

KUTCH MAHILA VIKAS SANGATHAN

Veena Joshi

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Kutch Mahila Vikas Sangathan is a rural women's organisation or collective with 9443 rural women members organised across 165 villages in 5 different blocks of Kutch District, Gujarat India. Based on the expressed needs of the women, KMVS implements programmes and activities related to health, education, legal awareness and support, savings and credit,

control over handicraft production and marketing and natural resource conservation. KMVS aims to create space for dialogue between rural women and government and non-governmental bodies to make them accountable to the development process they unleash.

KMVS started working in June 1989 and was registered as a Trust and Society in 2nd June 1989. It is co-sponsored by Janvikas (an NGO based in Ahmedabad), Gujarat State Handicraft Development Cooperation, District Rural Development Agency and Commissioner for Women and Children.

1. CONTEXT

Kutch is the Western most district of Gujarat, bordered by Sindh of Pakistan on the north, Rajasthan to the north east surrounded by the coastline in the south west and a flat saline desert “Rann” to the north and north east. The area is almost 24% desert and 73% of the total area is wasteland with low levels of productivity. Average annual rainfall is 340 mm with regular drought-any 5 years cycle has 2 to 3 year of drought. The district is very thinly populated district – total population being 1,350,000 with only 28 persons per sq. km. The cattle population is higher than human population – more than 1,400,000. The main communities are Muslim and Backward Castes engaged in pastoralism: Ahir, Rabari, Gadhvi, Scheduled castes with some higher castes.

Traditionally the main occupations are dry land agriculture and livestock with subsidiary occupations of handicrafts and collection of forest produce. A survey by

KMVS in 1989 to 1991 in the South of the region found that the migration of male population with cattle resulted in double-triple responsibility on women's' shoulders. The percentage of women earners was more than men (almost double) and girls started earning at the age of 7 to 8. Due to a combination of environmental degradation and opening up of handicraft market, there was a great rise in the number of women artisans. But they remained as wage labours not owner entrepreneurs or artisans.



The high level of women working did not translate into good living conditions or high status for women. Literacy levels are very low : 26.68 % for women and 49.13 % for men. 80-85% women had never been to the nearest town unless very sick. Due to occupational hazards / non availability of water / non favourable work conditions / malnutrition / women were suffering from many health problems including: chronic backaches / sprains; severe eye trouble / infection / watering; tuberculosis; anemia in almost 85-90% of total female population; high rate of infant mortality; multiple pregnancies causing many gynecological problems; low level of awareness about nutrition, immunisation, pre / post natal care, sanitation, hygiene etc. Irregular functioning of primary education system coupled with girls work responsibilities meant that literacy rates amongst the girls were very low at 0-4%.

There was also a high rate of unnatural deaths among women. The female sex ratio is low with only 964 females per 1000 males, despite the high levels of male outmigration indicating even high levels of female mortality than these figures would suggest. In some communities like the Darbars (Rajput), this was due to the dowry system. In others male alcohol consumption and unemployment, together with a lack of legal awareness, support and space for women also resulted in high levels of domestic violence. The 2001 earthquake compounded preexisting problems of violence against women and interrupted usual forms of livelihood (weaving, carpentry, animal husbandry, farming, craft work).

2. KMVS AIMS AND OBJECTIVES

Considering the outcomes of the survey KMVS decided to begin its work from Northern Kutch in **Khavda** area, and gradually spread into Nakhatrana and Abdasa in the west, Mundra in the south, and Khadir in the east.

KMVS began working in the village with women on livelihood issues through collective production and management of handicrafts. The aim was to restore the status of these artisans by taking up issues linked to work, markets, credit and training.

Alongside the livelihoods focus KMVS aims to create awareness and to initiate programmes and processes which s empower the rural women of Kutch by increasing their capabilities to:



- ◆ Question various forms of socio economic and political oppression.
- ◆ Comprehend the basis of these forms of suppression and oppression.
- ◆ Act upon information, training, knowledge and their skills accessed by them to both establish their position as active change agents in their communities with the objective of improving their socio economic situation.
- ◆ Establish, access, and control over resources as well as decisions regarding themselves, their families, work and environment.
- ◆ Increased capabilities to make informed choice with self-esteem and dignity.

Education and awareness training therefore form the foundation of all KMVS activities effecting small changes in their own villages. For example Sangathan members can be seen extending support to other women. Thus capacity building is top priority for KMVS in its promotion of substantive and sustainable development.

Based on women's expressed needs through their organised taluka sangathans, KMVS focuses on the following activities:

- ◆ Savings & Credit programme.
- ◆ Handicraft production.
- ◆ Legal awareness, education and support.
- ◆ Education of adolescent girls and adult women.
- ◆ Media Advocacy through radio programme and newsletter.
- ◆ Natural resource management.
- ◆ Reproductive health projects.
- ◆ Training of women in Panchayat.



From 1992 KMVS has also had a focus on environment and ecological improvement.

3. SAVINGS AND CREDIT PROGRAM

Kutch being a drought prone area, rural poor families in interior Kutch are always forced to rely for cash on local moneylenders, Shahukars and Mahajans who in turn push them in a vicious circle of debt. The local *Shahukars* and *Mahajans* charge up to 10% as interest per month along with jewelry, land documents or some other properties as mortgage or security. Even if there are banks in the near by villages, they never cater to the need of poorhouse holds. The *Shahukars* and *Mahajan* have their own methods of recovering their loans which in turn forces the poor to become poorer eg. the loan for agriculture is always recovered in the form of harvested crops.

By 1994, the organised women's groups at every taluka therefore decided to develop their own Savings and Credit programme:



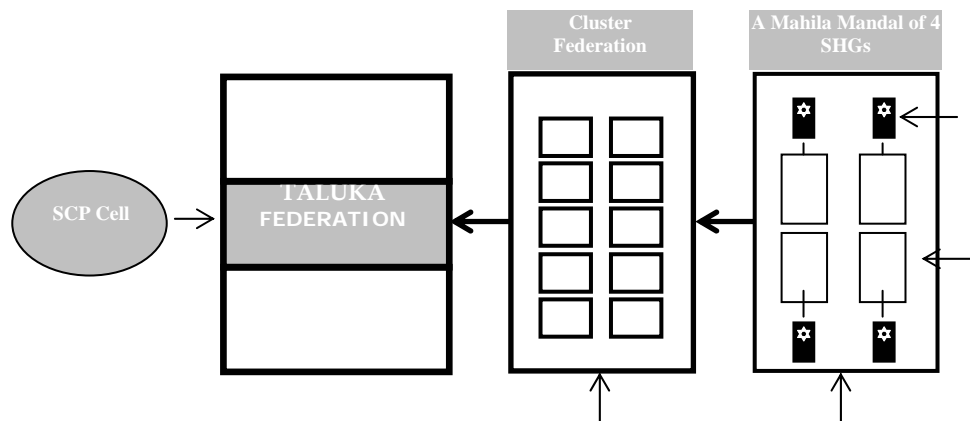
- ◆ Poor families specially women-headed households did not have any information on banking and the facilities available through banks. Therefore the savings and credit programme could be used as a tool to understand the banks and the banking system.
- ◆ Women never have savings or properties in their name. Through this programme they can have

access to money and right to property.

- ◆ The savings and credit programme was also a medium for supporting other economic, developmental, social activities of the Sangathan such as domestic violence legal fees, water sanitation, organic farming, composite heaps, land purchase, etc. (as it is already supporting the administrative cost of over all activities of the Sangathans)

The next step was to decentralise at the village level. It was decided that 50% of the funds would be retained at the village level and lending up to Rs.5000/- also will be decided by the village level Mahila Mandals. Any loan exceeding Rs.5000/- would be reviewed and disbursed from taluka level. This would reduce the travel time and expenditure almost by 50%. It would help women at the village level to get a more in depth understanding of programme.

Current Structure of SCP Programme



RESPONSIBILITIES OF DIFFERENT LEVELS

SHG members	Agewan	Taluka Samities	Resource Unit
<ul style="list-style-type: none"> • Get the pass book and loan applications and the statement (patrak) filled by the Agewan. • Reading of Ujjas news letter and discuss other issues. 	<ul style="list-style-type: none"> • Fill the passbook of each member. • Maintaining all the records at village level. • Facilitating the discussion in monthly meeting . • Maintaining the minuts of the meeting with other members help. • Deposit the village savings at the taluka level. • Attending the monthly meetings of group leaders at the taluka. • Helping taluka Samity in maintaining village A/cs. • Attending the trainings organised at taluka level. 	<ul style="list-style-type: none"> • Coordination with banks. • Finalise the loan applications. • Disbursement of loans. • Internal audit of the SCP along with RSU members. • Linking the other issued of village to the SCP. • Finance planning and investment strategy. 	<ul style="list-style-type: none"> • Organising training and exposures of the Agewans. • Facilitating the group decision making with values and principals of self regulation. • Reporting to the Agewans and Taluka Samity. • Introducing the structural and other changes in the SCP.
<ul style="list-style-type: none"> • Select the group leader. • To attend meetings regularly. • To deposit their savings with Agewan during the meeting. • Discuss the monthly status of SHGs. (total deposit / loans etc.) • Finalise the loan applications to be forwarded to the taluka Sangathan. • Discuss other issues related to the group. 	<ul style="list-style-type: none"> • Organise monthly meeting. • Maintaining the attendance register. • Reading the monthly status of the group. • Accepting the deposits from the members and record them in the statement. • Assess the loan needs of the group along with the members. • Fill the loan applications of members. 	<ul style="list-style-type: none"> • Organise the bank functioning on the banks days every month. • Maintaining the records at the federation level. • Organising Agewan meetings. • Organising Mahila Mandal meetings on specific issues. • Training the Agewans on A/cs and record maintaining. • Planning, implementation, supervising and review of the SCP along with Agewans and RSU members. 	<ul style="list-style-type: none"> • Help Taluka Samity to plan, implement, monitor and review the programme. • Financial and social analysis of programme. • Quarterly training of taluka accountants. • Help audit of SCP. (internal/statutory) • Help Taluka Samity for bank coordination. • Proposal writing for funding agencies and banks.

4. IMPACT OF THE SELF REGULATED SAVINGS AND CREDIT PROGRAMME (SCP)



Although a detailed impact assessment is not available the programme is monitored according to the criteria below.

Self Regulation - Standard Framework

Institutional Standards

- Group size membership not less than 20 each group.
- Attendance of the members.
- Regulating the meeting.
- Decision making through members / Agewans (not centrally)
- Transparency in group.
- Selection of Agewans.
- Rotation in leadership (every 3 years).
- Independent Maintaining A/cs and auditing.
- Independent dealing with the banks.
- Independent monitoring the programme with the help of RSU members.

Developmental Standards

- No. of members reached / no. of villages reached.
- No. of families stopped borrowing from Shahukars / Mahajans / Moneylenders.
- No. of Agewans trained.
- Total no. of loans issued for production purposes.
- Total no. of loans issued for consumption purposes.
- Total no. of families covered under the special loans of self sustainability.
- Rate of interest currently being charged by the Shahukars / Mahajans.
- Total no. of times federation could access loans from banks.

Change in quality life of (standards)

- Total no. of villages accessed drinking water.
- Total no. of families covered under farm land treatments.
- Total no. of families covered under sanitation programme.
- Total no. of families covered under bio gas programme.
- Total no. of women access to basic health services.
- Total no. of families have change the food pattern (started consuming green vegetables / fruits etc.)

It is clear that the programme has had a number of positive impacts:

- ◆ KMVS resource unit conducted intensive management attitude and leadership training to the women of these villages. Thus women acted as a role model to other organisation's leader.
- ◆ Sangathans have now reached out to banks and banks are coming forward to refinance them.
- ◆ The disburse short terms consumption loans as well as long term production loans. In initial years the consumption loans were 75 % while the production loans were only 25%. However, with almost 90% repayment rate production loans have increased to 65 to 70% while the proportion of the consumption loans come down.
- ◆ The interest rates of moneylenders and the Mahajans have directly come down to 5% on an average.
- ◆ The Samities members and some of the trained Agewans are called for training the bankers and other organisation of SHG groups
- ◆ The internal audit of the programme is completed by March 2005 (for all the Sangathans)

These are monitored according to the framework below.



Table: Growth of SCP of KMVS at a glance											
Total (Taluka Wise) - Fund (94 to Mar-06)											
Sr. No.	Description	AMVS*		UMS*		SJS*		PMVS*		Total	
		Mem.	Amt	Mem	Amt	Mem	Amt	Mem	Amt	Mem	Amt
SOURCE OF FUND											
1	Savings Deposited		3448015		6841045		2797149		2081061		15167270
2	F.D.	27	53900	145	1108500	42	182184	73	91400	287	1435984
3	Loan Rec.	6050	5017365	12454	9139982	8163	5547570	9037	3666417	35704	23371334
4	Bank Loans (IR 10.5%)		1700000		1550000		1487000		1500000		6237000
5	Women & Child Loan (IR 4%)		409368		339000		159000		213000		1120368
6	France Grant		280832		280832		187222		187222		936108
7	Internal Loan (IR 6%)								589787		589787
8	Revolving Fund				8284						8284
Total (1+2+3+4+5+6+7+8)			10909480		19267643		10360125		8328887		48866135
APPLICATION OF FUND											
1	T-Loan Given (1.1+1.2)	2623	6747950	4058	12970700	2888	7465250	2679	5333300	12248	32517200
1.1	- Consumption	982	2446750	1754	5291300	898	2063400	820	2280300	4454	12081750
1.2	- Production	1641	4301200	2304	7679400	1990	5401850	1859	3053000	7794	20435450
2	Saving Withdrawal	2273	1271431	2627	2089772	19032	810105	652	516363	24584	4687671
3	T-A/c or FD Close (3.1+3.2)	2504	883678	3327	1755685	1486	526059	677	278452	7994	3443874
3.1	- Saving A/c Close	2503	879178	3274	1350685	1479	506414	673	268952	7929	3005229
3.2	- FD Close	1	4500	53	405000	7	19645	4	9500	65	438645
4	T-Loan Inst. (4.1+4.2+4.3)		1508728		1289825		1326403		1949280		6074236
4.1	- Bank Loans		1508728		1289825		1326403		1494280		5619236
4.2	- Women and Child										
4.3	- Internal Loan								455000		455000
Total (1+2+3+4)			10411787		18105982		10127817		8077395		46722981
NET FUND			497693		1161661		232308		251492		1645461