

CHARACTERISTICS THAT CAN DESCRIBE A SANGHA AS "GOOD"

Note : This description is the consolidated result of an exercise conducted separately on Five MYRADA Projects. All project staff participated in the exercise. The objective was to set some very specific criteria towards which to move. But though it was a staff exercise, many of the criteria that have been incorporated have emerged from the sanghas themselves - in one project or the other - and have worked successfully, thereby qualifying to be included as something that other staff and sanghas can also consider.

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1.	SANGHA SIZE	Though size, in itself, cannot be a criterion for calling a sangha weak or strong, in general it is seen that effective understanding of issues and participation in discussions and programmes occurs in groups that are small, i.e., less than 20-25 members. Therefore, the strength of the sangha members should be aimed at 20 or less. (small size, i.e. less than 20 is now also stipulated for bank linkage)
2.	COMPOSITION a) The Socio-Economic Category	<i>Poor families only.</i> Where strategically necessary, the better-off farmers can serve in advisory committees, where groups can make use of their experience, but they cannot become members and they have no decision making powers. Educated youth from poor families need not be excluded simply because they are now employed in jobs where the income is better.

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	<p>b) Can men and women belong to the same group?</p> <p>c) Can one sangha have more than one member from the same family?</p>	<p><i>They can.</i> However, generally in such groups women are outnumbered and/or overwhelmed. So it is better to encourage the formation of separate groups. Where this is not possible, women in mixed groups must receive special attention from staff to see that they are not marginalized.</p> <p>Though in practice this is not widely prevalent, <i>there should be no objection</i>, as long as members conform to the sangha rules and regulations.</p>
<p>3.</p>	<p>STRUCTURE</p> <p>a) Should there be office bearers carrying designations?</p> <p>b) Should sanghas have advisory committees</p> <p>c) Should sanghas federate into Apex Bodies</p>	<p>Terms such as `President', `Secretary' carry a risk. On the one hand, the people carrying the designation feel that their status is elevated and that they have greater say in decision- making; on the other hand, other members feel that they have no responsibility since the President and Secretary will take care of everything. <i>Therefore, such designations may be avoided as far as possible.</i> Instead some neutral terms like `Representatives' can be used. These representatives can vary from task to task.</p> <p><i>Not Necessarily.</i></p> <p><i>Not compulsorily.</i> But in many instances several sanghas have come together for specific purposes such as purchasing seeds and fertilizers in bulk, operating an agricultural service centre, or planning and executing a village drinking water and sanitation programme, etc.</p>

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		members are themselves encouraging the weaker ones to participate.
7.	RULES AND REGULATIONS	<p><i>Must be framed by the members themselves, understood by all members, acceptable to all members and followed by all members.</i></p> <p>Rules must be framed not only to facilitate administration, but also <i>to bring about positive behavioural changes</i> among members.</p>
8.	<p>SAVINGS</p> <p>a) Frequency</p> <p>b) Should there be a fixed amount</p> <p>c) Interest on savings</p> <p>d) Withdrawal of savings</p>	<p><i>Every member should save atleast some amount each month.</i></p> <p>The minimum monthly amount to be saved will be as <i>decided by the sangha</i> and can differ from sangha to Sangha.</p> <p>This is an incentive for members to save. <i>Members can decide</i> whether to pay interest on savings; if so, how much and for what amount (i.e., some sanghas pay interest only for Rs.100/- and multiples of Rs.100/-). As yet there is no pattern that is emerging on the issue of paying interest on savings. Since, direction of staff effort cannot run contrary to natural inclination of sanghas, this area will have to be considered again, at a later date.</p> <p>Though records are kept of individual savings, the money itself is held in a common fund from where the sanghas can advance loans to members and also take up other activities.</p>
		<i>Hence, members are encouraged to apply</i>

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		<p><i>for loans rather than withdraw savings.</i> However, individual sanghas may take their own decisions in whether to permit withdrawals, when, and how much of the amount saved.</p> <p>When a member for some reason leaves the sangha his/her individual savings will be returned to him/her.</p>
	e) Acceptance of savings from non-members	The issue has not yet been properly discussed.
9.	LOANS AND REPAYMENTS a) Application and approval	<p>There should be a proper selection/rejection of beneficiaries and loan purposes, wherein 'proper' means that the selection or rejection is based on a reasoning that is understood by all members, and especially the applicant.</p> <p><i>A good sangha is not just one which has approved a number of loans, but also one that has rejected applications for valid reasons.</i></p> <p>(E.g. a member may have worked out the economics of keeping 6 sheep, but the sangha may ask her questions such "You have no yard, so where will you keep the sheep?" or "What do you know about sheep rearing? Have you ever had any experience with sheep?" and so on.</p> <p>A member is not entitled to a second loan if there are over-due installments on a first loan.</p>
		Loans cannot be given to members who do

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		not abide by the other rules and regulations of the sangha, such as attendance at meetings, taking responsibility for programmes, etc.
	<p>b) Interest on loans</p> <p>c) Repayments and Recoveries</p> <p>d) Can one sangha lend to another?</p>	<p>Interest builds up the sangha's common fund. Interest rates should be less than what is charged by moneylenders, but more than what is charged by Banks and other credit institutions. <i>Interest rates should be based on purpose, risk, productivity, etc.</i></p> <p><i>The repayment schedule should be decided based on the purpose of loans and the members' actual ability to repay within the stipulated time.</i></p> <p>Repayments must be regular, as per the installments agreed upon.</p> <p>Recoveries must be 100%.</p> <p>Recoveries, in both cash and kind, should be acceptable.</p> <p>Repayment schedule may be modified under exceptional circumstances; for example, in 1988 in some areas the groundnut crop could not be harvested as it had not rained and the ground was too hard. Under these circumstances, interest on the extended period was waived and the repayment schedule modified.</p> <p>No specific stand has been taken, but in practice this has happened in a few cases.</p>
	e) Can non-members take loans?	This issue has also not been thoroughly discussed, but indications are that such a

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		practice will be discouraged, since non-members do not have a stake in the sangha and neither does the sangha have any control over them.
10.	DOCUMENTATION OF MEETINGS, PROGRAMMES AND ACCOUNTS	<p>All books and records must be <i>properly maintained</i> wherein 'proper' means - according to simple and acceptable systems.</p> <p>maintained by themselves or some person appointed by them.</p> <p>Written in a way which is understood by all.</p> <p>All records must be up to date wherein 'up to date' means that each day's transaction should be written in on the same day.</p> <p>Books should be open to all members.</p> <p>All financial transactions should be reflected in the minutes book also.</p> <p>Minutes, after having been recorded on the same day as the meeting should be read out to all, understood by all, and signed by all members.</p>
11.	LEADERSHIP a) Use of Designations b) Rotation of Representatives	<p>Please see 3 a.</p> <p>Representatives, including cheque signatories, should be changed atleast once a year, but preferably twice a year.</p>
12.	LINKAGES a) With other Sanghas	Staff should take special interest to see that sanghas build up as much contact with each other as possible.
	b) With other agencies & institutions	Staff will special efforts to build links between sanghas and government and bank staff based in the area. They will

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		<p>also be encouraged to participate in <i>gramasabha</i> and <i>mandal</i> meetings.</p> <p>Sanghas should be in a position to correspond independently with local agencies.</p>
13.	<p>LOCAL RESOURCE MOBILISATION</p> <p>a) Awareness of programmes and policies</p> <p>b) Resource mobilisation</p> <p>c) Utilisation of Resources</p>	<p>Information on new programmes and policies of the government and banks must be shared at sangha meetings. Members must also have a clear understanding of the procedures of access to these programmes in case they are eligible and interested.</p> <p>Every sangha must make a minimum of one attempt per year to mobilize resources from other agencies such as the government and banks.</p> <p>Sanghas must ensure the proper utilization of resources, wherein 'proper' means for the purpose which is specified.</p> <p>Sanghas should also try to obtain management rights over common resources (tanks, grazing lands, etc.) and see that they are used judiciously and in the interests of the poor.</p>
14.	<p>GROUP ECONOMIC DEVELOPMENT PROGRAMMES</p>	<p>Staff should build sanghas in such a way that there is an on-going income-generating programme (running profitably) at any point of time or, alternatively, a minimum of one such programme per sangha per year.</p>
15.	<p>COMMON FUNDS</p>	<p><i>This is a must with all sanghas, built up through savings, donations, and income earned through interest on loans, and</i></p>

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		<p>other programmes.</p> <p>The fund should not be kept idle, but rotated to help the members and at the same time earn more income for the Sangha.</p>
16.	PLANNING MONITORING AND EVALUATION	<p>Sangha work should be regularly reviewed by all members.</p> <p>In any programme, there should be some anticipatory planning to meet contingencies and risks.</p> <p><i>There should be a thorough analysis of all failed programmes, and the results of this analysis must be understood by all members. Sanghas must be encouraged to develop their own clear goals and objectives, and should even formulate their own mission statements.</i></p>
17.	COMMUNITY ACTION PROGRAMMES	<p>Every sangha must take up atleast one community action programme every year, in which all members participate to their maximum ability.</p> <p>Sangha members should attempt to mobilize the participation of non-members also.</p> <p>The programme taken up should be such that it is of definite use to the community.</p>

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18.	NUMERACY AND LITERACY, NON-FORMAL EDUCATION AND BUILDING OF SKILLS	<p>Every Sangha must conduct numeracy and literacy classes for its members.</p> <p>Candidates for promoters'/ animators' training must always be identified through the sanghas.</p> <p>Sanghas should ensure training of its members in relevant technical skills, making use of the training resources available with the Government, MYRADA and other institutions.</p>
19.	<p>SOCIAL INTEGRATION AND OTHER SOCIAL ISSUES</p> <p>a) Caste related action programmes</p> <p>b) Gender related issues</p> <p>c) Habits</p>	<p>In a mixed caste group, there should not be segregation or bias amongst members based on caste.</p> <p>Sanghas must organize and participate in atleast one inter caste social or cultural event every year.</p> <p>Special attention must be given to women members in mixed groups, to ensure their participation and growth.</p> <p>The involvement of women must be sought and encouraged in all programmes. Initiatives coming from women must be supported to the maximum extent possible.</p> <p>All Sanghas should make efforts to see that members do not drink, smoke, disrupt meetings by coming late, chatting and walking in and out. (See point 7 too)</p>
		<p>Sanghas must also try to motivate members to practice some form of birth control and reduce expenditures connected with social and religious ceremonies.</p>
20.	OTHER TYPES OF ESSENTIAL	<p>The project staff and the sanghas are</p>

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	SERVICES	<p>coming up with various services which they think are important and wish to support. A few examples are:</p> <ul style="list-style-type: none"> • Sanghas must take up programmes to ensure minimum required nutrition for expectant and nursing mothers and young children in the village. • Sanghas should mobilize support for the education of poor children in the village. • Sanghas should provide recreational opportunities for members and their families.
21.	ANY OTHER SUBJECT	<p>Here again, a few examples are :</p> <p>Sanghas should steer clear of party politics.</p> <p>Sanghas must prevent any of their own members from becoming a victim of exploitation.</p> <p>Sanghas must be helped to develop an active concern for the environment, and the conservation and judicious use of natural resources.</p> <p>Sanghas should be open to new ideas that can benefit the poor, as well as conserve the environment.</p>

TAMIL NADU WOMEN'S DEVELOPMENT PROJECT, P.I.U. DHARMAPURI

IFAD WORKSHOP HELD ON 23.01.1991, AT HOTEL VICTORY SHINE, HOSUR

The process facilitated by MYRADA to build up strong groups :

First Stage :

- ◆ The group must be identifiable. This means that it must have a name, a bank account, and a definite membership. It is not a place where people can walk in and out at will.
- ◆ The group must have a certain discipline. Meetings take place at regular intervals, there is an instance that all members attend and participate, and all transactions are supported with documentation such as Attendance Register, Minutes Books and Books of Accounts.
- ◆ All members are engaged in savings. This not only inculcates the value and discipline of thrift but also creates a pool of funds that the group can make use of for the benefit of its members.

Second Stage :

- ♠ Credit Management : From their own savings that are commonly held, members begin borrowing and repaying loans taken to meet small and immediate needs. Since the money is not enough to meet all needs all at once, members learn to prioritize loan requests (based on urgency of requirement as well as other considerations such as the members history of attendance and participation at group meetings, etc.), and meet them few at a time.
- ♠ Building up the Common Fund through their own efforts. Using money efficiently so that it generates interest, mobilizing donations from the community, fining members for breaking rules set by the group, (e.g. missing meetings or coming late).
- ♠ Taking up common action programmes that may differ from place to place but help to focus the energies of the group on village development needs and issues.

Third Stage :

Project's contribution to the Common Fund : This is a crucial step in the group process. Whether to make a contribution or not depends on the degree of responsibility shown by the group in the earlier stages. The amount of capital should be based on savings and money already mobilized into the common fund. The group will have equal right over their savings and the capital development fund to use the amount for lending to its members.

When MYRADA contributes to the Group's Fund, MYRADA's contribution is invariable 'un-tied' i.e., it is not given for any pre-designated purpose.

Why is it given at all?

- a) It is an incentive to the group to continue to function responsibly.
- b) It increases the capital available with the group, thus making it possible to meet more of its needs.
- c) It continues to train group members in decision making. If funds are given for programmes that have already been decided upon, the group is only engaged in credit monitoring, not in credit management. To that extent it reduces their responsibility towards the programme. Once the group is trained in decision-making and credit management, credit monitoring can also be taken on and performed; but if the group first gets oriented to credit monitoring, to make the switch to credit management is a far more difficult task.

Groups which are functioning properly aiming to become good groups are provided capital. Attached is the criteria for labelling the Sangha 'Good'.

Fourth Stage :

- ♣ Establishing links with other institutions, mobilizing Government and Bank supported anti-poverty programmes in favour of members. Groups find it difficult to meet all their needs with their own funds. Besides, their funds do not also permit them to advance large sums of money to a few members in the form of medium and long term loans. On the other hand, having passed through the three earlier stages, they will have developed the responsibility and the competence to take on the task of credit monitoring in case such funds can be mobilized from other sources. Their own common funds will permit them to continue to meet such

needs of members (and of the group itself) that other institutions cannot support. It is important that this comes after and not before the credit management stage.

NOTE:

- a) Training is a crucial part of all stages.

- b) The group has to be homogenous in order to emerge strong, i.e., its members must share similar concerns (though not necessarily similar occupations, caste, etc.)

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