusti, and the senior staff of UNDP for taking great pains to educate me throughout the course of the study. What was inspiring was that within the SHGs and Lokadrusti, there was a spirit of inquiry, of discourse, of debate. I am deeply grateful to Lokadrusti and to UNDP for this opportunity to learn from the experiences of a wonderful VDO, and from the lives and work of the women of Nuapada district.

Shashi Rajagopalan
Hyderabad, 13th November 2001

Format for use with individual women

	SHG:	Village:	Block:
1	Name		
2	Membership entry date		
3	Caste		
4	Age		
5	Landholding		
6	Dry		
7	Wet		
8	Education		
9	House type		
10	Family - children: sons - no., education daughters - no., education		
11	Family - others		
12	Objective of savings and credit group, in your view		
13	Fulfillment of objective, in your view with reasons		
14	Current thrift		
15	Current vs potential thrift - why?		
16	Current loan outstanding		
17	Total loans taken so far - no.		
18	Total loans taken so far - amount		
19	Total loans taken so far - purpose		
20	Impact of thrift on financial status (real growth?)		
21	Impact of thrift on social status		
22	Impact of loan on financial status: Assets created Debt burden Extra work Interest relief Other		
23	Impact of loan on social status		
24	Impact of membership on self: health income mobility in village mobility outside village food sharing at home domestic violence		
25	Impact of membership on family		
26	Impact of membership on reproduction		
27	Impact of group on village		
28	Impact of group on others (whom?)		
29	Any political impact?		
30	New skills learnt because of savings and credit		
31	Anything else?		

