

Studies on Self-Help Groups of the Rural Poor

From

Maharashtra and Gujarat

Sall Mehta

K. Dinker Rao



NATIONAL INSTITUTE OF BANK MANAGEMENT

March 1990

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ABBREVIATIONS

APRACA	: Asian and Pacific Regional Agricultural Credit Association
BSC	: Behavioural Science Centre
DRDA	: District Rural Development Agency
EGS	: Employment Guarantee Scheme
GVS	: Graduate Volunteer Scheme
HH(s)	: Household(s)
IDBI	: Industrial Development Bank of India
IRDP	: Integrated Rural Development Programme
Kg(s)	: Kilogram(s)
KVIC	: Khadi and Village Industries Commission
NIBM	: National Institute of Bank management
NIRID	: National Institute of Rural Integrated Development
NREP	: National Rural Employment Programme
NWDB	: National Wasteland Development Board
RC	: Rural Communes
Re/Rs	: Rupee(s)
SHG(s)	: Self-Help Group(s)
SHPI(s)	: Self-Help Promotion Institution(s)
SSVM(s)	: Samuhik Samajik Vanikaran Mandal(s)
TRYSEM	: Training of Rural Youth for Self Employment

FOREWORD

Notwithstanding the commendable progress achieved by the banks in reaching the rural areas, quite a big section of the rural population, particularly the poor, are outside the ambit of formal credit institutions. Important factors inhibiting the progress in this direction are : inadequate response to demands on flexibility in methods and procedures required in serving the rural weaker sections and the costs involved therein. In this context, Asian and Pacific Regional and Agricultural Credit Association (APRACA) is contemplating ways and means to nurture self-help culture among the rural populace and link the Self-Help Groups (SHGs) with the banks via the Self-Help Promotion Institutions (SHPIs). In pursuance of this objective, APRACA launched a study of SHGs in its member countries.

In India, a Study Team was constituted under the co-ordinatorship of National Bank for Agriculture and Rural Development. Representatives of National Institute of Bank Management, as a part of the Study Team, undertook the survey of selected SHGs and their sponsoring SHPIs in the States of Maharashtra and Gujarat. The present report provides a detailed account of our study. I earnestly hope, it would provide useful insights into the endeavour of linking the SHGs with formal credit institutions not only in these 2 states but also help in the overall policy considerations in this direction.

National Institute of Bank
Management
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B K Ghose
Director

PREFACE

In pursuance of the decision of the Asian and Pacific Regional Agricultural Credit Association (APRACA) member institutions in India, a Study Team was constituted to undertake case studies of the Self-Help Groups (SHGs) of the rural poor in the country. We represented the National Institute of Bank Management (NIBM) as members of the Study Team and covered selected SHGs and their respective Self-Help Promotion Institutions (SHPIs) in the States of Maharashtra and Gujarat. A summary of our findings, as well as that of the other similar studies in India, is available in "Studies on Self-Help Groups of the Rural Poor", Bombay, 1989, National Bank for Agriculture and Rural Development (NABARD).

The present document is a detailed account of NIBM's study of SHGs in Maharashtra and Gujarat.

NIBM
Pune 411 022

Salil Mehta

K Dinker Rao

1. INTRODUCTION

The Asia Pacific Regional Agricultural Credit Association (APRACA), included in its agenda for the year 1987 a survey of Self Help Groups (SHGs) and Self Help Promotion Institutions (SHPIs). This task was shared by all the member institutions of the APRACA in their respective countries. The National Institute of Bank Management (NIBM) being a member of the APRACA, was invited to be a part of the country's Study Team.

NIBM was asked to undertake the task in the states of Maharashtra and Gujarat. The terms of the enquiry were to : (a) identify informal SHGs and the corresponding SHPIs, (b) conduct a brief survey of the selected SHGs and SHPIs and (c) examine the possibilities of linking the SHGs with formal credit institutions.

Mutual help within a group, however small or primitive, is a universal phenomenon perhaps as old as the human race itself. It is fundamental to human nature that wherever and whenever a group of people share an environment together, they are bound to take up activities jointly which are meant for the welfare of the whole group. SHG can broadly be defined as constituting a group of individuals/families who join each other to initiate and promote activities - both, economic and non economic - necessary

to secure their subsistence and well being. Normally, mutual exchange of views, skills, help, labour, etc., constitute such activities. The idea, generally, is not to seek profit but to adhere to interpersonal and social commitments.

SHGs can be formal or informal groups engaged in economic and other types of joint activities. Presently, any group would generally prefer to acquire formal characteristics like that of registered body, and having a legal status. It then becomes easy for it to avail various benefits from the government and formal credit institutions. The formal status, however, gives rise to rigidities and may lead to development of vested interests. On the other hand, informal SHGs retain the flexibility and are expected to be more participatory. Arising from these considerations, the present APRACA study is specifically geared towards exploring the possibilities of linking informal SHGs with formal credit institutions.

For the purposes of the present survey, an SHG would broadly mean an informal, unregistered group of rural poor working for the betterment and mutual benefit of its members. It will necessarily be :

- (a) Informal, non registered, having no written laws or a constitution but following a distinct decorum to which all members abide and having well defined common objectives.

(b) Engaged in economic activities like production, marketing and / or credit and savings promotion.

There is no general directory classifying SHGs into formal and informal types. On the other hand, there is some information, though not exhaustive and up to date, regarding the SHPIs in the country. The only way to get to the required SHGs was through the SHPIs. From the list of SHPIs, it was possible to segregate those SHPIs promoting SHGs engaged in economic or credit linked activities. After this stage, it was necessary to visit some of the SHGs to identify those which functioned on an informal basis.

2 : SELECTION OF SHGS AND SHPIs

The initial sample of the SHPIs for the states of Maharashtra and Gujarat was drawn from the information provided by the recently published directory of Voluntary Organisations in India, by the Industrial Development Bank of India (IDBI), Bombay.

The said directory does not provide an exhaustive information but covers sufficient number of voluntary agencies to enable a reasonable selection of SHPIs for the purpose of our survey. It lists 111 SHPIs in Maharashtra and 65 in Gujarat. The lists also provide enough information to make a preliminary classification of SHPIs based on the types of activities they promote. Accordingly, the distribution of the SHPIs in the two states is summarised in Tables 1 and 2.

Table 1. Activitywise Distribution of SHPIs in Maharashtra

Activity	A	B	C	D	E	F	T
Social Welfare	02	01	04	02	03	01	13
Education and Health	08	03	10	01	05	06	33
Human Resources Development	00	00	00	01	00	00	01
Energy Research	00	00	00	01	00	00	01
Agriculture	06	02	09	00	02	01	20
Cottage Industry	02	05	02	00	03	01	13
Economic Progms.	06	01	01	02	03	02	15
All round Dev.	05	02	03	01	01	03	15
	29	14	29	08	17	14	111

Note : The column heads in the above Table stand for the various regions in Maharashtra. A : Bombay, B : Western Maharashtra, C : Pune, D : Khandesh, E : Vidarbha, F : Marathwada. T : Total. The Districts included in each of these regions are given in Appendix 1. It also provides the list of the districts that fall in the various regions of Gujarat as given in Table 2.

Source : Directory of Voluntary Organisations in India, Industrial Development Bank of India. Bombay : 1985.

Table 2. Activitywise Distribution of SHPIs in Gujarat

Activity	South	Central	North	West	Total
Social Welfare	03	04	02	02	11
Education and Health	01	04	03	01	09
Human Resources Development	00	04	00	01	05
Energy Research	00	00	00	00	00
Agriculture	04	03	02	02	11
Cottage Industry	06	03	05	01	15
Economic Progs.	01	05	01	01	08
All round Dev.	01	05	00	00	06
	16	29	13	08	65

Source : Directory of Voluntary Organisations in India,
Industrial Development Bank of India, Bombay : 1985.

Among the SHPIs engaged in social and/or cultural activities, it is very likely that many of them could be promoting economic activities also. However, these were not included in the purview of the study. Further, among the SHPIs promoting economic activities, those engaged in credit and saving related programmes were given more importance. Subsequently, the sample for the study got narrowed down to SHPIs promoting agriculture, cottage industries, pure economic programmes and programmes envisaged for an all around development of the target groups. This led to selection of 13 SHPIs from Maharashtra and 12 from Gujarat.

It may be pointed out that the selection of the above 25 SHPIs may seem to lack a proper regional representation but as suggested by APRACA, the overall emphasis of the study is more on the type of activities and the nature of organisation of the SHGs than on regional representation.

The survey commenced with making preliminary inquiries to explore whether the SHGs under the selected SHPIs complied with the study design. This was followed by a more detailed study on the functioning of SHPIs, their organisational structure, the ways and means by which they promote SHGs and their activities and the possibilities of linking them with the formal credit institutions. The study was made at three levels : The first pertained to the general information about the village in which the SHG functioned, the second focussed attention on the working of the SHG and the third dealt with the corresponding SHPI.

Based on the findings of the first phase of the survey, 3 SHPIs, each from Maharashtra and Gujarat were taken up for the main study. Each of these 6 SHPIs fulfilled the condition of having atleast one unregistered informal SHG of rural poor in their fold. At the time of the main survey, however, it was realised that one of the SHPI in Gujarat had all the groups under it registered. It was, therefore, decided to exclude this SHPI and cover only the remaining 5. Basic information on the selected 5 SHPIs and their respective SHGs is given in Table 3.

Table 3. Selected SHPIs and SHGs

State	SHPI	Location	SHG	Loaction
Maharashtra	Janeev	Pune	Trade Groups in Fruits Vegetables	V * Nanded T * Haveli
	NIRID	Bombay	Association of Forestry Groups	V * Talwadi T * Jawar D * Thane
	Rural Communes	Bombay	Collective Agricultural Groups	Six Tribal Villages of T * Khalapur D * Raigad
Gujarat	Mahiti	Ahmedabad	Ramabir Youth Association	V * Khun T * Dhandhuka D * Ahmedabad
	B S C	Ahmedabad	Valli Co.op. Agricultural Group	V * Valli T * Khambhat D * Kheda

Note : V = Village T = Taluka D = District

Source : Survey

Location specific information was obtained by observation and informal meetings with a large number of people who had different stakes either in the SHG or in the SHPI or in both. Overall information collected during the survey included response to a small questionnaire from all the groups and data based on field observation and talking and listening to people.

3 : FRUIT AND VEGETABLE TRADE GROUPS AND JANEEV

SHG : Fruit and Vegetable Trade Groups
Village. Nanded: Tal. Haveli: Dist. Pune.
SHPI : Janeev at Pune, Maharashtra.

Introduction

The village of Nanded is situated on Pune-Khadakwasala road, approximately 21 kms from the former. The SHG constitutes 55 families of the Gosavi community which is physically secluded from the rest of the village. These families reside on the slope of a small hillock almost a kilometer away from the main village of Nanded.

Nanded houses around 500 families. It has a school, a post office, a small market by way of facilities. Most of the land in and around the village is owned by Patils. Malis (Gardener Caste) and Harijans (Schedule Caste) are the other communities in the main village. The Gosavis, as indicated earlier, are housed in a hamlet which is not a part of the village proper.

The area enjoys moderate rainfall and a dry climate throughout the year. Nanded does not normally suffer from water scarcity as it lies very close to the Khadakwasala reservoir and its canal network. It has 500 acres of agricultural land, 60 per cent of

which is irrigated. The crops consist of sugarcane, fruits, vegetables, green grams, etc.

The Gosavis, however, do not belong to the above scene. They, in fact, live an altogether different and hard life. The Gosavis have been, once upon a time, a nomadic community. They had a history of wandering over the entire district of Pune in the last couple of centuries. During British times, they were not allowed to occupy any place near a village for more than 3 days. While in their temporary halt near a village, they would go around begging and doing any odd jobs that came their way. The present Gosavis of Nanded, though not wanderers any more, have not really seen better things. None of them own any land. Sixty per cent of them have been "officially" declared poor and all of them are below the recognised poverty line.

For livelihood, the Gosavis have to depend on occupations that are seasonal and marginal in nature, as they do not possess any land. Remuneration wise, as we shall see later, these occupations do not bring in returns commensurate with the efforts they put in.

Two major occupations of the Gosavis of Nanded are cattle rearing and trading in fruits.

Cattle Rearing

Gosavis purchase cattle when they are not in milking stage. They rear these cattle until they come to milking stage once again and sell the animal in the city markets at a better price. Almost all households undertake this activity, wherein the womenfolk play the dominant role. It is done purely on individual basis and has not drawn any group efforts. Its functioning, therefore, will not be discussed here.

Trading in Fruits

Trading in fruits is done in groups. A group of 4 to 5 people jointly trade in fruit items like jamun (black plum) and peru (guava). It must be mentioned here that this activity has been going on much before the SHPI came on the scene. It cannot be said to have resulted from any direct intervention but it offers a good insight into the working of a genuine case of self-help.

The members of these groups keep changing every season, every year. It was not possible to enquire into the processes by which these group enterprises came into being. The Gosavis have very meagre resources, while the risk they take in trading is very high. It, therefore, becomes imperative that more than one family have to come together. Past acquaintance in such activities,

relationships between the families and what prospects the group members see in a particular trade activity at the initial stages, are some of the factors which generally lead to the formation of trading groups.

Besides fruit trading, self-help culture among the Gosavis is reflected in the evolution of Mahila Mandal (Women's Association), and Tarun Mandal (Youth Association). The genesis of women's association and the youth association offers an interesting background. The womenfolk happened to have come together due to a confrontation the Gosavis were involved in with the land owner. Every year, just around the end of the rainy season, he would come to the Gosavi basti and take away the grass that grew on the land occupied by the Gosavis. It was a harrasment the Gosavis had been putting up with almost every year. It turned into a resentment when they came to know, through the SHPI, that the same grass could get a reasonably good price in the market and that could make some difference to their living. The Gosavi women took the lead in this and out of it grew "stop the fodder" agitation in 1983. With the active participation of about 150 Gosavi women and some co-operation on the part of the local police, the above practice of the land owner was put an end to. Some of the women decided to stay on together as a group and started the Mahila Mandal (Women's Association) in 1983.

The mahila mandal still remains an informal group than a formal association. It started with a strength of 65 women in 1983 but presently the membership is around 50 women. There is no elected / nominated committee. There are no office bearers either. Since no serious activities have been taken up by the mandal in the recent past, the responsibilities are not shared. There are no written rules or regulations. The members do meet frequently but such meetings are never fixed in advance. The mandal continues to survive because the only activity - that of promotion of thrift and savings on a very small scale - which it undertook since its inception, is continued even now.

The formation of the Tarun Mandal (Youth Association) was a definite intervention by the SHPI. It started with a membership of about 25 to 30 youths of the village. Presently the strength stands at 55. Since the last 3 months, a membership fee of Rs 5 per month per person has been introduced. An 11 member committee was formed initially, which still meets once or twice a month. There are no written down regulations but they have decided to form a sub committee of 5 members who would do the task of co-ordinating the implementation of suitable government schemes that they may get to know. For example, at present they are likely to get substantial financial assistance for a housing project. This committee will be the overall supervisory body. In both, the main committee and the sub-committee, there is one member from the SHPI.

The tarun mandal was formed at the instance of a village youth, who came to know about the SHPI while he was studying in a college in Pune. With SHPI's encouragement, he assumed the task of convincing the Gosavis the need for coming together. Sensing however that the older people of the community may resent any intervention in their traditional values and outlook of life, the efforts of the initiator were directed towards the youth and the small children of the community. The idea was to reach out to the larger community gradually. It may be noted that though the village youth were the first to come together, tarun mandal was formed only after the Gosavi women agitated against the landlord.

Economic Activities

Basically, it is the trade groups among the Gosavis which are active. The reasons are obvious. In fact, the survival of the Gosavi households depends on them.

Trade groups deal in seasonal fruits like jamun (black plum) and peru (guava). There are some groups dealing in harbara (green gram) as well. The occupational structure of the Gosavi households is given in Table 4.

Table 4. Occupational Structure of Gosavis

Occupation	No. of Families Engaged	As Per Cent of Total Families
Jamun Trading	29	52.72
Peru Trading	20	36.36
Harbara Trading	20	36.36
Imli Trading	05	09.09
Making & Selling of Bangles	02	03.63
Cattle Rearing	55	100.00

Note : The occupations are not exclusive.

Source : Survey

As is evident, every family has taken up cattle rearing as an occupation and at the same time a large number of families are involved in the business of more than one seasonal item. Moreover, every season and every year, the number of groups under each activity and their composition varies. Activity wise, a normal year is divided on the basis of fruit seasons : jamun, April to July (four months); peru, August to October (three months) and harbara, November to January (three months).

Jamun (black plum)

The group which the team visited, comprised of 3 persons who had taken on 10 jamun trees on lease for the season. The amount to be paid towards the lease charges was borrowed from the fruit agents

or local money lenders at the rate of 10 per cent per month. They had to employ 2 outsiders : a "ghadi" (watchman) and an ordinary helper. The ghadi also helps in plucking the fruits from the trees which require special skills. He also guards the trees from illegal plucking and periodic attacks of bats, which are a nuisance in this area.

The sales are effected through wholesale agents who charge their customary commission on the quantity sold. More often than not, it is the same agents from whom the initial finances also are borrowed. The economics of the jamun trade is given in Table 5.

The surplus of Rs.1,700 had to be shared among 3 participants, which resulted in an individual income of Rs.567 for 3 months or about Rs.200 per month for each of them.

Table 5. Economics of Jamun Trade, 1986 (in Rs)

EXPENDITURE :			
Rent	@	Rs. 400 per tree for 10 Trees	4,000
Wages to ghadi	@	Rs. 50 per day for 30 days	1,500
Wages to helper	@	Rs. 20 per day for 30 days	600
Interest	@	10% for 03 months	1,200
Commission	@	Rs. 10 per Rs.100 worth of sale	1,000
			8,300
INCOME :			
Sales Receipts for 1,000 kgs at @ Rs. 10 / Kg.			10,000
SURPLUS :			1,700

Source : Survey

Peru (guava)

Trading in peru offers a better deal to the Gosavis as the initial investment per tree is much less than jamun. It also does not involve the expenditure on the ghadi and the helper.

Last season, 2 Gosavis ventured into this trade and leased in a full peru orchard. An orchard contains 200 to 250 peru trees. The economics of peru trade is presented in Table 6.

The surplus of Rs.2,250 to be shared among two participants, gave an individual income of Rs.1,125 for 3 months, or Rs.375 per head per month.

Table 6. Economics of Peru Trade, 1986 (in Rs)

EXPENDITURE :

Rent @ Rs.55 per tree for 200 trees	11,000
Wages to fruit pluckers	1,000
Interest 10 % per month for 3 months	3,300
Commission Rs.10 per Rs.100 worth of sale	1,950
	<hr/>
	17,250

INCOME :

Sale Receipts for 13,000 Kgs at @ Rs.1.50/Kg. (200 trees * @ 65 Kgs./ tree)	19,500
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SURPLUS :	2,250
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Source : Survey

Harbara (green gram)

Trading in harbara is another self help activity where Gosavi women also participate. Unlike the jamun or the peru groups, this activity draws a large number of participants.

Agricultural land in the surrounding area of the basti is taken on lease by a group of about 10 Gosavi women during the beginning of the winter season. A plot of 5 acres is leased in and is entirely managed by the SHG but for some help they require during the sowing season. The unit of produce is called a "ghaddi" (bunch) and during a normal year, the expected yield is 4,500 to 5,500 ghaddis per acre. Table 7 presents the economics of harbara trade involving a group of 8 women during the last season.

Table 7. Economics of Harbara Trade, 1986 (in Rs.)

EXPENDITURE :

Rent towards leased in land at @ Rs.2,000/acre	10,000
Wages	1,000
Interest on borrowed fund at @ 10 % /month	3,000
Commission of Rs.10 per Rs.100 worth of sale	2,500

	16,500

INCOME :

Sales Receipts from 25,000 ghaddis of harbara (5,000 ghaddis/acre for 5 acres at Rs.1/acre)	25,000
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SURPLUS :	8,500
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Source : Survey

The surplus of Rs. 8,500 was shared among the 8 participants giving an approximate income of Rs.355 per month per head.

The group trading in the aforesaid three items during 1986 can be summarised as given in Table 8.

Trading in peru appears to be more profitable but it must be considered that the people will have to take on lease, atleast an orchard of peru to have the deal worked to their advantage. It also means more investment per head and greater efforts on the part of the initiators if they want sufficient participants to join the group. Rs.375 per month is certainly better than Rs. 200 per month but it has to be noted that the initial investment in peru is about four times higher. For the SHGs, borrowing such amounts is quite difficult. Further, the prevailing usurious interest rates on such relatively large borrowings would be a great burden in the event of a crop failure.

Table 8. Summary of Group Trading in Jamun, Peru and Harbara

	Jamun	Peru	Harbara
1. No. of people involved per group	03	03	03
2. Total Debt per Member (Rs.)	1,350	5,500	1,250
3. Total Interest per Member (Rs.)	400	1,650	375
4. Net Income per Month per Member (Rs.)	200	375	355
5. Women's Participation	No	No	Yes

Source : Survey

In contrast, jamun which requires much less funds, even though it gives lower returns, may attract many participants. Harbara trading too has turned out to be a safer undertaking not only because there are less chances of crop failure but also for the fact that women are involved. It may bring in additional income for the family. This is not true of the other two activities as these involve only one male per family. The participation in harbara trading is more genuine and in spirit, it is closer to the genre of self-help activities. On the other hand, only high risk takers, go for peru trading.

The Gosavis are covered under the Integrated Rural Development Programme (IRDPT. Nearly 80 per cent of them are IRDP beneficiaries and have mainly availed cattle rearing scheme. The repayment performance is not satisfactory and hence the relation between the Gosavis and bank is not very healthy. It was felt that default was partly due to lack of awareness among the Gosavis and partly the result of inadequate monitoring on the part of the bank involved.

It was also learnt that for group based activities like trading in fruits and green grams, there is an acute dependence on private sources of credit. On an average, most of the households have debts ranging from Rs.300 to Rs.500 with the local money lenders. This is exclusive of the amount the Gosavis owe to the

banks. The money lenders are the general merchants and / or land owners from Nanded and other surrounding villages. Considerable amounts are also owed to the wholesale merchants of the vegetable and fruit market in the city of Pune. The entire capital for undertaking a particular group activity is borrowed from private sources at a staggering interest rate of 120 per cent per annum.

The experience of the Gosavis with the formal credit institutions is not a happy one. This feeling was seconded by the SHPI as well. At the instance of the SHPI, the Gosavis had approached a local bank branch for credit as an informal group. The bank, however, did not respond positively on the grounds that supporting an unregistered group (i.e. a SHG) is a high risk proposition and also that the proposed project did not come under the purview of the "recognised" schemes of the bank.

Regarding mahila mandal, its only serious activity is promotion of savings among woman. This, however, is done on a very small scale and though started in 1983, has not picked up sufficiently. Every month, the members contribute as per their wish. The contribution ranges from Rs.10 to Rs.25 per head. The amount is collected by SHPI member and deposited under individual accounts in a bank. Every 6 months, the amount is withdrawn and spent according to one's own wish; mostly on domestic events, naming ceremonies of children, festivals, marriages, etc. Group element

in the activity is limited to persuasion to save and the mechanism of collection and depositing with the bank.

The tarun mandal, for the last three months, has been collecting Rs.5 per month from all its members. They try to meet the salary of the pre-primary school's teacher from this collection. They also have plans to convert this regular collection into a development fund for the community.

SHPI : Janeev

In the second half of 1981, a group of college-going girls and boys of Pune city met together. The common factor binding them was their state of unhappiness about the functioning of the society. They all wanted to change the society and make it a place worth living. They were the dissident elements of the society, desperate to resolve the most urgent problems. Today, however, the members of the Janeev are not able to recall the exact date of their meeting and, therefore, consider January 26 (India's Republic Day) of 1982 as their foundation day.

The ultimate objective of Janeev is to bring a total change in the present social system. It views the present society as poverty ridden, meek, traditional and stagnant requiring a total transformation. According to Janeev, this can be achieved by creating awareness among the people and also making them self-reliant. Unless this is done, it is very difficult to develop a human being's total personality to its maximum potential.

It believes in being a non-political organisation having no connection with any of the contemporary political parties in India. It is of the opinion that all the major ideologies available, suffer from one flaw or the other and therefore, the endeavour is to continuously keep on searching for a new and better ideology.

Janeev identifies itself with all the economically and socially deprived sections of the society. Within this broad category, Janeev gives priority to the following sections of the society :

- | | |
|---------------------|------------------------|
| a. Scheduled Castes | d. Urban Poor |
| b. Scheduled Tribe | e. Nomadic Communities |
| c. Rural Poor | f. Woman at all levels |

The SHPI also firmly believes in influencing the younger generation and children of the above sections of the society, which would pave the way for its ultimate objective. In 1985, it was envisaged by Janeev that in the next 5 years its area of operation should cover almost the whole of Maharashtra state. In the first two years since its inception, Janeev has been able to start / support / sponsor various types of action projects at the following places :

1. Gosavi community total development project in Pune Dist.
2. Organising poor women of three villages in Pune Dist.
3. Awareness classes for high school children in Pune city.
4. Organising roadside hawkers in Pune city.
5. Community development project at Taleran in Pune Dist.
6. Rural technology exten. cell at Bhogali in Osmanabad Dist.

Membership of the SHFI is open to all. There are no age, sex, religion and community bars. The only criteria stressed upon during the induction of a new member is that she/he should have faith in Janeev's philosophy and also in organised efforts to bring changes in the present society.

It has a working committee made up of 11 members. There is a president, a treasurer, a convener and a secretary. The normal tenure of this committee is for two years and all the members of the SHFI have the right to vote during the elections. The present committee in turn would elect the office bearers. The overall work of Janeev is supervised by the convener, while all other projects have one or two persons in-charge, who are members of working committee.

In the field, the same working committee members act as local initiators and also represent Janeev in all the matters concerned. Most of the committee members are young and educated. Some of them have rural background. For example, the local initiator in the Gosavi community hails from the same community. Presently, however, he has moved to Osmanabad to supervise Janeev's work there.

Group based economic activities have always been an integral part of Janeev's intervention, for it believes in economic self-reliance to precede all other aspects of development. Even though the same is not reflected in its present involvement with the Gosavis, its "stop the fodder" movement beares witness to its concern for economic self-reliance.

4 : JOINT CULTIVATION AND RURAL COMMUNES

SHG : Collective Agricultural Groups in the Villages of Narangi, Apti, Hemdi, Zadani, Jambiyali, Khadaki.

Tal. Khalapur, Dist. Raigad.

SHPI: Rural Communes at Bombay, Maharashtra.

Introduction

The Rural Communes' (RC) area of work covers 18 tribal hamlets in Khalapur taluka of Raigad district. Many of these "wadis", hamlets as they are known in this area, are inaccessible. Village Vavoshi where the field centre of RC is located, offers the most heterogeneous mix of population among these 18 wadis. It has, for example, 140 households belonging to Marathas, Brahmins, Marvadis (all non tribal), while the tribals make up for the other 60 households. Every village has its own share of non-tribal population but RC exclusively concentrates on the tribal population.

Among the tribals of these 18 villages, 95 per cent are Katkaries, while the other 5 per cent is made up of Thakurs, Gowlis and Dhangars. Land owning among the tribals is not high. Most of them work on daily wages. During the months of December to April, almost 80 per cent of the tribals, along with their

families go to various taluka places of the adjoining district of Ratnagiri to work in the charcoal kilns. The rest of them have to manage with whatever work is available to them in the vicinity. Such employment normally comes in the form of working in the fields of non-tribals as wage labour.

Paddy is the main crop in the area. Agriculture is rainfed and mostly mono-crop, except those parts alongside the rivulets. Initially, outsiders used to take these plots of land belonging to the affluent sections on lease and grow vegetables employing tribal labour. Later the local Maratha peasantry took up the activity.

Organisation of various group-based activities among these 18 tribal hamlets of Khalapur taluka is in many ways a result of RC's efforts since 1978. RC started working in these villages with a basic view that the target population must be involved in the planning and implementation of development schemes. This would lead the community towards self-reliance and gradually reduce their dependence on outside agencies. While dealing with the problems of poor people, individualistic approach should be discarded. The emphasis should lie on collective efforts and gains.

As said earlier, these hamlets are parts of bigger villages, but RC concentrates only on tribal households. Table 9 gives a brief idea of RC's work area and the target population. After establishing the centre at Vavoshi, RC initially tried to rally the people around economic issues. It was felt necessary that if people are to be involved in economic activities, RC will have to take some steps towards checking the seasonal migration to the adjoining district. It was found out that not only the working conditions and earnings were not good in most of the charcoal kiins, but also that most of the tribals working there happened to be heavily indebted to the contractors. If this was to be stopped, an alternative employment must be provided to them. A single crop of rainfed paddy could not sustain them through the year. RC hit upon the idea that the tribals should be persuaded to take up vegetable growing. It was already a popular, more importantly, a paying vocation among outsiders and the non-tribals of the area.

Table 9. : Rural Commune's Work Area : Tal. Khalapur

S.No	Wadi	Tribal HHS	Tribal Population	No of Tribal HHS with Land	Land Owned
01.	Narangi (B)	42	192	22	13
02.	Narangi (K)	21	092	5	04
03.	Garmal	35	189	4	14
04.	Apti K W	50	201	7	25
05.	Shedashi T W	23	126	15	28
06.	Shedashi K W	59	247	27	09
07.	Zadani	27	170	14	21
08.	Parkhanda	37	139	6	31
09.	Kadki K W	27	157	7	13
10.	Hemdi K W	30	163	12	22
11.	Ganeshmal K W	15	060	3	04
12.	Jambiyali K W	34	144	8	09
13.	Daudwadi	39	185	9	06
14.	Vavoshi K W	20	359	17	09
15.	Goliwali	06	027	3	03
16.	Mazgaon K W	32	105	-	00
17.	Mahadap	38	144	10	15
18.	Karbachhi T W	38	111	12	12
Total		640	2,811	181	238

Note : B-Budrukh; K-Khurd, KW-Katkariwadi, TW-Thakurwadi,
HH-Household

Source : Survey

Since the tribals did not have any resources of their own, RC thought of helping them by taking land on lease from the non-tribals and then persuading the tribals to work collectively on these plots of land. It took RC almost two years to convince the Katkaris and the Thakurs to accept the idea of vegetable cultivation.

At present, vegetable growing has become a subsidiary source of livelihood in 6 hamlets. It not only supplements the income of the tribals but also increases the nutritional intake of their normal diet. When the Tribals were first approached with the idea, it proved difficult to stop them from falling a prey to the short term temptations of the charcoal contractors. Today, after four long years, vegetable growing as an economic activity has come to stay, atleast in 6 of the 18 hamlets.

Some of the other group based activities that have been taken up by RC in these hamlets of Khalapur and Pen talukas are : land levelling, grain bank, road construction, social forestry, collective farming, brick making, fishing, well digging, nursery, etc. These activities, very much like that of vegetable growing, are confined to tribal households and are taken up by small groups on self-help basis.

At the instance of RC, every wadi has been able to evolve informal associations to undertake various economic and non economic activities. People's organisations evolved by RC are :

a. Paanch Mandal: This can be termed as an activity-based association. Every activity that is undertaken by the tribals jointly has a separate paanch mandal. It is an

advisory/supervisory committee of village elders. The members of the paanch mandal are elected by villagers but preference is given to age and experience. The strength of the paanch mandal ranges from 4 to 6. There is no fixed tenure for the membership. It is decided by the members themselves.

- b. Yuvak Mandal : This is the youth organisation of a wadi. It is more informal than the paanch mandal and looks after the activities of the wadi youth. The leaning is more towards recreational and cultural activities.
- c. Mahila Mandal : Some of the wadis have women's organisations. They try to promote savings habit among the tribal women and also make them aware about common health problems and hygiene.
- d. Naach Mandal : There are dance clubs of the tribal youth, which organise dance performances regularly and specifically during festivals. They have a band of their own which provides its services during marriages and other special occasions.

Moreover, every wadi has RC's representative - actually, a village level trainee attached to the above associations. They are sometimes even responsible for starting these organisations.

From the view point of this study, however, the following SHGs are of particular interest as they focuss on economic activities:

- i. Group Vegetable Gardening
- ii. Joint Paddy Cultivation
- iii. Dhanya Gola (Grain Bank)

Economic Activities

Group Vegetable Gardening :

Outsiders and the local Marathas, the landed peasantry in the area, were doing vegetable cultivation on their lands near a stream which runs close to village Vavoshi. The tribals worked for them as labourers. At the instance of RC, the tribals have now taken up whatever land is available on lease and have started cultivation of vegetables in groups. It is a seasonal activity spanning four months from December to April. The strength of the group depends upon the number (of people) opting not to go to the coal kilns in Ratnagiri. Last season, there were 6 groups in 6 villages engaged in the activity. The group strength and their land holdings are given in Table 10.

Group vegetable cultivation was started in 1983. RC provides working capital required for lease rent, seeds, fertilizers, pesticides, irrigation charges and wage payments and marketing expenses. The rent per acre was Rs.150 in 1983 - 1984; it shot upto Rs.300 in 1986 - 87. Members work on the lands in rotation. Both, men and women are paid the same wages (Rs.5 - 6/ per day). Brinjal, tomatoes, cucumber, cabbage, onions, etc., are the main agricultural produce from these lands and are sold at the wholesale vegetable market in Bombay. During the season, every alternate day the vegetables from each of these villages are collected and transported to Bombay by a truck.

Table 10. Group Vegetable Cultivation

S.No.	Wadi	Area Under Veg.Cultivation in Acres	No.of Members
1	Narangi	7	15
2	Apti	4	08
3	Zadani	6	28
4	Kadki	3	07
5	Hemdi	6	20
6	Jambivali	6	15

Source : Survey

There is a systematic maintenance of accounts and documentation of the decisions taken by the paanch mandais. Every decision regarding monetary transactions is written down and the signatures of members are taken. The mandal keeps accounts of money received from RC, an expenditure account of these funds and records of all sale receipts. There is a joint account in the bank operated by 3 members of the mandal.

In the year 1986 - 87, the gross earning per acre of vegetable cultivation was reported to be Rs.2,000 which after covering the costs left some surplus. The understanding between RC and the tribals was that the initial working capital provided by the farmer is to be used as a revolving fund (RF). In other words, the receipts from the sale of vegetables have to be retained by SHG and used as working capital for the subsequent year. While there is no interest payment on the RF, the SHG is required to repay the capital in instalments from the surplus. If there are losses, RC may help them again. It may be noted, that even though the activity has been in operation for four years and the SHG has been successful in using the RF in the manner envisaged, there is as yet no repayment of instalments of capital.

Despite fluctuations in prices, vegetable cultivation has yielded surplus so far and RC is happy about the experience. It is well known that the wholesalers in Bombay keep a large margin, which

however is a problem applicable to all the growers. The SHGs involved in vegetable gardening feel that if they could own a truck, their surplus would increase.

Apart from the tangible achievement in terms of increase in incomes, vegetable cultivation and other group activities have saved the families the inconvenience of migrating to other districts in search of wage labour. Moreover, sometimes the members retain for home consumption a half to one kilogram of vegetables which add to the nutritive value of their food intake. While the RC is not unduly perturbed about the non-payment of instalments of capital, they certainly are happy about the emerging change perceived in the lives of the tribals. This experience brings to the fore that small doses of finance - notwithstanding whether it is a loan, a grant or an RF, can bring about some change if backed by committed extension services.

The above positive experience, however, has its hurdles. The vegetable cultivation was brought to Vavoshi by outsiders. Later, it was taken up by the Maratha peasantry. As yet, this has not drawn any ulterior attention from the landed sections. There were a few instances where irrigation pipelines in tribal farms were damaged. The lease rents, too, have gradually been increased.

Joint Paddy Cultivation

Joint paddy cultivation is being practised in 13 out of the 18 RC villages. Two of these - Zadani and Narangi - were covered under this study. Most of the joint cultivation farms had a size of around 5 acres and only in a few cases, it was 10 acres or more (Table 11). Membership of these collective enterprises varied from 8 to 15.

As in the case of vegetable cultivation, here too, the involvement of RC was through provision of RF. Last year, it provided per every acre Rs.3,600 for inputs and water charges, Rs.4,500 for wages (at the rate of Rs.12 per day for 375 man days) and per every farm Rs.3,000 for hiring of bullocks and agricultural tools. For the modal size of a 5-acre farm, the working capital came to about Rs.43,500. There are no interest charges. There is no insistence on repayment or punitive action on default. The intervention through the RF is a strategy towards organising the poor around an economic activity. Implicitly, when this is realised, it is hoped not only the fund would be revolved year after year, but also if there is a surplus, there would be efforts to pay back RC's capital. On the other hand, at the time of drought or distress, RC's first concern would be provision of more help rather than recovery of the RF.

Table 11. Joint Paddy Cultivation

No.	Name of Village	No. of Acres Under Joint Cultivation
1	Narangi B	10
2	Narangi K	04
3	Apti	11
4	Shedashi	05
5	Zadani	21
6	Parkhanda	03
7	Kadki	06
8	Hemdi	06
9	Ganeshmal	05
10	Jambivali	04
11	Daudwadi	05
12	Goliwali	07
Total		87

Note : Area under joint cultivation not only includes own land but also leased-in-land.

Source : Survey.

At Zadani, the collective paddy cultivation involved 27 households covering over 21 acres. There is an interesting anecdote about how these tribals came to settle down in the Khalapur taluka. Originally, they hailed from a village named Zadani in the Koyna river catchment area in the district of Satara (Maharashtra). With the building of the Koyna dam and its reservoir, they were displaced and sent to this part of Maharashtra for resettlement. In fond memory of their native

village in Satara the tribals decided to call the new village as Zadani. There are 14 such settlements in Raigad district, where similar groups of such displaced people from Koyana have been given new homes.

These 27 families in Zadani jointly bought 21 acres from a Brahmin from the village Vavoshi and they hold it jointly. In this case atleast, joint farming is related to the joint purchase reflecting the cohesive nature of a migrant community and not so much as a response to any persuasion on the part of the SHPI. The wage income from the enterprise is shared equally among the member families. It is said that atleast two persons from each family is engaged at all stages, from sowing to harvesting. The output is also equally shared among all the families.

The paanch mandal is selected informally and hence it has been an unanimous choice of all the members. Their tenure is not fixed and the mandal meets as and when some need is felt. A joint account at the nearest branch of a bank is being operated by 3 members of the mandal. Earnings from the collective farming are credited back to the RF to be recycled in the next season.

At the other village, Narangi, there are 48 families jointly cultivating paddy in 10 acres. It was a piece of wasteland given

to the community by the christian missionaries. It is said that joint cultivation has been in practice in this village for the last 10 years. The practice of sharing of work, wage earnings, output and the management of operation through the paanch mandal was similar to that of Zadani.

Grain Gola (Grain Bank)

Major part of the land around Vavoshi is put to use only once in a year. The tribals tend to borrow in cash or in kind from various sources before the beginning of sowing and repay the same after the harvest at usurious rates. For every 4 kgs. borrowed in the months of August-September, they had to return 12 kgs. in October-November. In some cases they had to, additionally, offer 2 days of free labour for every 10 kgs. of grain borrowed.

In 1983, RC tried to intervene in this practice. They calculated that an average family in these villages required atleast 40 kgs. of paddy during the lean season. RC brought paddy worth of Rs.55,000 and distributed the same among the 18 wadis, depending on the felt need and the population size of these wadis. RC had left it to the paanch mandal of the concerned wadis to manage the operation of the grain gola. The interest rate on the borrowings

from these grain banks is also decided by the mandal. In Vavoshi wadi, for example, the members were required to return extra 6 kgs. of paddy i.e. 46 kgs. for every 40 kgs. borrowed.

In 1983, the first year, there was a good recovery of grains lent through the system. Same was the case during the next year. The third year, however, turned out to be a drought year and hence, many of the members could not return the grains and therefore, only few could be helped through the scheme in 1986. The rest had to migrate in search of wage labour. The members of the paanch mandal, whom the study team met, were of the opinion that the scheme should be revised by pooling in their own contribution and were hopeful that they would be able to distribute grains through the grain goia even during bad years. For storage, of grains, the wadis have small sheds and the paanch mandal keeps records of the inflow and the outflow.

RC's initial provision of grain was to act as a revolving stock. Thanks to the response of the people towards the scheme and also their inherent skills of management, this would have been realized. It was the occurrence of the drought year that came as the hurdle. There was no need for SHG to create a surplus

through interest payment in order to return the capital. As a result of this, there were no stocks to tide over the drought. As far as the SHPI is concerned, the return of capital is not so much a commercial condition but more a reflection of people's enterprise.

As is elsewhere, bank's participation is limited to financing individuals under IRDP and other schemes. For them, unregistered informal economic groups, such as the one discussed here, do not satisfy their official requirements and therefore, the question of financing them does not arise.

Private credit sources are in abundance. When the tribals migrate to Rathnagiri to work in the charcoal kilns, the contractors/agents are the principal sources of credit. The modus operandi is to advance money to a migrating family for covering its travelling expenses and something extra. The contractors have their own ways of keeping the books and as a result, at the end of a season/contract, a tribal household would find itself in further debts.

The other major source of finance is the SHPI itself. It differs in its method in the sense that it believes in group finance. The funds are deposited directly into the accounts of the paanch

mandals and then are distributed among the wadis engaged in the activity. For example, funding of the joint paddy cultivation in 1986 was as given in Table 12.

Table 12. Financing of Joint Paddy Cultivation by RC 1986, (in Rs)

Sr No.	Wadi	Average Financed	Seeds & Fertilizers	Wages	Agri. Tools & Bullocks	Total
1.	Narang B	10	36,000	45,000	3,000	84,000
2.	Narang K	4	14,400	18,000	3,000	35,400
3.	Apti	5	18,000	22,500	3,000	43,500
4.	Shedashi T W	5	18,000	22,500	3,000	43,500
5.	Zadani	21	75,600	94,500	3,000	172,500
6.	Parkhanda	3	10,800	13,500	3,000	27,300
7.	Kadki	5	21,600	27,000	3,000	51,600
8.	Hemdi	5	21,600	27,000	3,000	51,600
9.	Ganeshmal	5	18,000	22,500	3,000	43,500
10.	Jambivali	4	14,400	18,000	3,000	35,400
11.	Daudwadi	5	18,000	22,500	3,000	43,500
12.	Goliwali	7	25,200	31,500	3,000	59,700
Total		81	291,600	364,500	36,000	692,100

Note : Rs 3,600 per acre for Seeds & Fertilizers
 Rs 4,500 per acre for Wages
 Rs 3,000 per joint farm for Agri. Tools & Bullocks

Source : Survey

SHPI : Rural Communes

RC has its roots in the Graduate Volunteer Scheme (GVS) of the University of Bombay, introduced way back in 1973. GVS which emphasised 'experimental learning' used to induct graduates of the University of Bombay into its various rural oriented programmes and place them in different parts of the country. The candidates had to live with families of marginal farmers or landless labourers and adjust their lifestyles to that of the local people. While in the field, the students were made to realise the effectiveness of collective efforts of people in solving their problems. GVS members were many a times instrumental in raising various issues/problems of the local people. As per the curriculum, GVS members were required to be in rural areas for a specific period of time. GVS, however, was found that many of the students continued to stay in the village and the people were ready to support them. Being a body affiliated to the University of Bombay, GVS could not support the student volunteers for more than their stipulated time of one year. It was then that some of the staff and students of GVS came to a decision to register an independent organisation viz. RC, in 1976.

Initially, RC's work area was limited to some parts in the western parts of Maharashtra. Gradually, students from other parts started their own groups. At present, there are 9 groups in Maharashtra and a few outside, working independently with the help and support of RC.

For RC, development is a participatory process towards a just and secular state, where people have equal access to technology and knowledge, which would result in a better distribution of resources and fruits of development. Underdevelopment of some sections of population or areas is a consequence of mystification of knowledge for the benefit of few. Awareness has to be created among the poor about the real causes of their poverty and the potential of collective power.

Keeping in line with RC's development philosophy, its objectives can be broadly stated as under :

(1) To create social, economic and political awareness among the rural poor. (2) To conduct formal and non-formal education and health programmes. (3) To organise agricultural sector, but with special emphasis on small farmers and agricultural labourers. and (4) To implement all government schemes which are for the benefit of the poor.

At present, its activities can be divided into two major channels : One is the Centre for Experimental Learning at village Vavoshi where, since 1982, Village Level Worker Training Programmes (VLWTP) are going on. The other, is the three pockets of fieldwork where informal groups are organised to participate in the process of development. These pockets are at Vavoshi (Maharashtra), South Dharmapur (Gujarat) and Narainpur (Madhya Pradesh).

It would not be proper if few lines are not devoted to the VLWT programmes at Vavoshi which, is the SHPI's link to the tribals and the other rural poor. It is a one year training programme for youth who would like to contribute towards rural development. The trainees are recommended by various rural development organisations in Maharashtra. The training is based on the concept of experimental learning. Eighty per cent of the training time is spent in a tribal village where the trainees have to live with tribals. In a month, the last 5 days are spent at Vavoshi, where the 25 days' stay in the village is discussed thoroughly, which many times include outside experts talking on specific themes. Attached to the centre, there are 8 such village level workers handling specific projects in 18 wadis. The co-ordinator is located at Vavoshi. The 8 village level workers

working in the area have had already completed the one-year training programme of the SHPI and at present are employed by the SHPI. This year, in 1987, the fourth batch is underway and it has 7 trainees. On completion of the course, they would either go back to their parent organisations or would be given a placement by RC itself.

A managing committee looks after the affairs at the RC's headquarters at Bombay. It has three group leaders, one each incharge of their three development projects in Maharashtra, Gujarat and Madhya Pradesh. It has a secretary and a few individual experts. The committee also has representatives of the University of Bombay, College of Social Work and the Tata Institute of Social Sciences, all at Bombay.

Involving itself with the functioning of the local bureaucracy, RC has the distinction of being a nodal agency which recommends funds, schemes for the various villages in the area of its operation. In general, RC acknowledges the role of banks in helping individual cases but, however, does not hold them in any particular high esteem.

5 : SOCIAL FORESTRY COLLECTIONS AND NATIONAL INSTITUTE
FOR INTEGRATED RURAL DEVELOPMENT.

SHG : Samuhik Samajik Vanikaran Mandal (Collective Social
Forestry Group)

Village. Talawali. Tal. Jawar. Dist. Thane.

SHPI : National Institute for Integrated Rural Development
(NIRID) at Bombay and at village. Kukade. Tal. Palghar.
Dist. Thane.

Introduction

Talawali is a tribal village located in the thickly forested areas of Palghar taluka in Thane district. Eventhough only a hundred and odd kilometers from the sprawling metropolis of Bombay, the village remains quite remote, isolated and poor. Tribals of Palghar taluka generally have small and infertile landholdings. They grow paddy to eke out a living from a subsistence agricultural system. Yields are low despite the fact that the area enjoys heavy rainfall. There is a substantial number of farmers who leave the land fallow and sell the grass that grows in abundance during monsoons.

The SHPI. National Institute for Integrated Rural Development (NIRID) emerged as a response to the situation described above.

Those who initiated the work in the area were not sure whether any intervention into the main activity, i.e. paddy cultivation, would make any perceptible difference in the living standards of the tribals. They thought of making the wastelands possessed by the tribals more productive so that the community would have some additional income to fall back upon during lean times. Involving tribals in groups to work jointly on wastelands is a distinct feature of SHPI's working.

For the founders of NIRID, social forestry was an obvious answer to make the wastelands productive. The objective was then to set up, for every tribal village in the taluka, a small group of locals whose responsibility would be to develop collective social forestry or what in local parlance known as Samuhik Samajik Vanikaran Mandals (SSVM). Talwari was the first of the 11 tribal villages in the talukas of Palghar and Jawar, where the activity was initiated.

Village Talawari consists of 7 tribal hamlets or what are known as padas. The 7 padas together house about 225 tribal families of which 200 possess some land, while the other 25 families are landless labourers. Roughly, the total population of these 7

padas is about 2,000. On an average, the livestock per family is about 5 units, which may include buffaloes, goats, bullocks, cows and some poultry.

Of the total 2,000 acres of land in Talawali, 800 acres are under paddy cultivation, 500 under grass, 500 under wasteland and 200 acres under grazing lands. The grazing lands belongs to the forest department. If the tribals want to use these grazing lands for their animals, a fee of Rs.6 to 7 per animal is charged.

Landholdings in the village range from 2 to 16 acres. Good portion of these plots are either put under paddy cultivation or grass. Rest is left fallow or are designated as wastelands when they remain fallow for a long time.

There is no infrastructure worth the name in Talawali. There are no proper roads, not even cart tracks connecting the 7 padas. There is no electricity in the village, no schools, no health centre. There are some wells which serve the people through the larger part of the year, but in summer tribals have to walk long distances to fetch potable water.

Out of the 225 families in Talawali, 65 have been officially recognised as "poor" and are listed below the poverty line. As said earlier, this was the first village to come under the

influence of the SHPI where a group of 40 families were convinced that social forestry as a collective endeavour would provide income and employment opportunities for them. In other words, it would reduce the need of the tribals to go out in search of wage labour. Interestingly, the person who initiated group social forestry in Talawali, hails from the same village. He was also the first person to part with some of his land for the purpose. He is well known in the area for raising issues and protests against the authorities, on behalf of tribals.

The SHPI started the Talawali project in 1988, with an objective to have one SSVM for each of the villages in its area of operation (Table 13).

Table 13 SSVMs in Palghar and Jawar Talukas

S.No.	SSVM at	Taluka	Members (Families)	Land under Social Forestry(Acres)
1.	Talawali	Jawar	40	100
2.	Deharje	Jawar	15	025
3.	kurje	Jawar	10	010
4.	Sawade	Jawar	25	050
5.	Namivali	Palghar	18	025
6.	Dhuktan	Palghar	25	035
7.	Kharshet	Palghar	20	035
8.	Sawre	Palghar	20	045
9.	Shekale	Palghar	25	050
10.	Borande	Palghar	10	015
11.	Kondgaon	Palghar	10	010
			---	---
			218	400

Source : Survey

Presently, 11 SSVMs are functioning. It may be noted here that the SHPI has been able to encourage tribals to use only the private wastelands and therefore, for the landless labourers, participation in the SSVM remains confined to wage labour only. Every member of SSVM has to donate some piece of the wasteland he owns. In Talawali, it was made mandatory to part with atleast 2.5 acres per family but later, flexibility was allowed in other villages.

It was emphasised by the SHG members that their was a distinct programme because the group philosophy is adhered to totally and throughout. In Talawali, 40 families contributed 2.5 acres each to have a total of 100 acres under their SSVM. All the facets of their activity : planting, maintenance, cropping, marketing, records keeping, etc., are jointly managed and the returns are shared.

Every SSVM has a managing committee with one chairman and a secretary, who are necessarily tribals. It also carries a post of supervisor which is generally occupied by a representative of the SHPI. The chairman and the secretary are informally selected by SSVM. The tenure of the office bearers is decided by the members of SSVM.

SSVMs are not registered organisations. The SHPI is not in favour of formal registration as the formal structure may encumber participation and hence affect sharing of the benefits. The members of the present SSVMs share the responsibility of extending the movement to other areas. Even though the SHGs remain unregistered and informal, the modus of interaction between the SHG and the SHPI are defined and written down in the form of a document.

The SHPI was informed by the experts that as far as social forestry is concerned only 6 types of trees can be effectively nurtured in this area. They are : Eucalyptus, Accacia, Australian Babul, Bamboo and Casurina. Presently, therefore, all SSVMs undertake planting of any one or more of the above 6 types of trees.

Normally, in an acre of wasteland, a tribal can grow a substantial quantity of grass. With the advent of social forestry, however, a tribal family can plant about 1,000 saplings of any one of the 6 types or a mix of them per acre. After three years, the branches of these trees can be cut for fuel or for fodder. By the fourth year, trees can be cut down and sold. Out of the 1000 trees per acre, only 200 are cut down in the fifth

year and replaced by 200 new saplings. The following year, another 200 are cut and the same number replanted.

As said earlier, at every stage, the necessary work is carried out by the members of SSVM and rarely outside help is sought. For their efforts and labour, the members are paid Rs.10 to 12 per day as wages. Work on the plantation spans four months after monsoon as the tribals are busy during the pre-monsoon and monsoon season paddy cultivation operations. During the first year, as many members as possible are involved in the work. After one year, about 50 per cent of the members only are retained, since from the second year onwards plantations require less and less attention in terms of manual labour.

The SHG members meet once in a month mainly to discuss the financial aspects of the project. The SHPI representatives are not invited always for such routine meetings.

The economics of the social forestry scheme for these SSVMs can be presented as follows :

A. During the first year, the total cost per single plant is as follows :

	Rs.Ps.
A.1. Daily Wages (For manual labour)	03.50
A.2. Fertilizers and Pesticides	01.00
A.3. Other labour charges	00.50

	05.00

For an acre of land, accomodating 1000 plants, the above cost will be Rs.5000. Daily wages are paid for manual labour which involve activities like digging, planting, weeding, soil clearing, watering, fencing, guarding, etc. Some additional cost also has to be incurred during the second and the third year. For the next two years, there is almost no financial commitment.

- B. On the returns side, it should be noted that for the first three years, there are no returns from the plantations. At the end of the fourth year, the first twenty per cent of what was planted is cropped. An acre of land with 1,000 plants on it, therefore is likely to yield 200 trees. At the prevailing average market price (1987) of Rs.20 per tree, it fetches Rs.4,000 per acre. This income continues for the next five years before the whole cycle starts all over again.

The costs and returns through out the entire production cycle for the Talawali SSVM covering 100 acres can be estimated as given in Table 14.

Table 14 : Economics of Social Forestry-40 Families and 100 Acres
(in Rs)

A. Expenditure

	Rs.
Year 1	500,000
Year 2	200,000
Year 3	100,000
	<hr/>
	800,000

B. Income

	Rs.
Year 4	400,000
Year 5	400,000
Year 6	400,000
Year 7	400,000
Year 8	400,000
	<hr/>
	2,000,000

Source : Survey

For the 40 member families of the group at Talawali, this yields an income of Rs.500 per family per month for 5 consecutive years after the cropping starts, which is in addition to the wage earnings. When compared to their existing average family income of Rs.200 - 300 per month, this appears to be a substantial gain.

The experience of the SHPI and the SHG with the government and financial institutions like banks has not been a happy one. As far as SSVMS are concerned, the banks have not shown enough

interest. The schemes were either rejected on the grounds that they did not come under the purview of the "officially recognised" schemes or some stiff guarantees were asked which the SHG could never hope to meet. As one of the SHPI member says : "What better security can be there than a two to three year old tree ?"

Government's views on social forestry are intriguing for the SHPI and SHG. In principle, it agrees with the need for social forestry, but at the same time, when the SHG and the SHPI members requested the government to hand over certain barren hills for growing plantations, the plea was rejected. The SHPI, however, does receive some help from the District Rural Development Agency (DRDA) and the National Wasteland Development Board (NWDB).

SHPI : NIRID

NIRID is a registered trust with its main office based at Bombay. It was established in the year 1978 and started working in Palghar taluka of Thane district in 1983. At present (1987), its area of operation covers 11 villages (4 of Jawar taluka and 7 of Palghar). Its field centre is located at village Kukade and a nursery-cum-demonstration farm at village Dhuktan, both in Palghar taluka.

The SHPI is against individual or group based bank loans, credit under various programmes or any such other normal instruments of financial help for the rural poor. The strong stand taken by the SHPI is the result of its belief that :

- a. Loans usually increase the burden on the beneficiaries to such an extent that even the schemes where interest rates are subsidised (e.g. The Differential Rate of Interest Scheme which charges only 4 per cent interest) cannot help them to break even.
- b. No loan is used totally for the purpose for which it was taken and therefore, after a certain period, its usefulness becomes redundant.

It believes firmly, on the other hand, in encouraging what it calls "The Development Capital" in a village. In other words, it means making use of any physical resource in a village that is lying idle. If such "idle" resources are put to a productive use, it would lead to asset building in the village. This, in the opinion of the SHPI, is more helpful to the villagers in the long run than the loans. Secondly, poverty eradication should be attempted at family and group level rather than at individual level. Thirdly, there is a direct relation between poverty and the amount of unutilised land in the village. If it is put to

proper use, not only the living standards in the village can be raised, but the out migration of the tribals can also be checked. Developing idle physical resources in a way converges to development of wastelands. The SHPI is absolutely convinced about the utility of social forestry because it can counter drought, bring more rain, more employment and income.

NIRID has 4 trustees all of whom are from Bombay. It employs 4 Rural Development Graduates at its field centres at Kukade and Dhuktan, 6 supervisors for plantations and nurseries and some security guards for all their sites.

In Palghar taluka, NIRID volunteers follow certain method to reach out to the tribals and convince them about the usefulness of SSVM :

1. The rural development graduates go to the 'target' village and have a dialouge at individual level with as many tribal families of that village as possible.
2. In these meetings, discussions 'on the relation between forests, rain, wood and livelihood, as also the importance of replanting and social forestry on a collective basis, take place. The members of present SSVMs participate in these meetings.

3. Those interested are then invited to come to the field centre at Kukade to attend various demonstrations of the project activities.
4. Once in a month, a 10 day training cum-coaching-classes are held at Kukade, where outside experts and those tribals who, already have become members of SSVMs take part.
5. Finally, the villagers' opinion is sought regarding forming a SSVM in the new village.

Induction of a new village to the SSVM scheme normally takes about 6 months. The ways of sharing the income that is likely to be generated from social forestry are decided through meetings between the representatives of NIRID and the villagers, including members of SSVMs of other villages. The practice so far has been that out of every income of Rs.100 from the activities of a SSVM, Rs.15 are set aside for the village development fund, Rs.05 go to the SHPI as training charges, Rs.20 go towards paying back grants, which the SHPI gets for them from various sources and Rs.60 go to the members of SSVM. Though the monthly income for the SSVM members comes down as a result, it still remains a moderate increase over their present earnings. In the initial stages, the SHPI plays an active role in the marketing of wood.

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6 : SELF-HELP IN BHAL REGION AND MAHITI

SHG : Ramapir Yuvak Mandal (Ramapir Youth Association)
Village, Khun, Tal. Dhandhuka, Dist. Ahmedabad

SHPI: Mahiti at Ahmedabad with its field centre at
Village, Bheema Talao, Tal. Dhandhuka,
Dist. Ahmedabad

Introduction

The south easternly part of Ahmedabad district in Gujarat is the scene of Mahiti's activities. Geographically, it is a crescent shaped area lying on the coast of Gulf of Khambhat and stretching westward. The area is better known as the "Bhal" region, which in Gujarati (the local language of the state) means forehead. The region is as flat and as barren (unproductive) as a forehead. Covering four talukas of Ahmedabad district, more than 50 per cent of the land in Bhal is categorised as saline. Though the water table in these areas at times is only three feet below the surface, because of the salinity it is not of much use for either drinking or irrigation.

Mahiti appeared originally as a part of another organisation, which was entrusted with the task of preparing block level plan

of Dhandhuka taluka in 1979-80. The exercise left no doubt in the minds of the team members that the southern part of the block was the most backward and it would require much more than block level plans to reach to the heart of the problems faced by the people in this area. Subsequently, the villages of the southern Dhandhuka block, especially those near the small Dholera, became their immediate concern.

Initially, the idea was to organise the youth and women of these vilages separately and provide them with enough information or "mahiti" and help, technical and otherwise, to undertake remunerative economic activities. Since the area does not hold much promise for agriculture and at the same time so much of land is lying idle, it was decided to take up cultivation of fast growing species of grass and trees, which not only have a market but also provide employment. Adhering to their basic postulate, Mahiti organised the local youth and women under these activities in the villages where it is presently working. (Table 15).

Table 15 : Mahiti's Area of Operation

Village	Population	A	B	C	D
1. Khun	800-1000	29	29	30	15
2. Raha Talao	1400	24	24	30	--
3. Mahadevpura	900-1000	06	06	12	25
4. Bhangath	900-1000	00	00	NT	35
5. Mangalpur	2500	05	05	22	35
6. Shanki	700	05	05	15	NT
7. Rajpura	700	04	04	22	NT

Note: (A)=Families occupied in social forestry, (B)=Area under social forestry, (C)=Members of Yuvak Mandal, (D)=Members of the Mahila Mandal.

Source : Survey

In the dry tracts of Bhal, land holdings are relatively large but considering the low fertility, yields and income from these lands are low. The SHPI organised the families to contribute one acre of land each to initiate social forestry as a group activity. Possessing a few acres of land is a condition which most farmers in the country would like to enjoy but under the conditions in Bhal, it does not mean much as the land is not productive. On the contrary, because most of the farmers have land holdings running into more than 10 acres they do not qualify for loans that are exclusively meant for small and marginal farmers. Also, these farmers are not eligible for subsidies available under government schemes. On the other hand, produce-wise the Bhal

farmers may get only as much as a small or marginal farmer does anywhere else in the country under subsistence farming conditions. The above paradox exists in most of the villages where Mahiti is operating (Table 16).

Two species of fast growing trees, viz. Piludi and Ganda Bawal are taken up by the SHPI under the social forestry scheme in these villages. They appeared to be the most suitable alternative to the traditional subsistence crops of Bajra and Jowar. It is hoped that for every acre set aside for social forestry, there will be more profit than what the rest of the holding would earn.

Table 16. Distribution of Farmers in Bhal According to Size of Land Holding

	Village	Size of Land Holding (in Acres)		
		10 to 20	20 to 40	40 & above
1.	Khun	16	12	01
2.	Raha Talao	15	08	04
3.	Mahadevpura	07	02	02
4.	Bhansath	07	04	02
5.	Mangalpur	07	04	02
6.	Shanki	05	03	02
7.	Rajpura	15	02	03

Source : Survey

Piludi and Ganda Bawal plantations are grown in individual plots of land but the members of the SHG work collectively on these plots. Another activity which has been extensively encouraged at group level in these villages is construction of drinking water tanks. These tanks are dug by the people of the concerned village with some technical assistance and guidance from outside (generally arranged by the SHPI). The tanks are then lined along the walls and the floor with 'agri film', a chemically coated plastic sheet which helps in checking/reducing percolation and the capillary action. All the 7 villages where Mahiti is engaged, now boasts of a water tank. The SHPI also sought help from the government to have the above activity included in the EGS/NREP schemes. In most cases, the response from the government was found to be encouraging. With a normal rainfall (in this area), these tanks would ensure a supply of drinking water to the concerned village for atleast 8 to 9 months. Two other group activities, which were started at the instance of the SHPI and have become a regular feature in these villages, are fodder banks and grain banks.

The SHG visited by us is located in village Khun, situated roughly at a distance of 4 kms from Dholera town. It houses approximately 100 families. Koli Patels dominate the scene with

83 families. Among the Koli Patels, there are 4 types : Rangaris, Vasanis, Rathods and Waghelas. There are 7 families each belonging to Waghri and Bharwad communities, besides few of Mhar and one Muslim household. The village has a primary school and the unpaved road to the village is usable only during summer season. In the event of flash floods or rains the bus connection (two services a day), is broken. Electricity has been brought to the village but only the village lanes are lighted.

Even during a normal rainfall season, agriculture is not able to support the population. At the beginning of the year, the families used to go to Surat, Valsad and Bharuch districts to work in construction and canal lining activities. During monsoon, some would return home to manage their subsistence crop cultivation and others go to Kheda district as agricultural labourers. Later in the Rabi season, some of the men would go to Junagadh to work in groundnut farms. Above was the situation when Mahiti established their field centre at village Bhim Talao in 1982. The centre is situated around 1.5 kms from Khun. At the time when the people in Khun came forward to respond to the Mahiti team, the only group activities that existed in the area were folk dramas and singing of devotional songs, bnajans, during festivals, marriages and week-ends. These.

however, by no means were anything out of the ordinary, as sitting together and singing with little or no music after a day's work is an age-old feature of the Indian rural scene in most parts of the country. In the present case, the head of the bhajan mandal was retained by the SHPI as a watchman on the centre's premises. Subsequently, another youth from Khun was given the job of looking after the nursery of Mahiti. Both of them used to migrate to distant districts for work earlier. Being closely attached to the field workers of the SHPI, they gradually came to know of its proposed role and objectives. Later on, when they were invited to Mahiti's regular meetings and other orientation programmes, they got inducted into the SHPI. Soon, they realised that with proper information and help from outside, they could utilise their meagre resources in a much more meaningful way, if only they could come together.

In 1984, Mahiti started two activities simultaneously in Khun. One of them related to social forestry. A plot of land of about 2.5 acres in the village was brought under Piplu cultivation. A group of 30 persons contributed their labour. Unfortunately, because of scant rains during that year, the crop failed. Undeterred, they took up the other activity with much more zeal

and on a much larger scale. The SHPI evolved a scheme of providing one water tank in all the 7 villages making use of the agrifilm, the material developed by the Indian Petro Chemicals Limited (IPCL) of Vadodara in Gujarat, for lining these tanks. Mahiti could also manage to get some help from the government by getting the cost of digging covered under its rural employment programmes. The first of these tanks was built at Khun. The SHPI could take help from the members of the bhajan mandal in persuading a large number of villagers to participate in the initial sand work. During the actual digging of the water tank, as many as 300 people from Khun participated. Lining the walls and the floor of the tank with the agrifilm was the other major group activity undertaken once the tank was constructed. This exercise took almost 3 to 4 months. The tank water was meant to be used for drinking and other domestic uses and for the livestock. Both the present and the projected needs were taken into account.

The SHG at Khun emerged from the above group activity. After the tank was completed, many villagers went their own way because for them it was just another temporary employment opportunity. The only difference was that it was provided close at home and they did not have to go out to far off districts in search of labour.

There were, however, some people for whom the digging of the water tank was not a temporary phenomenon. Among them, were the people who were given jobs by the SHPI in 1982. They realised that if such group activities become regular features in their village, they may not have to go outside in search of work. They also felt that to regularise such group activities in future there has to be a small body or committee of the villagers. The Ramapir Yuvak Mandal at Khun was thus formed in 1984 with an initial membership of 5 villagers from Khun.

Table 17 : Membership of the Ramapir Yuvak Mandal, Khun

Year	No. of Members
1984	05
1985	13
1986	18
1987	30
1989	50*

* Projected by the SHG members

Source : Survey

The SHG has a formal set up. It has a president, a vice-president, a secretary, a coordination committee of 5 members and the rest are ordinary members. The extension worker, i. e., volunteer of the SHPI in the village is not a member of the SHG but he serves

as a link between the SHPI and the SHG. There is a membership fee of Rs.5 per head per month and a part of the collection is saved. Notwithstanding the long term growth and probable use of this fund, presently the SHG feels that it may be used for various development oriented activities in the village.

Economic Activities

After the active participation of the villagers in the construction of the water tank and the subsequent formation of the SHG, their attention has mainly got channelised into four other activities :

1. Kardi Collection
2. Social Forestry
3. Fodder Gola
4. Jowar Gola

Of these, the first two are almost regularised. The other two though less steady at present, the members of the SHG hope would be undertaken on a wider scale and stabilised soon.

Kardi Collection

This activity is taken up in a big way by the mahila mandal, the women's wing of the SHG. The mahila mandal was started in the year 1984. It is an unregistered group. Initially, the purpose

was to promote and encourage saving habit among people, especially the women members of the community. In Khun, the savings group started with a membership of 10 to 15 women. The idea was to save certain amount every month and pool the same as the working fund for the mahila mandal. In case of emergency, some amount of the fund can be extended as loan to the members at a modest interest rate of 2 per cent per annum.

Apart from the usual household chores, one of the major outdoor activities of women in this area is to go to the sea shore and collect seeds of piludi plant which grows there in abundance. The seeds, which are known as kardi, have a good market value because of their oil content. Before the coming of the SHPI, women used to sell kardi to private dealers. In 1985, a big industrial house wanted to buy kardi seeds in bulk and through SHPI, mahila mandal of Khun was given the contract. Since then, collection of kardi has become a well organised group activity.

In 1985, the concerned industrial house purchased kardi seeds directly from the mahila mandal at Rs.2 per kg. This was little higher than what they used to get from the private dealers. In 1986, the industrial house withdrew but at the the instance of the SHPI, the mahila mandal decided to purchase the seeds from

the people and sell it to the Khadi and Village Industries Commission (KVIC). The capital that was needed to make the initial purchase from the people was raised in the form of a loan from a funding agency. The SHPI, naturally played an important role in completing the deal.

In 1987, the KVIC itself stepped in by giving a loan of Rs.90,000 to the mahila mandal at 4 per cent interest rate. The economics of the scheme presented in Table 18, indicating that in 1987, the scheme gave them a surplus of around Rs 21,000, which is a good sum especially from the very first group venture. The SHG has also worked out, with the help of the SHPI, the future projection of the scheme, as given in Table 19.

Table 18 : Economics of Kardi Seeds Scheme, 1987. (in Rs)

<u>Income</u>	
a. Sale of Oil: (Rs. 15 per kg. for 4,221 kgs.)	67,536
b. Sale of the oil cakes : (Rs. 1 per kg. for 23,919 kgs.)	23,919

	91,455

<u>Expenditure</u>	
a. 28,140 kgs of kardi seeds purchased at the rate of Rs.2.25 per kg.	63,315
b. Crushing Charges	4,200
c. Transport Charges for the seeds to be taken to the crushing centre at Nadiad (Gujarat)	3,000

	70,515

Source : Survey

Table 19. Production Cycle of Kardi Seeds

<u>Age of Kardi Plants in Years</u>	<u>Production of Seeds per Plant (in kgs)</u>	<u>Plants Per Acre</u>	<u>Total Production (in Kgs)</u>
01	-	325	-
02	-	325	-
03	0.5	325	163
04	1.0	325	325
05	2.0	325	650
06	3.0	325	975
07	5.0	325	1,625
08	8.0	325	2,600
09	10.0	325	3,250
10	20.0	325	6,500

Source : Survey

If the scheme works out as envisaged, the villagers of Knun stand to gain. It is also evident that if the above activity of mahila mandal is linked with the other social programmes of the yuvak mandal, they can complement each others' interests. It could also act as a platform, where both men and women of the village can come together and work jointly for their own welfare.

Social Forestry

Among the trees propogated for social forestry, the soil types in this area can support two types : 1. Piludi, and 2. Ganda Bawal. In the local language, 'Ganda' means wild or as it is meant here, something with an uncontrollable growth.

The proposal under the social forestry scheme put to the members of the SHG in the 7 villages, by the SHPI was :

In a plot of 2.5 acres of land, 840 plants of piludi can be planted and grown. The plot will have a fence of 400 ganda bawal around it. Within this plot there would be a small pond, whose water could be used for nurturing the piludi plants. The small pond would be lined with agrifilm to stop seepage of water into the soil.

Initially, the National Wasteland Development Board (NWDB) would give grant to all those who are willing to plant piludi in 2.5 acres of their land. The grant will be monitored by the SHPI. Though the amount coming to them in the form of a grant is not expected to be returned, the SHPI did not want people to depend

excessively on doles and therefore, it decided and did convince the members of the SHGs to let SHPI charge them (i.e. the members) some interest on the grant. Whoever, among the members, decides to join the scheme will have to pay a certain amount of interest to the village level mandal or the SHG. Interest would be charged yearly but payable only after the income starts accruing to the members of the SHG. Since it is a 10 year scheme and the first round income materialises only after 4 to five years, payment of interest has to wait. Out of the first round of income, the interest amount goes to the SHG, while the remaining half gets distributed among the members equally.

The SHPI claims that income from the social forestry scheme would start accruing after the fourth year and it will go on increasing every year. At the end of the tenth year, the returns from production will be free of any tags and would be the net income for the farmers. As against the initial investment of about Rs 3,500 per acre, it gives an income of around Rs.24,000 in the next 10 years. On an average, it works out to be Rs.200 per acre per month, which is quite good when compared to their present earnings from land-based activities.

Fodder Gola

Another activity that the SHG members of Khun would like to regularise is the fodder bank. During the lean season, just before the rains, fodder becomes dear in the market and the people have to go long distances to purchase it. The SHG feels that if fodder can be stored in the village throughout the year, it can be sold to the needy villagers at a reasonable price of Rs.2 per kg. during the lean season. The scheme was tried out in the year 1984 and was found to be reasonably successful. The SHG is trying to expand the activity presently, with the help of the SHPI. They are envisaging to take on lease around 250 acres of the wastelands near the coast (7 kms away), where fodder cultivation can be done on a large scale.

Jowar Gola

In Khun, a small jowar bank is in the offing. The staple food of the villagers being jowar, they undergo considerable harassment from the traders during lean season and drought years. The SHG is planning to store jowar and sell it to the members, as well as the other villagers, at a just price.

Regarding fodder gola and grain gola, not much documented information, however, was available to the study team at the time of their visit. The SHPI, on the other hand, has not as yet taken a decision regarding their involvement in these two activities.

Exposure of the SHG members or the villagers of Khun to any form of institutional finance is limited. Two years ago, in the year 1985, around 10 to 15 households of the village were covered under IRDP by the local bank branch and were given assistance to purchase bullock carts.

More than 70 per cent of the households in Khun are, however, indebted to private moneylenders of the nearby town of Dholera. While talking to the people, it appeared to the study team that the debt amount ranged from Rs.2,000 to Rs.20,000 per family. The initial loan amounts are usually small but with a high interest rate of 10 per cent per month, the cumulative amount swells up rapidly. It must be noted that in the 7 villages where the SHPI has been operative, many of the members of the SHG are gradually coming out of the debt trap of the moneylenders.

As far as group activities are concerned, no institutional finances are available, though the social forestry experiments have been drawing favourable attention from the NWDB. Efforts are afoot to involve the local bank branch to extend some assistance to the scheme, conditional to NWDB's participation.

SHPI : Mahiti

Mahiti has been working in the Bhal region for the last 8 years. As indicated earlier, the word 'Mahiti' in Gujarati means information. Mahiti firmly believes that the various problems of underdevelopment of the local rural poor can be attributed to the fact that not only do they not have any information about what is going on around them but there are elements of the local delivery system which deliberately withhold the relevant information from them. Development, therefore, could be facilitated if people have access to the information about the local resource institutions. Operationally, Mahiti envisages the role of acting as a link between the population and the resource institutions, government or otherwise. Its main purpose is to encourage and train local level activists who would undertake the task of creating awareness among the population, the government officials and representatives of other resource institutions. Its main concern is with developing effective and self sustaining local organisations, to be known as village level mandals, through various group economic activities.

The SHPI is of the opinion that peoples' right to self determination is the basis of development and this process has to start with "Social Entrepreneurs" or those key individuals in the village, who have to be exposed to the workings of the external socio-economic-political situations including the resource

institutions. The social entrepreneurs were taken on the rolls of Mahiti and given orientation over a long period. Between the Mahiti representatives and the social entrepreneurs, are the "Transitionals" who are essentially selected from the local population.

Mahiti's staff structure is as follows :

1. Outsiders who take care of the various technological, managerial, financial, marketing and training information.
2. Social Entrepreneurs who are the representatives of the village level mandals and are the key figures of the whole set up.
3. Transitionals who are trained by the SHPI but they do not belong to the village level mandals.
4. Core Team Members who are the representatives of the SHPI at the field level and they train both the social entrepreneurs and the transitionals.
5. Other Outsiders who are the managerial and administrative personnel who look after the day to day routine personnel and administrative work.

It may be noted here that Mahiti tried to achieve its objectives initially through non economic activity like developing small water resource points in its area of operation. Such activities had to be taken up since they relate to the immediate needs of

the local population and also because they do bring the people together for a common purpose. This was ofcourse followed by undertaking economic activities under the aegis of either the yuvak mandal or the mahila mandal, both initiated originally by the SHPI.

Mahiti, thus remains a young SHPI still in the process of establishing contact and credibility among the people. In their own words, their immediate endeavour would be to, "improve the qualitative and the quantitative aspects of the lives of the poor in Bhal region through a process of systematisation of knowledge and information".

7 : AGRICULTURAL CO-OPERATIVES AND BEHAVIOURAL SCIENCE
CENTRE

SHPI : Behavioural Science Centre (BSC) at Ahmedabad

SHG : Valli Anusuchit Jati Samudayik Sahakari Kheti Mandali
(Valli Schedule Caste Agricultural Group Cooperative
Society)

Village, Valli, Tal. Khambhat, Dist. Kheda

Introduction

The SHPI, Behavioural Science Centre (BSC) of Ahmedabad, is presently working in Ahmedabaad, Kheda, Banaskantha and Bharuch districts of Gujarat state. It was recommended to the study team by BSC that their work in the Kambhat taluka of the district Kheda was related to informal groups engaged in various activities. In this taluka, the operational area of BSC covers a few villages around a small lake, which has a favourable influence on the local agriculture. The study team visited one of these villages viz. Valli, located about 21kms from the taluka headquarters. Khambhat. The village houses about 150 families consisting of Koli Patels, Darbars, Harijans and Wankars.

BSC has been working with the Wankars who are a minority with only 17 families in the village. The area where the Wankars reside is seggragated from the village proper. Wankars, unlike the name suggests, are not weavers by profession. Wankars in this area are generally agricultural labourers. Over a period of four

centuries, some wankar families have been able to make it to the category of marginal landholders. All the land that these families own, however, is almost a part of the wastelands that cover large areas around the village.

The SHPI has been in the area for more than 10 years. Presently, it covers 9 villages. In 6 of them, the SHPI has taken up social forestry with the people, the other 3 villages have nurseries while Valli has both. The initiative for social forestry in Valli was totally self-inspired. It was mainly the result of the demonstration effect of successful experiments in social forestry carried out by the SHPI in the nearby village of Wadgam. The Wankar community of Valli has been observing the same with interest over the years. They, then approached the SHPI with a request to arrange for similar activities in their area. Today, this unregistered group functions under the name of Shri Valli Anusuchit Jati Samudayik Sahakari Kheti Mandali. It was established in 1984.

Table 20 lists the villages where BSC has been operative during the last decade. The SHPI has been involving the people of these villages around the 3 activities of (a) social forestry, (b) nursery as a supportive activity for (a) and (c) dairying. On a very small scale, the SHPI has also taken up modernizing paddy cultivation in some of the villages. (Information about the SHPI's involvement in dairying was, however, not made available to the study team.)

Table 20 . BSC's Work Area & Activities

Village	Year SHG Started	Social Forestry Area (Acre)	Nursery Area (Acre)	Group Strength
1. Vadgam	1976	232	--	067
2. Golana	1976	147	--	111
3. Gudel	1976	085	--	044
4. Valli	1984	034	08	017
5. Vainej	1985	088	--	035
6. Pandad	1985	589	--	112
7. Roni	1986	---	05	040
8. Khaksar	1986	---	04	038
9. Padara	1986	---	06	038

Source : Survey

With the sole exception of the SHG in Valli, all others are registered groups and therefore, enquiry into these groups is beyond the purview of this report. Some of these groups existed even before the SHPI came on the scene and naturally so, because the district of Kheda is known (even internationally) for its co-operative movement.

On the other hand, it is purely incidental that the wankar community of Valli is still an informally organised group. Infact, the SHPI has no particular views about the informal status of SHGs. On the other hand, it explicitly believes that groups must be formally organised so that it becomes easier for them to take advantage of the government's development schemes. The fact that the group at Valli has as yet not been registered as a co-operative society is more because of circumstances than due to any deliberate policy on the part of the SHPI.

The land plots presently owned by the 17 Wankar families at Valli are the ones they received as a help from the state government and therefore, the ownership rights of these lands cannot be transferred to any other form of ownership like a co-operative. It was learnt, however, during the visit of the study team that efforts are already afoot to get this conversion done somehow, to register the group into a co-operative society. The present informal status of the group at Valli, therefore, may be a transitory feature.

The representative of the SHPI at the village level is known as Social Manager. In Valli, he is one from among the Wankar community of a nearby village. He operates with the help of a committee of 6 men headed by a joint chairman and a chairman. The Social Manager is the representative of the SHPI in the committee, which meets once in a month. So far, the same committee which came into being at the time of the inception of the SHG, is being continued. There is no woman member in the committee; nor there is a manila mandal in the village. The committee prepares the annual budget and phases it on a monthly basis. The SHG has appointed a supervisor also, apart from a watchman and an administrative officer. There are no laid down procedures but many things are observed through practice.

Even before the Wankar community approached the SHPI, a group of individuals from the village had tried to convince their fellow villagers about the advantages of social forestry. Due to the

apprehension and non co-operation of a few families , the project had to be shelved then. Thanks to the role played by BSC, presently, all the families have agreed to participate in the social forestry project. They have also come to a tacit agreement that whoever decides to leave the SHG, will have to forgo his/her land too. As all the 17 families are related to each other in some way or the other, there is less likelihood of any withdrawal from the activity or the SHG. As far as the other communities in Valli are concerned, the formation of the Wankars' SHG evoked almost no reaction. Some non-Wankars of the poorer segments of Valli, however, work in the social forestry project as wage labourers.

Economic Activities

With the help of BSC, the SHG of Valli has taken up two activities : Social Forestry and Nursery.

The Social Forestry project has three main objectives :

- (a) To reclaim large tracts of land from highly saline areas which surround the village.
- (b) To provide employment over a fairly long period.
- (c) To sell the trees grown under the social forestry project collectively, so as to take advantage of better price in the market.

In these parts of the district of Kheda, ganda bawal remains the

most sought after tree under social forestry programmes. All the SHPIs generally sell the wood and so was it with BSC. In the present case, however, the SHPI and the SHG have decided not to sell the wood in the market but to make charcoal out of the wood as it is expected to fetch better returns than mere selling of wood.

BSC provides the working capital to the SHG members for the first four years towards the purchase of saplings, labour charges for levelling, sowing, watering, other labour charges, etc. The SHPI is of the opinion that returns from charcoal-making is considerably higher and this has been proved in the case of some other villages where the SHPI had taken up the same activity before. The SHPI has also been able to convince the District Rural Development Agency (DRDA) of the area about the viability of social forestry projects and since 1986, the latter has been providing financial assistance in some cases. It was reported to the study team that the DRDA's assistance is generally a grant-in-aid, while the assistance obtained directly through the SHPI is in the shape of revolving fund.

The economics of the social forestry and charcoal-making schemes as reported by the SHPI is as follows :

(a) Social Forestry :

- * Area under the social forestry scheme is around 34 acres, out of which 10 acres are flat and levelled. The other 24 acres are covered partially by some wild vegetation and

naturally, cannot be put to an optimum use.

- * Expenditure is reported as around Rs.900/acre which includes purchase of saplings, watering, clearing and mulching, sourcing and the wages in cash and kind provided to the labourers.
- * Income is estimated at Rs.4,000/acre for one cutting. On an average, an acre of 400 trees, yields around 16,000 kgs of wood. The output is sold at Rs.0.25/Kg.

The rearing of a social forestry plantation involves an investment in the initial 4 years. The first cutting is done after 6 years and the second after 11 years. The initial investment suffices for a period of 40 years yielding 4 to 5 cuttings.

(b) Charcoal Making :

Though this activity has not yet been started at Valli, most of the other villages where BSC is based, there is a charcoal-making unit. The economics of charcoal making is presented in Table 21.

Table 21. : Economics of Charcoal Making (in Rs.)

Sales Receipts of 55,350 Kgs. of Coal at the rate of Rs.1.55/Kg.	85,790
<u>Expenditure</u>	
Production Cost Rs.0.55/Kg.	30,880
Packing Bags	3,034
Threads for the Packing bags	203
Transport to the Village to the Market	2,915 5,400
Loading and Unloading Charges	1,206
Octroi & Administrative Charges	774
Commission	857

	45,269

Source : Survey

The estimates provided by BSC reflect a high margin of charcoal making business. In fact, it looks rather too optimistic. Further, it must be noted that the above estimates are valid for only one year's business and the same impressive account may not necessarily get repeated at Valli. The SHPI, however, is hopeful that the project will yield good results.

SHPI : BSC

The SHPI, BSC, has its origin in St.Xaviers College in the city of Ahmedabad, the ex-capital of Gujarat. According to one of its founder members, BSC arose out of some of the college teachers' disillusionment regarding the dichotomy between what was taught in the colleges and what they saw happening around them as reality in all spheres of life and society. After BSC was formed, it started many action oriented development projects in the backward areas nearby and in other parts of Gujarat..

To BSC, the good of community as a whole is more important than enrichment of the individuals. It strives to improve the living standards of every one in the community based on justice and equality. It further sees appropriate technology as one of the most important means to achieve the above objective. Success of this, however, depends on the local delivery system's knowledge of "what" people want and "how" the people would like to receive it. For BSC, the stress should be laid on the importance of human being as the decision maker in the process of development, which in other words, has to be participatory.

In the field, the SHPI is trying to motivate people to participate in the co-operatives that are being formed under its auspices. It is of the firm belief that unless all members of the co-operatives are placed on an equal footing, not much can be achieved. It is also aware of the human side of the co-operative movement, which has long term implications that go far beyond the economic activity undertaken.

Finally, it could be a matter of interest to note that BSC offers a two year training programme in Social Management at St.Xaviers College at Ahmedabad. The course requires participants to live in the field situation to understand and appreciate the human side of the process of development.

8 : PERSPECTIVE AND ACTION

The culture of self-help is not a recent phenomenon. It is an age-old human trait dating back to pre-historic man. Hunting parties consisting of members of various age-groups after a successful hunting shared the game with the rest of the community. With the coming up of exchange economy and furthering of division of labour, societies have become complicated and diverse, which also has precipitated rigid hierarchies and divisive forces among the various social units. Even so, in the traditional village communities and the neighbourhood groups of relatively modern societies, people do come together not only at the time of festivals and distress but also in the preservation and use of common assets and even taking up joint economic ventures. Unbridled individualism of the last 200 years, has however rendered collective economic activities, which began as self-help groups for mutual co-operation, into vested interests.

SHGs can be non-economic in nature. They can be economic but still without monetary transactions, e.g., where labour or food or material resources are pooled or shared. There are also groups which directly deal with money: savings and/or credit. Informal set-up of these groups reduces transaction cost and also helps providing the services according to the needs of the individual members. These traditional SHGs gradually get formalised in order to gain access to governmental facilities. Even as this process may continue, large section of the masses

remain outside the ambit of formal SHGs. Besides strengthening the links between financial institutions and formal SHGs, the task addressed is the problem of covering the large masses outside formal SHGs by nurturing the tradition of self-help.

The analysis of the situation would depend upon the view of social reality one takes. For the structuralists, all the oppressed sections ultimately have to assert their rights through political institutions. What is discussed today in terms of linking financial institutions with SHGs, is a functionalist's view-point operative within the framework of market economy. While the high costs of the delivery system and their reservations, thanks to aversion to physical exertion and risks involved, are inhibiting factors, these are taken to be accepted. Intervention is visualised in respect of modulating the formal legal requirements and perhaps, invoking articulation from the people.

Since in many cases, it was the elites and (even) money lenders who acted as mediators, the aforesaid hopes were belied. Presently, it is envisaged that the role of mediator can be played by SHPIs. Instead of dealing with individual, a legal entity, the financial institutions would negotiate with an entity at another level: a formal SHPI, its mediation can take the shape of advice, guarantor or provision of deposits which acts as a cushion against risks.

Herein, one has to set off with the premises that the government endorses and espouses the aforesaid strategy. For a structuralist, however, the government is representative of the dominant groups and therefore, its intentions are suspect. On the other hand, functionalists view that the government while it may be biased in favour of the dominant groups, it cannot neglect and takes care of diverse interests. We, therefore, have to visualise a functionalist SHPI. In this context, the analysis of some sociologists that all SHPIs go through common phases of transformation-welfare, development, organisation and political orientation - has to be set aside.

Even among SHPIs broadly termed as functionalists, there are many shades. There could be a few who view the task of supplementing the delivery system philanthropically. There are others who endeavour to bring about a change in the receiving as well as the delivery system. In relation to the size of the country and need, the number of SHPIs (all types taken together), is small. Therefore, those with aforesaid functionalist stand can only be less in number than the total population of SHPIs.

We can in this context picturise different scenarios:

1. Intervention by functionalist SHPIs in isolated pockets would alleviate poverty and link the SHGs and their poor with the "main stream" economy. In other words, it would be another interest group.
2. Isolated intervention would create awareness among the

local people. which would have demonstration effect and result in wider participation of the poor in development decision making.

3. Increased awareness of the people and their organisation, or influenced by the SHPIs, some segments of the delivery system may mellow down some of their rigidities both in terms of physical exertion and cost aspect.
4. The philanthropic SHPIs would increase in number and render the delivery system redundant at least in part and therefore usher a change from above.
5. The increasing number of SHPIs would be accompanied by erosion of their values and end up in their joining the "main stream" culture.

The structuralists are there to fight the first and the fifth tendencies. According to them, there are lesser possibility of the third and the fourth. They should welcome the second. Even in terms of mobilising the people and consicentising them, encouraging SHGs could be the beginning. The functionalists on the other hand, because of their very nature exhibit greater sense of accomodation, even though their various shades may have slightly different stands.

Notwithstanding the preceding conceptual discussion, it may not be possible to rigidly compartmentalise SHPIs into a two-fold category of structuralists and functionalists. All the

functionalist groups would like to gain access to the system. Despite their reservations about the system, even the structuralists would have to maintain links for their survival in the short-run. It is from this point of view, linking SHGs with credit agencies would be a common area.

Our immediate concern is to link the informal SHGs with credit institutions taking the help of SHPIs. Different SHGs could be in varying degree of formalisation. Besides, there would be large masses, where SHPIs have not reached, whose latent self-help culture has to be harnessed. Irrespective of one's view of degree of formalisation desirable, gaining access to delivery system should be a relevant aspect for all. If credit institutions can establish links with informal SHGs, the very need for formalisation may be mitigated, still retaining the advantages of traditional values of group working.

From the point of view of relevant action policy for future, we have to indicate what opportunities are presented by the SHGs and the SHPIs visited by the study team :

- a. Broadly speaking, even though all the SHPIs were nurturing the traditional self-help culture, the thought that their informal nature has its advantage and therefore should be retained, has not occurred strongly to the SHPIs.
- b. Janeev's focus is on wider development, of which economic development and role of credit is only a part. While its

efforts to link the informal SHG with bank did not fructify, the case of Gosavis has not drawn its attention sufficiently. Gosavis need help and SHPI Janeev endorses the same. This SHPI, which believes in traditional values of self-help and informal nature of social binding, distinguishes between two types of interventions: credit to individual activity groups and credit to Gosavi community. The choice has to be resolved.

- c. The SHGs with which Mahiti is working are informal in their present stage. The SHPI is striving to link the SHG with credit agencies. The schemes of social forestry may have, in future, banks financing the members of village level Mandal individually. The Mandal would be responsible for the project and would be guarantor for the individual loans. The interest on the loan would be provided by the National Wasteland Development Board as subsidy.
- d. RC has nurtured informal SHGs with its own funds. Incidentally RC funds are not provided as credit but as RF, which has to be cycled to other SHGs. Until now, RF has been taken more or less as a grant. The question that may arise in this context is whether SHGs would accept credit in place of a grant. Nevertheless, if RC wishes to extend the coverage and has resource constraint, need for credit may come into the picture.

- e. NIRID takes up informality issue almost as a challenge. It is striving to prove that informal groups can survive on their own, if only locally available natural resources, particularly land, are made accessible to the poor. As a result, NIRID in its working with the tribals sees little relation between institutional credit and development.
- f. Of all the SHPIs visited, BSC's endeavour is to strengthen the SHGs so as to gain access to the economic system. Since that is dependent on formal stature of the SHG, informal phase of the SHG is deliberately intended to be short.

In short, it can be said that the pilot project of linking informal SHGs with credit institutions may be profitably tried in the case of Janeev and Mahiti and possibilities can be explored with respect to Rural Communes.

Appendix I

A. Region-wise Distribution of Districts

Maharashtra

1. Bombay : Greater Bombay
2. Western Maharashtra : Thane, Raigad, Sindhudurg, Ratnagiri
3. Pune : Pune, Sangali, Satara, Ahmednagar, Sholapur, Kolhapur
4. Khandesh : Nasik, Dhule, Jalgaon
5. Vidarbha : Nagpur, Chandrapur, Yeotmal, Amravati, Akola, Wardna, Latur, Gadchiroli
6. Marathawada : Nanded, Parabhani, Beed, Aurangabad, Jalana, Buldhana

Gujarat

1. South Gujarat : Valsad, Surat, Bharuch
2. Central Gujarat : Vadodara, Panchmahal, Kheda, Ahmedabad
3. North Gujarat : Sabarkantha, Surendranagar, Mehasana
4. West Gujarat : Rajkot, Amreli, Bhavanagar, Jamanagar, Kutch

B. Addresses of the SHGs and SHPIs Covered in the Study

Maharashtra

1. SHG : Trade Groups in Fruits & Vegetables
c/o 'Janeev', Gosavi Vasti,
Sinhagrad Road,
Village : Nanded, Tal : Haveli, Dist : Pune
- SHPI : Janeev
c/o Shri Vilas Chabhekar
Grandralok Apartments
Dahanukar Colony, Pune-411 029
2. SHG : Collective Agricultural Groups
C/O Graduate Volunteer Scheme
Village, Vayoshi, Tal, Khalapur, Dist. Raigad
- SHPI : Rural Communes
Metro Cinema Road
Marine Lines, Bombay-400 001
3. SHG : Collective Social Forestry Group
Village, Talawali, Tal. Jawar, Dist. Thane
- SHPI : NIRID
c/o Shri Pinakin Patel
Juhu Tara Road
Santacruz (west), Bombay 400 054

Gujarat

1. SHG : Ramabir Youth Association
Village, Khun, Tal. Dhandhuka, Dist. Ahmedabad
- SHPI : Maniti, 52/3 Bima Nagar, Opp Umiya Vijay Soc.
Satelite Road, Ahmedabad 380 015 (Gujarat)
2. SHG : Agricultural Group Cooperative Society
Village, Valli, Tal. Khambhat, Dist. Kheda
- SHPI : Behavioural Science Centre
St. Xaviers College
Navrangpura, Ahmedabad 380 009