

A B-school for illiterate women

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Saturday, June 03, 2006 22:39 IST

MUMBAI: Chetna Gala Sinha has a dream, one which is being carefully crafted into a plan. The founder-chairperson of the Mann Deshi Mahila Bank—a co-operative bank for women run by women in Satara district of Maharashtra—looks forward to starting a business school for women with no formal education. She also wants to reach out to every street vendor in Maharashtra, giving them a new hope for a better life.



Kamlesh Pednekar / Agence France-Presse

Chetna Gala Sinha, founder and chairperson of the Mann Deshi Mahila Bank Limited, a cooperative bank run by women for women in Satara district of the state (inset) a beneficiary

Sinha's story is one of success, one that will make women the world over proud. It is also a business model worth studying, especially since it is based in a society that, generally, places the man at the top. Which is

where she aims to see the women she works with. The Mann Deshi Mahila Bank caters exclusively to women who belong to the low income group, such as street sellers, daily wage labourers and entrepreneurs. Sinha says, "Women in these areas have very basic desires. They want loans to repair their houses, to buy one buffalo or cow, or something as simple as that. They save as little as Rs5 per week, but they feel independent when they are able to repay the loan through their own efforts."

Her success is remarkable, since Sinha herself is not a trained banker, but a social worker. She started her career by establishing self-help groups for women, highly influenced by the social movement begun by Jaiparakash Narayan during the Emergency. It was not easy for a Mumbai-bred girl to live with her social activist/farmer husband in a mud house in a small village. But 20 years after she made the decision to do so, Sinha has no complaints. "This is my life now and I am very content," she says.

The bank was given a license in 1997, after some years of struggle. At the time, the Reserve Bank of India (RBI) required 500 promoting members to start a bank; however, most of the women chosen for that task were illiterate. For this reason, Sinha's proposal was rejected twice over. It was only after all the women assured the RBI that they could and would



calculate interest amounts accurately and efficiently that permission was granted and the papers passed. Sinha remembers, "RBI, while giving us the license, said that ours was the first case where they were taking a huge risk." But that risk paid off. In the nine years since then, over 47,000 poor women have been benefited by loans from the bank. "Our total deposit is Rs 8.5 crore and the outstanding loan amount is Rs 6.5 crore, at an annual interest rate of 12 per cent," Sinha says with a certain pride.

With this diligence has come recognition. The Mann Deshi Mahila Bank has received many kudos, including the Confederation of Indian Industries (CII)'s Women Exemplar Award and, for Sinha, this year's Janakidevi Bajaj Award initiated by the Indian Merchants' Chamber for women who encourage women's entrepreneurship in rural areas. And now there is increasing support — Citibank and HSBC have tied up with the bank to provide their schemes in rural areas to fulfil the RBI requirement of 15 per cent reservation for the low income group. From this point, Sinha and her empowered women have a shorter and easier climb to the top!
