

The Role of SAGs¹ in Watershed Management Institutions The MYRADA Experience

Aloysius P. Fernandez
Executive Director, MYRADA

Why SAGs – (Self-help Affinity Groups)

When MYRADA started promoting an alternate credit system for the poor way back in 1984-85, the name given to the groups that developed when the cooperatives broke down was Credit Management Groups. These small groups came together on the basis of affinity; the members were not selected on the basis of criteria set up under specific schemes. The focus was on management of credit as an empowering instrument, and not on the provision of credit, though this was a need. Later, in 1987 when NABARD provided MYRADA with a grant of Rs.1 million from its R&D funds to promote and study this pilot experiment, the name was changed to Self-Help Groups (SHGs). The focus, however, on management of credit continued; hence, the major investment on the capacity building of these groups. When the SHG strategy became popular and part of the Government's anti-poverty programme, MYRADA decided to go back and stress the focus on AFFINITY as the basis that unites the group members. This affinity exists even before MYRADA or any other organisation enters the scene. The intervener, therefore, builds on this affinity. In order to focus attention on the structural basis of the group, namely AFFINITY, which comprises a network of relations based on trust and mutual support, the name was changed to SAGs or Self-Help Affinity Groups.

1. Introduction:

In MYRADA's projects, SAGs existed much before watershed management programmes were introduced. In many watersheds, SAGs were already functioning for 3 to 5 years before discussions began on watershed management. This was not because of any strategic decision. It was just because MYRADA started forming SAGs in 1984-1985 and the strategy became reasonably clear by 1986-97 -(when NABARD gave MYRADA a grant from its R & D Fund to test a pilot programme), while watershed management programmes started only in 1986 and took some years to crystallise. In fact when the first watershed programme started in Gulbarga in the mid-eighties it did not include any component to support the formation of SAGs. Watershed Management strategies spread from Gulbarga Project to other MYRADA Projects during the early 90s. Meanwhile SAGs had been functioning in all these projects for 3 to 5 years. The performance of people's institutions in terms of taking the lead and innovating in watershed management strategies is far more evident in these later projects where

¹ SAGs - Self-help Affinity Groups

the SAGs had been functioning for several years before watershed management was introduced. It was this experience that prompted MYRADA to introduce the formation of SAGs in all subsequent watershed projects before discussions related to watershed management were initiated.

Why then does MYRADA consider that SAGs are critical to watershed management strategy? Briefly for four reasons, which emerged from our experience in the field. We discovered that:

- It was the SAGs that this gave space for the landless and near landless to participate in investments made and opportunities created in the watershed.
- The SAG members who were inducted in the Watershed Management Institutions (WMIs) contributed to the development of organisational and financial management systems in the WMI and insisted that systems be respected.
- The SAGs provided credit from their common fund to members who were engaged in watershed activities to supplement the investments made by the watershed component which often lacked the flexibility required to meet the differences in the local situation. They also provided credit to members to meet the obligations of 'beneficiary contributions' expected in most watershed development programmes.
- The SAGs introduced the strategy of converting the grants provided to the WDI for watershed activities into loans for treatment on private lands. As a consequence of this influence exerted by the SAGs which are accustomed to manage loans, the WDIs which were provided with grants from a donor, decided to convert these grants into loans to individual members for treatment activities on their private lands. Treatment on common lands remains as grants with people participating through shramdaan.

This paper will focus briefly on these four areas where there is evidence that SAGs have influenced WMIs. A few case studies will be reproduced below where the influence of SAGs on WMIs has been recorded.

2. Examples of SAGs introducing the objective of equity in watershed programmes:

Since watershed programmes tend to focus on the landed, and to benefit those in the lower reaches of the watershed -which are generally owned and cultivated by the better off families - equitable distribution of benefits through watershed programmes has been a major concern of MYRADA and hence considerable effort was devoted to supporting initiatives that helped to correct this bias towards the better-off. A visual experience of these differences in society merits re-call.

When the Watershed programme started in Gulbarga in the 80s this author had a visual experience of some of the issues involved that related to equity? A meeting was called of the families living and/or farming in the Wadigera watershed near Gulbarga. When all the people had gathered and settled down, the picture that emerged projected the class distinctions that operated. On the floor, in front, sat those

farmers who had lands in the lower reaches of the watershed which were (in this watershed) the most fertile and benefited from protective irrigation. Behind them sat or stood those farmers with lands in the middle reaches; though the land holdings of some of these farmers were not smaller than those of the first category, the lands were not as productive; besides they were more vulnerable to drought and long dry spells as protective irrigation was not available. People who stood on the periphery were mostly tribals and those with holdings on the upper reaches. The landless hung around. There were no women present initially; but as the meeting went on, they strolled in, more as inquisitive bystanders than as participants.

The discussions were initiated and dominated by the farmers with holdings in the lower reaches who were sitting in front of the group. They also belonged to a caste higher than the others. It was evident that if the marginalised groups were to be given an opportunity to participate effectively, they would have to meet in a different situation and to organise themselves in a way so that they could exert their influence on the programme in a sustainable manner. It was here that we discovered in other MYRADA Projects that the Self Help Affinity groups were playing a significant role.

The Members of the SAGs are the poorer families, namely the landless and near landless. They have benefited from an intensive training programme which focuses on institutional capacity building. The 24 training modules offered to the entire group include the following: A structural analysis of society; how to conduct a SAG meeting; Unity-Affinity in Action; Building a Vision; Group Goals; Developing Rules and Regulations; Responsibilities of group members; the need for proper Book-keeping and Auditing; Conflict resolution methods; Consensus or collective decision making; Common Fund management; Self Assessment, Linkages, Federations and Credit-Plus activities related to social change, health and education.

The SAG members also benefit from the experience of managing a group common fund. The MYRADA model promotes the habit of saving, the skills required for lending and the culture required to ensure repayments and take on credit plus activities. All decisions are taken within the group. The Banks extend a line of credit to the group without asking for the ultimate purpose of each loan. The Bankers have been trained to assess the institutional strengths (and weaknesses) of the group, not to assess the viability of each loan. Their major objective is to establish a relationship of trust with the group and to service the members who come to the Bank to deposit the savings or withdraw funds. All decisions related to credit provision, schedule of repayments and management of repayments therefore are taken within the group, not by the Bank. The focus of this model is not so much on the provision of credit, but on the management of credit. As a result the members acquire the skills of decision making, of conducting meetings, the confidence to relate with outsiders including Bankers and the respect for sound organisational and financial management systems. This experience and the support provided not only by the group to which they belong but by other SAGs in the

watershed gives them the confidence and skills to participate effectively in the meetings of the Watershed Management Institutions.

Further most of the loans for consumption which the poor required and for which they had to depend on the bigger farmers of the watershed are now given by the SAGs; this has a direct impact on reducing the level of dependence of the poor families on bigger farmers. The poor took consumption loans from the larger farmers and in turn were "bonded" to labour on their fields. With the SAGs providing the poor with regular loans, they were in a position to bargain for higher wages and to exert their rights more effectively during watershed meetings. Here are some examples of how the SAGs were able to promote the interests of the poorer families:

In one watershed in Gulbarga, the SAGs influenced the WMI to permit the landless to harvest fodder from the protected areas. These protected areas were of two types. The first consisted of private lands lying fallow since the farmer had migrated. Since the title of the land was clear and it was not used by others, the SAG did not anticipate any conflict which would have arisen if common lands had been targeted. The SAGs proposed that these fallow areas could be regenerated. This would help to conserve soil and water, to provide vegetative cover and to provide fodder. The SAGs suggested that the WMI enter into a contract with the absentee owner and helped to negotiate the agreement. The WMI agreed to fence the land with a boulder wall. Biomass would regenerate in these protected areas. It was agreed that the trees would remain the property of the owner while the lopped branches and fodder grasses would be used by the village. **The SAGs lobbied with the WMI to give the landless the right to harvest fodder from these areas. As a result of their access to fodder, the landless were able to purchase cattle with loans from the SAG. In Gulbarga, over 35 such agreements have been negotiated.** This strategy has not only helped to provide a livelihood base for the landless and near landless but also converted neglected lands which added to soil erosion into regenerated parks which increased biomass and played a more effective role in managing soil erosion and water run-off than bunds. The following is a sample of one agreement in Wadigera between the SAG and an individual farmer.

Quote

Rs. 5/ Stamp Paper

AGREEMENT

(Translation)

I, Sri Narayan Amba Rao Joshi, s/o Sri Amba Rao Patwari Joshi, aged 65, resident of Wadigera village, Kamalapur Mandal, Gulbarga Taluk and District, hereby make this agreement with the Wadigera Gramabhivruddhi Sangha on this fifth March Nineteen Ninety Two.

On this day I have agreed to lease my land - Survey No. 105, of approximately 20 acres (non-agricultural) to the Wadigera Gramabhivruddhi Sangha for a period of 10 years to be developed into a forest plot with the help of PIDOW MYRADA, of my own free will. The produce from the land will be shared with the Wadigera Gramabhivruddhi Sangha taking 30 percent to be shared by its members and the remaining 70 per cent to me². I will not interfere in any of the works. In case there is any dispute with regard to sharing of produce, I agree to let the Wadigera Gramabhivruddhi Sangha to solve the issue.

*Yours sincerely,
Narayan Rao Amba Rao Joshi
Kamalapur*

Witness:

1. N. V. Reddy
2. Tulasa Reddy

The second category of land protected was wasteland belonging to the Revenue Department. The SAGs lobbied for the poorer families to harvest fodder from these lands. However, this was possible only in a few watersheds in the more remote areas where these lands were not used by outsiders for grazing

3. Examples of SAGs influencing the management of WMIs:

The members of credit groups acquired considerable management experience while conducting the affairs of the SAGs. They learned to set priorities, to take decisions and risks, to draw up rules of behaviour, to resolve conflicts and to apply sanctions effectively for non-compliance. They learned the art of co-operation. They acquired the skills required to sustain co-operation and to set up and maintain the systems necessary (like records) to make co-operation a regular behaviour pattern - in a word to institutionalise co-operation. These skills and systems are absolutely necessary for managing the resources of a watershed. They cannot be easily acquired during a watershed programme since the process of watershed development is still heavily guided and influenced by interveners who insist on technical specifications and

² In subsequent agreements during 1993-94 sharing of produce was on a 50-50 basis.

guidelines in terms of 'how' to go about watershed treatment as well as 'what' is to be done and 'where' and by 'whom'. The 'transfer of technology' approach within a delivery system leaves little room for local people's institutions to develop. **The self-help group therefore provides a training situation, using credit as a tool or instrument.** Credit is an appropriate tool because it is familiar to all and also because it meets a felt need. Successful management of their common fund gave the group confidence that they can achieve certain objectives provided they were willing to observe certain rules and create a culture that motivates people to support each other. **The SAGs established a culture that was required for the resources of a watershed to be managed in a sustainable manner.**

There are four SAGs in Kalamandargi (Gulbarga) mini watershed. Two representatives from each SAG are members of the WIC; the roles and responsibilities of the WIC were established by the SAGs in a joint meeting; they are as follows:

- To involve farmers in implementing the soil and water conservation work on their land.
 - To supervise the soil and water conservation work and to resolve conflicts.
 - To mark out the work according to the PRA Plan, to measure the work done and decide on payment.
 - To make payments based on the quantity as well as on the quality of work.
 - To work out the farmers contribution according to the condition of the land, of the family and work involved in transportation of material.
 - To collect the contribution from the farmers to the SAG as well as to the Project (in cash to the SAG and labour to the project).
 - To allocate and ensure employment to the landless labourers and poor farmers.
- **The second area where the SAGs influenced the WMIs was in the management of cash transactions:**

Handling funds and making decisions on the quality and quantity of work are crucial areas for effective and sustained participation of people; they must therefore be transparent and seen to be just. In many areas where treatment measures had been undertaken previously, people are not aware of budgets and expenditure; they suspected the staff and contractors had been the major beneficiaries. Hence they viewed these measures more as a benefit to others than to them. Their commitment towards maintaining these measures was therefore weakened. The Kalamandargi WIC has decided on the following procedure to manage funds: (Note that in this watershed the Government Departments were not involved):

- The WIC members first verify the quantity and quality of works carried out in the farmers land; they prepare a statement of works done and the amount to be paid; MYRADA technical staff and SAG representatives scrutinise these statements. Sanctions for poor quality or shortfalls are imposed - usually delayed or revised payments; these decisions are made in the presence of the WIC and SAG members in the field of the farmer.

- The WIC submits the requisition for funds to the concerned Watershed Manager along with the signature of the Extension Officer; both are MYRADA staff.
- The Watershed Manager draws the required amount from the office and pays the farmers in the presence of the WIC and SAG members. Payment is made weekly on a fixed day.
- After making the payment, the Implementation Committee members and in their absence the SAG representatives sign the payment voucher along with the farmer, Extension Officer and Watershed Manager.
- The WIC collects the cash contribution of the farmers to the SAG and remits it to the Bank Account of the SAG to which the farmer belongs.
- True copies of the payment vouchers are handed over to the SAGs for their reference.
- A separate measurement book for soil and water conservation measures and forestry is maintained in each SAG to monitor the progress of the work.

4. Role played by SAGs in promoting Loans for Treatment Measures on Private Lands in a Micro Watershed?"

G.M.Doddi Micro Watershed (MYRADA Huthur Project) A Case Study

There are 54 farmers with lands in this micro watershed (MWS). They are all members of the Watershed Development Association. Of these 54 farmers, 29 belong to 6 different self help groups (SAGs) functioning in 4 adjacent villages. These 29 farmers continued to be members of their respective SAGs from where they availed of loans mainly for agricultural inputs but also for other purposes including health and house repair. Out of these 29 farmers, 10 were landless till the Watershed Development Association (WDA) decided to include them in the watershed activities and approached MYRADA and the Government to provide land and houses. The 19 farmers (out of the 29) who had experience in self help groups were primarily responsible for taking the initiative to form a Watershed Development Association to develop their lands which lie in the G.M.Doddi MWS. They also took the initiative to include the 10 landless families in the programme, since they lived within the watershed and were already SAG members.

Of the 54 farmers, 35 have taken up micro watershed treatment activities on their private lands; this figure includes the 10 formerly landless families. MYRADA was able to provide them with a plot of 5 acres ($\frac{1}{2}$ acre each) and the Zilla Panchayat came forward to give them houses. They have now formed a separate SAG of their own (since they relocated to their newly acquired lands) and call their hamlet Gandhinagar.

There was no irrigation system in this MWS. However, the WDA approached MYRADA to construct a weir across an adjacent nala (drain). With the water impounded, one farmer is lifting water from the reservoir; the WDA is negotiating with him to pay for the water.

Five open wells, which had gone dry, are also now recharged. As a result approximately 14 acres are irrigated. There is yet no proposal to lift water from the weir for irrigating the lands of other farmers; the water is not adequate to irrigate the lands of all, even partially.

Out of the 29 farmers in the 6 SAGs, 19 (i.e., excluding the 10 in Gandhinagar) who had been members of SAGs for 2 to 3 years were the first to take the initiative to treat their watershed. They had seen the result of such treatment and management in another watershed (Ardhanaripura) close by. Several of these farmers had worked on daily wages when this watershed was being treated. With their experience in managing SAGs and supported by the visible impact in Ardhanaripura, it was relatively easy for them to persuade other farmers who were not members of SAGs but had lands in the G.M.Doddi MWS to join together to form a WDA in 1995. But here a problem arose.

In the Ardhanaripura MWS, the agreement between MYRADA and the WDA was that the people would contribute 30% and MYRADA 70% as a grant. No loans were envisaged. When the G.M.Doddi MWS discussions started, MYRADA made it clear that all treatment on private lands would be on the basis of loans. The people objected strongly. Once again the 19 SAG members took the initiative to persuade the others that they should go in for loans. The SAG members pointed out that they had been availing of loans from their SAGs for several years and as a result had built up considerable amounts in each SAG from which they continue to take loans for income generation and consumption; they also pointed out that these loans would be repaid to the WDA and not to MYRADA. This would build up a common fund in the WDA which could later be used for agricultural inputs, marketing support and for IG investments.

It was these 19 farmers who also took up the issue of landless families and decided to approach MYRADA and the Zilla Panchayat for support. As stated above, MYRADA provided 5 acres of land and the ZP gave funds for the houses.

The effort to organise people, to convince them, to plan and implement the treatment measures, and to collect repayments required 68 meetings and 6 participatory planning exercises from April 1995 to March 1998 in which all the farmers participated.

The WDA consists of 54 farmers, but only 35 have taken loans in the first round for treatment of private lands. The decision of the WDA is that the other farmers will get a first loan and the first 35 will get a second loan only when repayments come in. MYRADA provided the funds for treatment on private lands as a grant to the WDA which converted it into loans to individual farmers.

Since the WDA was too large, they decided to form a Watershed Development Committee (WDC) of 14 members which meets every 15 days; 9 of the 14, are members of SAGs in their respective villages. The WDA meets once in three months. The WDC in turn set up several sub committees namely:

- Sub Committee to supervise treatment of private lands;
- Sub Committee to supervise treatment of common lands

While these two sub-committees will dissolve when the work is over there are others which will continue namely:

- Sub-Committee to monitor repayments, and
- Village Development Committee to manage sanitation, drinking water.

The WDA's function is coordination, problem solving and establishing linkages for inputs and marketing. It also maintains an appropriate but adequate system of records and accounts to which all members have access. This practice they acquired as members of the SAGs.

The following Table indicates the amount of loans taken for treatment on private lands and the activities for which the loans were utilised:

Activity wise Loan Details

Activity For Which Loans Were Used On Private Lands

Sl. No.	Name of the Farmer	Earthen Bund	Boulder Bund	Land Reclaim	Terra-cing	Diversio n Drain	Compost Pit	Total Loan
01.	Puttamadappa	8,128	0	0	0	0	0	8,128
02.	Basavanna	2,950	0	0	12,230	0	0	15,180
03.	Puttaraju	1,250	340	0	6,000	552	200	8,342
04.	Girijamma	1,470	0	450	0	0	0	1,920
05.	Kumba	1,400	1,450	600	0	0	0	3,450
06.	Prabhuswamy	7,205	0	0	2,820	0	0	10,025
07.	Mallanna	2,740	2,630	8,320	0	0	0	13,690
08.	Umesha	0	670	990	0	0	0	1,660
09.	Chikka Javaraiah	0	880	1,170	0	0	0	2,050
10.	Veerappa	2,086	0	0	0	0	0	2,086
11.	Kunna Madappa	6,429	0	0	0	300	0	6,729
12.	Siddaiah	0	1,860	3,000	0	0	0	4,860
13.	Umashankar	2,418	2,110	870	0	0	0	5,398
14.	Shivarudrappa	870	0	0	0	0	0	870
15.	Mada	0	120	300	0	0	0	420
16.	Shivamma	1,058	1,840	2,450	0	0	0	5,348
17.	Madaiah	0	1,015	0	0	0	0	1,015
18.	Somanna	2,066	0	0	0	0	0	2,066
19.	Chandrashekar	5,240	0	0	0	0	0	5,240
20.	Mahadeva	2,702	0	0	0	0	0	2,702
21.	Mallanna	1,058	0	0	0	0	0	1,058
22.	Chandrashekar	9,716	0	0	0	0	0	9,716
23.	Basavaraju	2,389	0	0	0	0	0	2,389
24.	Mahesha	4,001	1,660	1,770	0	0	0	7,431
25.	Ten farmers SAG *	2,624	1,700	6,090	0	3,460	0	13,874
26.	Chandra	0	2,330	2,970	0	0	0	5,300
	TOTAL	67,800	18,605	28,980	21,050	4,312	200	140,947

* Note : This SAG comprises 10 Farmers

The following table gives the loans and recovery position as on 31-12-1997
(Loans taken in 1996)

Sl. No.	Name of the Farmer	Total Amount Loaned	Duration Of Loan	Recovery	Outstanding	Overdue
01.	Puttamadappa	8,128.00	5 years	1,433.00	6,695.00	2,143.00
02.	Basavanna	15,180.00	5 years	3,782.00	11,398.00	2,897.00
03.	Puttaraju	8,342.00	5 years	3,089.00	5,253.00	581.00
04.	Girijamma	1,920.00	5 years	749.00	1,171.00	96.00
05.	Kumba	3,450.00	5 years	1,060.00	2,390.00	458.00
06.	Prabhuswamy	10,025.00	5 years	884.00	9,141.00	3,527.00
07.	Mallanna	13,690.00	5 years	6,130.00	8,560.00	334.00
08.	Umesha	1,660.00	5 years	501.00	1,159.00	229.00
09.	Chikka Javaraiah	2,050.00	5 years	600.00	1,450.00	302.00
10.	Veerappa	2,086.00	5 years	481.00	1,605.00	437.00
11.	Kunna Madappa	6,729.00	5 years	1,745.00	4,984.00	1,216.00
12.	Siddaiah	4860.00	5 years	2,178.00	3,417.00	284.00
13.	Umashankar	5,398.00	5 years	2,375.00	3,373.00	154.00
14.	Shivarudrappa	870.00	5 years	100.00	770.00	283.00
15.	Mada	400.00	5 years	140.00	280.00	45.00
16.	Shivamma	5,348.00	5 years	2,262.00	3,086.00	91.00
17.	Madaiah	1,015.00	5 years	305.00	710.00	142.00
18.	Somanna	2,066.00	5 years	156.00	1,910.00	753.00
19.	Chandrashekar	5,240.00	5 years	735.00	4,505.00	1,571.00
20.	Maadeva	2,702.00	5 years	600.00	2,102.00	589.00
21.	Mallanna	1,058.00	5 years	500.00	558.00	0.00
22.	Chandrashekar	9,716.00	5 years	1,130.00	8,586.00	3,145.00
23.	Basavaraju	2,389.00	5 years	500.00	1,889.00	551.00
24.	Mahesha	7,431.00	5 years	2,759.00	5,095.00	697.00
25.	10 farmers SAG *	13,874.00	5 years	0.00	13,874.00	0.00
26.	Chandra	5300.00	5 years	2,060.00	3,240.00	272.00
	TOTAL	140,927.00		36,254.00	107,201.00	20,797.00

* Note : This SAG comprises 10 farmers

Though repayments during 1995 and 1996 have been forthcoming, there are also overdues, mainly because the instalment scheduled to be repaid in February 1998 was overdue. During discussions with the farmers in early April 1998, they pointed out that they had not yet sold their maize as they expected prices to rise. The farmers assured the WDA that their overdues would be cleared as soon as the maize was sold.

Loans from WDA (Round Two)

From the recovered amount of Rs.36,254/- an amount of Rs.20,321/- was lent by the WDA in November 1997 to 7 farmers for treatment of private lands as the following Table 6 indicates. This was the first loan given to these 7 farmers. At the time of compiling this case study (April 1998) no repayments have come in, but there are also no over dues; the loans are scheduled for repayment starting in December 1998.

Sl. No.	Name of the Farmer	Total Amount Loaned	Duration of Loan	Recovery	Out-standing	Over-dues
01.	Bhakthavathsala	5,640	5 years	-	5,640	-
02.	Allamaprabhu	1,410	5 years	-	1,410	-
03.	Parvathamma	5,467	5 years	-	5,467	-
04.	Nagappa	3,584	5 years	-	3,584	-
05.	Mallannagowda	2,360	5 years	-	2,360	-
06.	Parashivamurthy	520	5 years	-	520	-
07.	Rachaiah	1,340	5 years	-	1,340	-
	TOTAL	20,321			20,321	

Loans from WDA (Round Three)

In February 1998, another set of 3 farmers were advanced loans as the following Table 7 indicates; the loans are only 1-2 months old.

Sl. No.	Name of the Farmer	Earthen Bund	Boulder Bund	Land Reclaim	Terra-cing	Diversion Drain	Compost Pit	Total
01.	Siddaiah	0	735.00	0	0	0	0	735.00
02.	Umashankara	0	350.00	0	0	0	0	350.00
03.	Mallanna	0	1,000.00	0	0	0	0	1,000.00
	TOTAL		2,085.00					2,085.00

As mentioned earlier, 29 members of the WDA were members of 6 SAGs; they continue to remain members of their SAGs even after forming the G.M.Doddi Watershed Development Association (except for the 10 landless members who relocated to Gandhinagar and formed a separate group). The 6 SAGs have played a key role in the development of the watershed by extending loans to the members for the following purposes during the period January 1996 to March 1998. (The loans details include several advanced to the 10 landless members before they formed their own SAG.)

<u>Purpose</u>	<u>No. of Loans</u>
Agricultural	14
Irrigation	1
Consumption (Food, Wedding, Clothes)	16
Health	4
House Repairs	2

The total amount lent by the SAGs is Rs.126,683 of which Rs.54,399 has already been repaid; there are no overdues. Besides providing loans, the SAGs are running 3 weaving units employing about 35 women. MYRADA provided the sheds, the looms were purchased by the families and the inputs and marketing is being provided on an ongoing basis by a small businessman from outside.

Total Investment in the Micro Watershed:

MYRADA grant to SAG/WDA for treatment and plantation on common lands	Rs. 154,886
MYRADA grant to SAG/WDA which the WDA advanced as loans for work on private lands	Rs. 143,455
Loans from SAGs	Rs. 126,683
Total Loans & Grants	Rs. 425,024

Discussions with the WDA indicated that income from agriculture is the major source of repayment of the WDA loan; however, several families pointed out that they are also able and prepared to repay the loans to the WDA from income derived from weaving and other sources. The following provides information regarding the quantum of work done both on private and common lands as well as the grant and loan components in each activity.

Sl.	Activities	Achievement	Loans	Grants
01.	Earthen Bund	86241 rft	86,241.00	0.00
02.	Boulder Bund	2257 rmt	22,570.00	0.00
03.	Land Reclamation	986 MDs	26,980.00	0.00
04.	Diversion drain	49831 cft	4,312.00	1,044.00
05.	Land Terracing	28313 cft	21,050.00	0.00
06.	Bush Clearance	135 MDs	0.00	4,060.00
07.	Block Plantation	6700 sdls	0.00	12,510.00
08.	Gully Plug	12 nos	0.00	3,600.00
09.	Silt Traps	4 nos	0.00	93,672.00
10.	Compost Pit	2 nos	200.00	0.00
11.	Bund Plantation	39528 sdls	0.00	40,000.00
			161,353.00	154,886.00

Though this case study does not record the increase in income from agriculture, it must be noted that the farmers shifted from cultivating ragi and pursuing sericulture to maize in the non-irrigated areas and vegetables in the irrigated plots. When asked about the sharp decline in area under mulberry and the general fall in sericulture which was the major income generating source till 1990, they replied, that it was very difficult to obtain disease free layings and that in general, recurrent diseases had made sericulture a very risky proposition; they were sharply critical of sericulture programmes run by the Government and supported by bilateral and multilateral organisations.

An interesting case of a widow Shivamma is worth recording. She is a member of the Laxmidevi SAG, which is one of the 6 SAG in which farmers with lands in the G.M.Doddi MWS were and continue to be members. She was landless and worked in the Ardhanaripura MWS. The impact in this MWS encouraged her to make efforts to purchase a plot of cultivable land. She began by taking a loan from the SAG for sheep. In 1996 she sold the sheep for Rs.12,000/-. With this capital she identified 3 acres of land which she decided to buy; the cost however was Rs.25,000/-. She raised this amount in the following manner:

Sale of Sheep	12,000.00
Loan from SAG	2,000.00
Own Savings	5,000.00
Loan from a relative	6,000.00
Total	25,000.00

She took a loan of Rs.5,348/- from the WDA in the first round for treatment on her land; she has already repaid a sum of Rs.2,262/-.

In the last three years, 33 micro watersheds have been treated by WMIs in the Huthur Project. In all of them, the SAGs have influenced the members of the WMI to take loans for treatment on private lands. MYRADA provided a total sum of Rs.8.1 million to these WMIs as a grant. Of this amount Rs.4 million was converted a loan to the members by the WMI for treatment measures on private lands and Rs.4 million was given as a grant for work on common lands. The WMIs also availed of the following loans: Rs.6.6 lakhs from the WMIs common fund, Rs.4.8 lakhs from Banks. As a result of this approach, the WMIs now have substantial funds at their disposal to continue with investment in the watershed both for new structures as well as for maintenance and for agricultural inputs. MYRADA has noticed that in watersheds where the WMIs provided loans to the members for work on private lands, the quality improved, the cost decreased and there was significant diversification of crops.

