

The Rural Indian Woman



ANVAY SURI

THE
MICRO-FINANCE
AND RURAL
WOMEN SERIES

Highlights and Insights

The Project: To better understand the financial situation of women in rural India and the role of micro finance in their lives



Why Rural?

68%

OF INDIA'S POPULATION
LIVES IN VILLAGES
(WORLDBANK)

The Rural
Population is the
nation's most
important
demographic

'From the minute I wake up at 5 AM to the minute I sleep at 11pm, I am working'

Simply put, a life lived in virtue





'We don't want any loan waivers, just fair prices for our crops.'

Ranjana, Village Sillari,
Maharashtra

Like any parent, Ranjana wants the best education for her children and says that she'll work as hard as she has to, to do that.

Conducted in January of 2023

We visited four villages: Bailwada, Sawarmendha, Champa, and Sillori, during one of the peakest argicultural times of the year.

We were greeted by husbands, sons, children, and grandparents, while all the women were away at work.

This situation is echoed in various other villages across Maharashtra





'They drink, they gamble, they say there's no work for them (men). Not all of them, but so many of them'

Rural women are working harder than ever, undertaking crippling debt, and turning to micro-finance not just as a way forward, but as a means for consumption.

They smile despite their adversity.

MicroFinance: Bane or Boon?

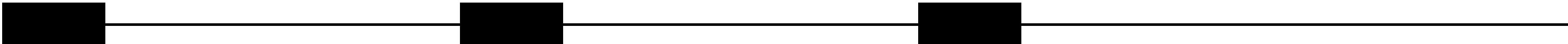
'I have gold jewellery, one Godrej cupboard, a fridge, a TV, a smartphone. But ma'am, I am always so stressed.' Jayshree, Belwada

A farm labourer, Jayshree works from sunrise to sunset in the fields, and then comes home and looks after her children. Every year she says it'll be her last microfinance loan, every year she breaks her promise to herself.



Happiness is quantified by materialism. Villages are small communities where the need to compete is satiated by acquiring material possessions. These women are in a dilemma and acquire material possessions for the temporary happiness themselves and their family but find themselves in a vicious cycle of debt

Why the debt?



CLIMATE CHANGE

Unpredictable,
expensive, and adverse.

LACK OF JOBS AND MOTIVATION

Lack or motivation,
especially in the males,
dearth of jobs.

SOCIAL FACTORS

Social status, pressures
of a small community.

CLIMATE CHANGE

UNPREDICTABILITY OF RAINS

Unseasonal rains - lack of rains at sowing and unpredictable rains during harvesting destroy the crop

DEPLETING WATER LEVELS

When there is no rain, there is very little ground water left to turn to

REDUCED SOIL FERTILITY

Years of exploitation and commercial farming has stripped the soil off its fertility

Losing the ceiling of her house on a rainy day, Rohini took a micro-finance loan to rebuild it.

She and her husband took another loan to grow cotton in the hopes that with that money, they'll pay back both the loans

Unseasonal rains in December and January ruined the crops, stripping it off its value.

**40 tonnes of cotton,
unrecoverable.**

**They now wait for a
miracle.**





The Indian Rural woman goes above and beyond to provide for her children's education, their marriage, and upbringing. She will go beyond her means, but she is proud.

Social Factors



Villages are small communities with a lot of internal scrutiny.

**Pride, competition, status
rephrase and historical
factors lead to a lot of
pressure to out do
themselves in everything –
children's weddings,
education, household
appliances, clothes.**

**Loans for
consumption,
not
investment.
This demands
attention, it
demands
concern**



**THE EASE OF AVAILABILITY OF
LOANS IS A DOUBLE EDGED SWORD**

Microfinance companies make use of very clever wordplay

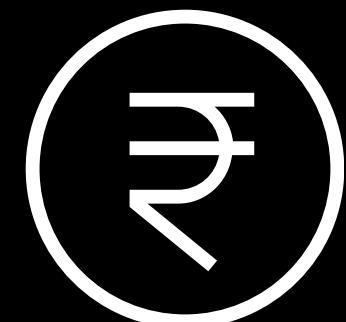
These loans are portrayed as safe, easy, and cheap.

How do micro-finance companies get away with this?

They talk in weekly terms. This reduces loans to single digit interest numbers thereby portraying them as cheap.

This is a clever word play to monetize desperation and gullibility.

However, the reality is that these loans are far more expensive with interest rates touching 20-25%.



Why is agriculture not enough?



- Seasonal nature of the agriculture sector. Not enough money/employment/total no of working days
- Preference of employers for women workers over men due to greater efficiency and no substance consumption
- Unfair prices offered for their produce and unpredictability of weather

Unchecked borrowing

We came across many women who had simultaneously taken up to three loans from different micro finance companies



**The needs are ever growing.
The prices for their produce continue to be unfair.
The financial situation continues to deteriorate.**

And Microfinance companies fit perfectly into this narrative.





WE DIVIDED THE WOMEN INTO THREE GROUPS

- Entrepreneurs
- Land owning farmers
- Farm laborers

To better understand the socio-economic status and financial situations specific to these groups and how micro-finance affects them individually,

ENTREPRENEURS

At the highest rung, they are the most advantaged of the three groups. The micro-finance model works the best for them because funds are invested constructively.

FARMERS

Due to the seasonal nature of agriculture and the lack of savings, farmers find it very difficult to meet the weekly installments.

FARM LABORERS

This group is at the lowest rung, because loans are taken to meet consumption needs and additional loans are taken to repay the former ones.

The Comparison

A huge part of
the rural
population is
still at a
disadvantage,
still helpless.



Realistic Steps For Change

FINANCIAL LITERACY AND
SKILL BUILDING FOR WOMEN.

SCRUTINY INTO THE
PRACTICES AND MODELS OF
MICRO-FINANCE COMPANIES.
REGULATION OF
MICROFINANCE COMPANIES
WHEN REACHING OUT TO
MICROFINANCE COMPANIES

FAIR PRICES FOR PRODUCE.

FEMALE REPRESENTATION IN
AGRI-RELATED POLICY MAKING





**The rural
woman is
India's
single most
powerful and
important
demographic.**

'The strongest people are not those who show strength in front of us but those who win battles we know nothing about'

- Anonymous

She is unstoppable.

Thank You!

Credits

Mahila Kisan Adhikaar Manch, MAKAAM, India

Prakriti Resource Center for Women and Development, Nagpur

The women of villages - Sillori, Sawarmendha, Bailwada, and Champa

Music - Barso by Ritviz