AN APPROACH TO SELF-RELIANCE: AN URBAN MODEL IN BOMBAY, MAHARASHTRA - ANNAPOORNA MANDAL

INTRODUCTION

Annapoorna Mandal is a programme that seeks to organise working-class women who are running small eating places in their own homes for blue-collar workers. Each woman works in her own home, accepting boarders, generally factory workers who have no families and have migrated to Bombay in search of employment.

Prior to the piloting of this project, these women caterers used to operate with loans from money lenders. Indebtedness to the money lenders was a great burden as not only did they pay high rates of interest, mortgage jewellery,etc., but they were forced to buy their personal grocery on credit. As a result, in spite of 17-18 hours of work, these women could not make their enterprises economically profitable.

The project described here as a case study presents a model whereby incremental benefits can accrue through self-help. Having organised a method of being free from the clutches of money lenders, the scheme has motivated the women to think actively of means to resolve their other problems of life.

Such a programme can successfully be replicated where the promoter(s) have a good link and rapport with loan recipients and workers at the grass-roots level supervise money transactions themselves.

BRIEF HISTORY OF ANNAPOORNA MANDAL

The promoter of the organisation, Prema Purav, was a political worker who had considerable years of experience with working-class families in Bombay. She had knowledge of their requirements and their life-styles and had a close rapport with them. She devised a scheme whereby women caterers could take a loan and repay it in a manner that released the women from permanent indebtedness. In addition to making the women's activities viable, the scheme had plans for small savings which the women could operate on their own.

While the initial spadework was done entirely by Prema Purav, the organisation of the women into area committees with elected representatives helped evolve a democratic framework. Top-level decisions perforce had to be made by the organiser-promoter because negotiations at official level could only be done by educated persons with influence, but the committee members were involved and their needs were discussed in weekly meetings. The members thoroughly understood what the scheme was, how it was useful to them, how it was operated. Thus, they participated in it fully. They kept accounts, made withdrawals from the bank, made loan applications, etc., on their own. The responsibility for the operation of the scheme was left to the local committee with guidance from the President.

Although Annapoorna Mandal was initiated in 1975, the actual operation began in 1976. It started to function in one suburban area of Bombay (Byculla) with about 200 members belonging to the intermediate and lower caste working group of women. By the end of 1980, there were 4500 members covering eleven suburbs of Bombay. In each area (not slums but working-class quarters called *chawls* the number of lunch-house women ranged from 200 to 400, while there were also some 500 vegetable sellers and 200 junk collectors who were part of the scheme.

Objectives

Considering the existing plight of the women in these areas, the organisers decided to start a scheme with the following objectives:

- to help women to obtain an easy source of credit which would not involve the need for types of security normally expected by banks;

- to help illiterate women understand the need for some kind of budgeting and finance management;

- to strengthen their economic position by providing support for what they were already doing;

- to utilise the opportunity to mobilise them for social education and collective responsibility.

Target Group

The category of women the programme aims to reach consists mainly of middle-aged working-class women, of intermediate and lower castes including scheduled castes. They are married women running small independent enterprises to supplement their incomes. They are all located in working-class areas, running one specific type of enterprise - food preparation.

Organisational Features

In order to attain the objectives, groups (*mandals*) were organised. The membership of these is by an entrance fee of Rs.2 with a monthly subscription of Rs.1. This collection is kept as a fund to be used for covering travel charges and part of the rent paid for premises used for conducting the affairs of the group. Usually, membership is through introduction by existing members with approval by the Managing Committee. The organisation of the group has three levels: the general body, the Central Committee and the Managing Committee. Both the Central Committee and the Managing Committee are elected bodies and consist of the self-employed women. Honorary members may be permitted through the recommendation of the Managing Committee but such members have no vote. The Secretary does the work of liaison, advice, etc., assists in all difficulties and helps maintain records, etc. There is only one paid help - a girl (paid Rs.100 per month) who assists in the collection of repayments; otherwise no honorarium or salary is paid to anybody.

Loan Facility

Any woman who wishes to obtain a loan must become a member of the mandal. Any woman who has at least ten boarders can apply for a loan. The ceiling for the initial loan is Rs.1500. Later loans can go up to Rs.2000. The only surety is that of hypothecation of "provisions". For a Rs.1000 loan, repayment is by monthly instalments. When an instalment is paid, Rs.60 is taken for repayment of the loan and Rs.10 goes to a compulsory savings deposit scheme. Each woman receives a pass book and account book wherein stamps of different colours for different amounts are affixed, to denote her debit/credit position. Though illiterate, she can quickly learn to keep accounts. Interest charged up to Rs.1500 is 4 per cent. If the amount is more, rates are higher, the highest being 15 per cent. Repayment is collected by the bank representative, who contacts the area President every month. This is to save the women the trouble of going to the bank. They have no time for this.

The area committee is from among the working women. An area committee is formed and loan facilities are given when there are at least twenty members in an area. The committee contacts all the other members of the area, collects repayments and loan applications, and keeps records. Where there are new areas joining the group and the members are few, a bank agent may not go for collection. In such cases the members go to the nearest area office. There are eleven area committees responsible for processing loans, collecting loan applications, collecting repayment, etc. The bank agent sits in each area once a month, on an assigned day. There are three bank agents exclusively assigned for Annapoorna Scheme, working in these eleven areas. The bank has a turnover of Rs.6 million as a result of this scheme, the monthly repayment running to Rs.100,000.

All the members have taken loans. The rate of recovery is 98 per cent. The defaulters are in abnormal situations: death or disability. About a quarter have repaid in full the first loan and are now in the process of repaying their second loan. The loan amount is worked out on the basis of a week's requirement of working capital. The bank processes loans in batches of 25 or so.

Working Conditions

The "small-lunch-home" operator receives Rs.80 per boarder per month. This covers only material charges. The earnings consist of the food saved to feed her own family up to four members. No cash is available as net profit. However, the income of other members of the family can then be utilised for other purchases.

The women work nearly eighteen hours with just a short break at noon. Their work begins at 3.00 a.m. The first session is till noon. The second session begins at 2.30 p.m. and goes on till midnight. Some boarders eat a meal and carry the second meal. The meal provided is chappatis, dal, and vegetables. Each boarder consumes 15-20 chappatis per meal. Each operator requires 20-30 kgs of wheat per day. The meal served is adequate in terms of quantity but not in quality. The factory workers have to fall back on cheap "lunch-homes" and poor quality food, cooked in unhygienic surroundings, because there are no welfare provisions for them either from the factory or from the state. Twice a week, mutton and eggs are cooked, but this is on request from boarders who bring these things to be cooked. Leftovers are given to the children. The relationship is highly personal. Often boarders' wives may be given lodging accommodation. Once a year boarders present a gift to the *khanawali* (food woman).

The purchase of provisions for meal preparation is made individually. Three or four women may go together to do the marketing. They do not engage anyone else for the shopping or for porterage. Though pooled buying may save time, they have not attempted it out of fear of misappropriation. If a woman falls sick, she seeks the assistance of others. There is a high degree of solidarity.

From the point of view of boarders, the meal is very cheap compared with what they would have to pay in a hotel. Their individual requirements of food are met, but it must be remembered they meet survival needs at a low level.

By and large,the possibility of boarders defaulting on their dues to the women meal-providers has been kept under check because of the intimate contact members of the mandal have among themselves. They come to know about any defaulter quickly and will not take in such a person. Undercutting is eliminated. If a woman defaults on her repayment to the bank, the area committee pulls her up and tells her how she is ruining the reputation of the mandal as a whole There is high motivation to retain prestige through this method.

Other Services Provided by the Mandal
In addition to access to credit, services like accident compensation, social-cultural activities and literacy classes are also provided by the mandal. Creches and *balwadis* are at present not feasible because of the problem of space. As it is, the women's living quarters are dreadfully overcrowded.

LIMITS TO EXPANSION OF THE PROGRAMME

There is a limit to the scale of operation of each member because of the high proportion of working capital needed and the non-availability of labour. Only family labour is employed. The amount of labour involved depends on the number of adult relatives available. They take only two days off in a year, 15 August and 26 January. They cannot afford to take days off. There is a ceiling to the scale of operation; not more than 30 boarders per woman can be taken if she works alone.

The programme has expanded rapidly and the women by and large act as an identifiable group with *esprit de corps*, though family concerns are predominant and patriarchal values survive. These values may conflict with those of the programme. Because they are organised in committees, the women get the chance to discuss their needs and they air their suggestions freely. As a result of the need perceived by the women, the group has proposed building a centre. Donations of Rs.50 to Rs.100 are being collected for the building fund. The idea is to provide employment for members' relatives who have no place of their own. They want to try packed lunches for office-goers.

The organisation, being area-based, can expand considerably. The optimum is set by the nature of the enterprise. As each woman works independently, with her own tools, in her own house, with her own and her family's labour, a limit is set by the availability of labour and space.

Limits to expansion are also set by the small margin of net profit. Thus, while there are savings to buy vessels and improved storage facilities, additional investment in the scheme is likely to be low. Much of the savings are used for the purchase of durable consumer goods. For the social functions of the group, collections of Rs.5 are made from each member.

COMMENTS ON THE PROGRAMME

Possibly, the major success of the programme is in its democratic functioning, without much official sponsorship. The scheme is successful because it is built on an existing productive organisation. Because the members act as a group and not as individuals, financial aid is immediately possible and it is easier to get institutional credit. Hundreds of small borrowers cannot be reached individually by the banks.

The second distinguishing feature is that the scheme has not involved any displacement or dislocation of any sort. The women's method of operation has been retained and their independence preserved.

Thirdly, unlike most loan schemes, this one has restricted the amount that can be loaned and built in a scheme of regular repayment through monthly instalments. Only when an initial loan is repaid can a second one be taken. The scheme has a compulsory savings deposit scheme. The investment per member works out to Rs.70 per month per boarder.

Many women have repaid their first loan and gone in for a second loan. The savings have definitely increased. Each household has visible additions to its assets. As expenses on food are saved, the cash incomes of other earning members have gone to improve the family's welfare. Children of all the families go to local municipal schools. The impact on mortality and fertility is hard to assess within such a short time, but there is awareness of family planning.

Problems

1. While there is definite improvement in the standard of living, there is a tendency to imitate the conspicuous consumption styles of the well-to-do. Less is spent on health needs than could be, while expenditure on clothes and jewellery has gone up. Awareness needs to be built up of alternative, more productive investment. Some effort is put into providing education on health, hygiene, etc. but the women's lack of time means that they cannot receive this more than once a week or so, and do not even achieve that regularly.

2. Expectations have been raised. Again and again, the women have said that they did not want to continue in their occupation. They want to do "something better". They do feel that what they are doing is of less status compared to a white-collar job. When their daughters grow up, they do not want them to work in this occupation; they aspire to white-collar jobs and do not want to be factory workers. Whether or not these aspirations can be met remains to be seen.

3. The success of the scheme is based on serving boarders who are in the same neighbourhood. They cannot charge higher prices as this class of boarder would not be able to afford more. While this is good, it also emphasises the women's immobility; their work ties them to a particular neighbourhood.

4. Diversification is not possible as the scheme is at present operated. If the women were to take on some other activity, they would have marketing, transport and packing problems because they would not be supported by the programme.

Possible Improvements

Perhaps some improvements could be made in the technology used. For example, rolling chappatis takes an enormous amount of time and the labour input is inordinately high. It may be possible with improved means to purchase other equipment to roll out chappatis without much effort. Secondly, if some low cost refrigeration were possible, the women could be spared cooking several times in the day. Investment on refrigeration would possibly be worthwhile if done on a cooperative basis. The cost factor in relation to a possible increase in productivity needs to be worked out. Perhaps this is where the programme might expand its help.

Conclusion

It should be remembered that in the long run, work opportunities and productivity are related. In the absence of some means by which productivity can be raised, motivation to continue working will be absent because returns will continue to be low - too low to justify the effort the women put into the scheme.

This is of special significance for women, for greater productivity may mean less need for additional labour. Fewer children may be needed and family planning may be practised. But as long as the cost-benefit ratio is in favour of additional children, the appeal of family planning will remain weak. Family planning opens for women choices beyond motherhood. In the urban set-up, where they are exposed to the mass media, where there is over-crowding and the need for schooling for children is realised, in the relatively well-to-do working-class families, family planning is more likely to be practised. However, other factors such as inadequate health and nutrition, infant mortality, and the need for children as old-age security may be disincentives to family planning. When asked why she did not go in for family planning, one woman member of Annapoorna said, "Guarantee that my son will live; then I will not have another child."