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INCOME GENERATION

Our small savings schemes in four villages continue to work to the advantage of depositors. Some of the new villages have also begun to operate such schemes, but since we have nothing to do with these, they form no part of this report. In our four villages, as we said last year, the number of depositors and the amount of deposit both have reached an optimum level. At Chandalati there are 192 depositors, of whom 154 can be called active, at Fatullyapur the figures are 313 and 175 respectively, at Andharmanik 98 and 53, at Bajitpur 179 and 104. The problem with dormant accounts is that the depositor would not agree to take back his very meagre deposit, maybe as low as Re 1, for he (or, more likely, she) does not like the feeling of being out of touch and would always hope for a day when he will have something again to save and keep. This year 17 loans amounting to Rs 12500 were given at Chandalati, at Fatullyapur 29 people borrowed Rs 19400, and the figures for Bajitpur were one and Rs 1200. Repayment has not caused us any worry.

We confess that Swanirvar now concerns itself very little about these savings schemes. One reason is that the local village organisations are in full charge and need no help any longer. Second, and more important, is the fact that Swanirvar this year launched a big project for loans to women's self-help groups. The need for rural credit is too obvious to call for any discussion here and our project aims to meet that need in our work area to a considerable degree. Each group has five members, all women. Sometimes they do ask for a loan for something they plan to do themselves, but it would be foolish to insist on thus as there just is not so much entrepreneurial material available among rural women. But even if the loan is required for something a man in a family plans to do, the woman has to apply for it, and for thus she has first to prove her suitability as a member of a group. Without her the credit will not be there and this is also empowerment, even if a little indirectly. All the members of a group have to be reasonably close neighbours, in the same age and income group, and our workers see to it that during the period, never too short, when the women learn what it is all about, they form the same concept, which means that by the time a group is ready to receive credit all its members have a clear idea of what they will do with the money and of the imperative to repay the loan on a strict weekly basis.

The four main purposes behind the income generation project are, formation of self-help groups, A visitor from Friends of Swanirvar distributes a loan: empowerment, even if indirect reception of new ideas, developing the savings mentality; and supplementing the family's income. Usually it takes between 3 and 6 months to prepare a group to receive credit. The

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members have to save a pre-determined weekly sum in this period. However, because of our own resource constraints we could not always give loans in cases even when the members were ready.

And when finally the money is available, two members of a group receive a loan the first week, and two more will be eligible the next week or as soon after that as our resources allow. Repayment begins from the first week after receiving the loan, and every loan is to be repaid in 52 instalments.

At Kolsur 30 women received Rs 65000, at Fatullyapur 12 Rs 23500, and at Chandalati Rs 25000 was given to 10. Repayment has been regular, with nobody defaulting even for a week. The maximum loan has been for Rs 2500 and the lowest amount borrowed so far is Rs 700. The purposes have been as diverse as animal husbandry, tailoring, agriculture, trade in vegetables, fisheries etc.