

## Freed from Bondage -The Tamarind Trees of Bargur hills

### Situation/Background:

The Bargur is a forest area in the north of Erode district and nears the border between Tamilnadu and Karnataka. The population of the 38 villages here is about 13,000. There is Kannada speaking communities living here because the area was part of the erstwhile Mysore State before the States Reorganization Act of 1956. The majority is Lingayat and speaks a quaint but delightful mix of Kannada and Tamil.

They are small farmers with small landholdings, which they cultivate. Agriculture is rainfed and therefore at the mercy of the rain-gods. Of late, they have been cultivating ragi, turmeric and lablab (*avara*), the latter two for the market in both Karnataka and Tamilnadu. On their lands are tamarind trees once planted to yield a supplementary income ironically enough, it is the tamarind trees that yield them a regular income every year.

Tamarind, an essential ingredient in South Indian cooking has market round the year. The shelf life of tamarind is as long as 5 years and the trees live for 100 years.

In a season, a tree yields about Rs.3, 000 worth of tamarind. This is sold in 10-kg lots called 'manams'. 1 'manam' fetches Rs.30. Five 'manams' or 50 kgs make 1 bag of tamarind, which fetches Rs.150 on the wholesale market. When it is cleaned and packed, it is sold in retail for Rs.30-40 per kg. When packed for an upmarket clientele, it fetches more.

The Tamarind trees are fairly commonly seen in Bargur hills. In earlier days, they were not seen as assets, but later they have become very precious because they provide a steady seasonal income of Rs.2000- Rs.3000 per tree.

It is this quality of the tree that also enhanced the 'creditworthiness' of poor families in the eyes of the moneylenders. The money found an easy way of gaining control over the trees. They would advance a loan of a few thousand rupees to the tree owners against which the trees would be mortgaged to them. The fruits of the trees would be enjoyed by the money lenders until the loan was cleared. There was only one condition laid by the money lenders for repayment of the loan - "The entire amount would have to be paid back in one lump sum; installments were not accepted".

Since most of the loans were taken to meet emergency needs and not for income generating purposes, and since all the families were economically backward they did not have the capacity to repay the quantum in one lump sum. This situation led the tamarind trees to remain in bondage with the money lender forever.

MKVK's strategy has been to work with groups rather than individuals. Among many problems that poor rural folk face, one of the biggest is access to credit at reasonable rates from the formal sector institutions. MKVK therefore began to organize rural men and women into Self-Help Groups (SHGs) to enable them to empower themselves through collective action.

The KVK formed two people's institutions (Federations of SHGs called 'Sarva Shakti' Federations) in Bargur hills. They continue to manage the affairs of the 47 sanghas to cater the needs of the community. When people began to organize themselves and the problems began to be discussed at group meetings, it soon became obvious that the SHGs would have plenty to do to help people along the path of development.

As the relationship between the sanghas and MKVK became stronger, affected farmers in the federation started making appeals to MKVK to intervene and assist in redeeming the trees. Thus started the movement for 'freeing tamarind trees'

### **Technology/process/programme activities/Response/Intervention:**

When the issue was discussed between KVK and SHG Federation, KVK realized the need for financial support to SHGs in order to release the tamarind trees under mortgage. In 1992, as a result of NABARD's pilot project to assist self help groups with working capital support for their credit management activities, it became possible for MYRADA - KVK to provide working capital assistance (as an interest free loan) to some of the SHGs.

By 1993, two groups in Bargur came up with a solution to the tamarind tree issue -the BasaveshwaraSangha in Thattakarai and the VeerbhadraswamySangha in Thamarakarai. NABARD seed money was used to give loans to the SHG members to redeem their tamarind trees. Except for bank loans accessed directly by individual members, all loans to members came through the 'Sarva Shakti' Federations, the apex bodies of sanghas organized by MYRADA.

The sanghas gave loans to redeem members' trees at a maximum of Rs.10, 000 per member. The rate of interest charged was 18 percent p.a. The trees remained pledged to the sangha till the loan was repaid from income earned in the agricultural season or in instalments. Until such time, the groups auctioned the rights to a tree each year among the group for a picking season. The member bidding the highest took loan from the group to pay the bid amount. Thus, both the group and the highest bidder derived an income from the tree until the tree owners cleared their loans.

On occasion, the owner himself won the auction, thus enabling faster loan repayment out of the profits from the tree. Till the picking season, the tree was the responsibility of the owner. Thereafter, it was the responsibility of the successful bidder. The earning of the sanghawere adjusted towards the loan as well as interest due from the owner of the tree.

The other groups gradually emulated the pattern set by these two sanghas. They began to redeem trees pledged from money available in their own common funds (built up with members' savings, interest on loans to members, fines, donations, group income generation programs and so on). Linkages with commercial banks, facilitated by MKVK helped raise further working capital at reasonable rates to meet members credit needs. The Federation has over the years, accessed loans from local commercial banks, NABARD, Sanghamitra Rural Bank and other financial sources.

In the meanwhile, the initial seed capital given to the Bargur groups out of NABARD funds were more or less recovered by the time MKVK withdrew from the area.

Apart from financial linkage support, KVK has also contributed in terms of technological backstopping through extension activities

- (i) Seminar on 'Disease management in Tamarind' was conducted with the support of Agricultural Research station, Bavanisagar (Tamilnadu agricultural university)
- (ii) KVK and DRDA conducted 3 Farmers meetings regarding financial and marketing linkage for scaling up of Tamarind enterprises and business. DRDA sanctioned tamarind godown at Tamarakarai village
- (iii) Two training programme was organized with the support of Department of Horticulture on 'Disease management in Tamarind' and 'varietal introduction -PKM-1,Uriyam'
- (iv) One participatory meeting was conducted at Collectrate, Erode regarding marketing of Tamarind
- (v) One training programme was conducted at Tamaraikarai with the support of CHINTHAMANI cooperative society for creating marketing linkages with SHG federation

- (vi) Popularization of Bargur tamarind through Farmers meeting by Central Minister and District collector at Collectorate, Erode
- (vii) Seminar on 'Value addition on Tamarind' was conducted with the faculty support of CFTRI, Mysore

The process of redeeming the tamarind trees from the hands of money lenders through SHG is successfully carried out and totally **455 trees has been released from bondage.**

**Effect of the technology/process/results/impact:**

**Economic gain:**

The family who has redeemed their tamarind trees are earning income from the tree .The Tamarind farmers sell processed tamarind (200-250kg) worth Rs. 4000-5000/year wherein the seeds and rind removed during processing are also sold which is utilized for paying the labours (21 man days are required for manual processing - labour cost Rs.1350) .

**Suitability in the existing farming system and acceptance of the technology:**

The farmers who were enrolled under SHGs used to avail loan during agricultural season to procure agro-inputs. The assistance provided by NABARD for SHGs motivated farmers in other SHGs to avail loan from their group for redeeming the trees under bondage. This approach enabled many SHGs and Federations to assist the farmers to release their asset (Tamarind tree).

**Horizontal spread:** It has been a long journey since 1993. The movement which was started with two groups (BasaveshwaraSangha in Thattakarai and the VeerbhadraswamySangha in Thamarakarai) motivated and enabled the 30 groups (in 19 villages in Bargur hills) to avail the loans from federation and provide financial support to the tamarind farmers.

**Social impact:** Many trees which were under bondage for more than 15-20 years were freed by this approach which made the farmer/SHG member to get relieved from the tiring debtness. This also enabled them to inherit their own valuable property, gain additional income and create assets which paved the way for achieving social identity.

The farmers were surprised themselves not because they have got back their trees but because they have demonstrated their intellectual power in joining together and finding their own solution to a long pending problem- release of tamarind tree

As members 'freed' their trees with sangha loans, the sangha too built up its funds through loans to members for redeeming trees

The tribal SHGs who have mortgaged their property (tamarind trees) never thought that they would redeem their bonded asset. This Tamarind movement has created impact on socio-economic status of the tribal community. In 2005, the fourteen members of the sholigar tribal group named Padakalmadappa of sholakanai village have freed 38 tamarind trees and have gained Rs.1, 71,000 which were utilized for farm development activities.

**Marketing channels:**

- (i) Sanghas began sub-contracting for procurement from bigger contractors.
- (ii) They also sell the tamarind at the shandy (the big weekly fair for forest produce) in Anthiyur.
- (iii) The earlier money lenders and big contractors started approaching the farmers to lease the trees on annual basis for a mutually agreed sum of money payable to the farmers in advance.
- (iv) KVK also took initiative to create marketing linkage with 'CHINTHAMANI' (Co-operative society), Erode for selling their produce at fair price.
- (v) RURAL MART was established in 2006 with the support of NABARD for marketing of SHG/farmers/farm women produce. Tamarind from Bargur is regularly been marketed through Rural Mart.

**Establishment of process/units:**

Apart from availing loan for tamarind tree, the SHG members are also involved in processing and marketing of produces. The tamarind movement motivated DRDA to provide support for construction of 'storage godown' for tamarind. The purpose of godown was to store the produce in a safe manner and to sell them during hike in price.

**Linkages with technology/ development organizations:**

- (i) NABARD provided financial support by issued revolving fund to federation to release tamarind trees. Rural mart was established with the support of NABARD to market the produce.
- (ii) 'CHINTHAMANI cooperative society' supported for buy-back of tamarind fruits.
- (iii) DRDA
- (iv) Post-Harvest Technology Department, TNAU

**Changes and benefits:**

For MKVK, the learnings are patent. When the SHGs had a vision of what to achieve, then the savings and credit activity initiated by MKVK gained momentum. Members began to avail of credit from the sanghas in order to solve the various economic problems that had besieged them for years. Until the SHGs were formed, people did not realize the resources they had among themselves. Thereafter, they began to discuss common problems and work out common solutions.

The groups have over the 17 years of MKVK's active presence in the area, accessed Rs.29 lakhs under the SGSY scheme with a 50 percent subsidy component. External indebtedness is rapidly coming down. Their credit behaviour has changed - from taking moneylender loans at high interest rates; they are now consciously availing loans from the SHGs at reasonable interest rates. Loans from SHGs have spun off into a range of livelihood initiatives, which have raised the level of productive economy to benefit the local people rather than outsiders.

## Action photographs:



Release of pledged Tamarind tree



The SHG members involved in Tamarind processing in Thattakarai village



Tamarind storage godown at Tamaraikarai - sanctioned by DRDA, Erode



Farmer scientist interaction (Collaboration with TNAU) for Tamarind enterprise development

### Conclusion:

The increasing pressures on the poor or subsistence level communities more often than not tend to mortgage their very source of livelihoods to moneylenders - be it lands, tamarind trees or themselves - in the absence of any visible alternatives. In this situation, MKVK played a crucial role in providing the structure, systems and linkages that enabled the community to explore alternatives to strengthen their self-reliance and improve the quality of their lives. Moreover, whenever tamarind trees auction was called by Forest department and Revenue department of Bargurpanchayat (Anthiyur block), Federation motivated the SHGs to bid for auction. Thereby, two SHGs named Sidheswaragramasevasangha and Ganapathigramasevasangha participated and leased in the tamarind trees (650). Now, not a single tree in Bargur hills is in the hands of money lenders and the people of Bargur.

The intervention has given livelihood support and is serving as a secondary source of income for the tribal and non-tribal community of Bargur hills. Rs.15, 92,500 worth of income is retained by tamarind farmers in Bargur hills through this redeeming programme. Thus a sour tale resulted in a sweet ending.

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