

CONTRIBUTION OF SELF HELP GROUPS IN THE SOCIO ECONOMIC DEVELOPMENT OF THE WOMEN

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ABSTRACT

With the number of problems in the pipe line for the planned development of the households in the weaker strata of India, self help groups play a vital role in the development of the socio economy of the target houses. With the ever increasing problems of food shelter and above all existence, the struggle of the people began in the morning and continue to envelope the minds of the people to think continuously about the sources and resources of income so that they can establish themselves as a respected citizens of the country. With meagre opportunities to live self help groups help the women to realize their potential. It has helped them to become the entrepreneurs and improve their economics at one hand and elevate their social status by developing the social interaction and network in the society. It not only helps to gain confidence but also take these women to the place where they help themselves and others with the finance, skills and cooperation. It is the step towards self employment, acquiring new skills and definitely a step towards total organization of self. It is most fascinating but at the same time frustrating also. It is an effort to involve the people actively in the process of making decision on the issues related their economics, community services and the other related facilities that a human being deserve. It is both mean to achieve and the goal to lead a life with equal participation towards total development. This paper aims to study the impact of the self help groups and the microfinance on the lives of the people, particularly women in the society. It studies how SHG helps them to attain the social harmony, justice and participation in their own decisions. It also aims to understand the concept of self help group and its success and failure in the Indian concept.

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Introduction:

Villages in India are characterised by poverty, illiteracy, lack of education and above all opportunities. It is one of the major elements of the village life, where people live without sufficient facilities to live in. Government despite of lot of policies and programs cannot accelerate the growth of the people. Growth in unorganized sectors and particularly villages need the intervention of the local and the affected people who are really the part of these places. In the recent years it has become clearer that the development can happen with the contribution of several sectors like local people, government and non government organizations. Each of the sectors has a significant role to play in the development of villages where people are not having the enough things to sustain their life. It has been realized throughout the world that the upliftment of the poor is possible only with the social mobility and their self involvement in the process of development by becoming the party to it. Women particularly are emphasised and their involvement in the developmental activities has been realized. Empowerment of the women has lead to the most important part of the development. To ensure this 2001 was declared as year of women empowerment to make focus on the issues related to the development of the women. Planning commission in the ninth plan has talked about empowerment of women and socially disadvantaged groups such as Scheduled Castes, Scheduled Tribes and Other Backward Classes and Minorities as agents of socio-economic change and development. (planningcommission.nic.in/plans/planrel/fiveyr/9th/vol1/v1c1-2.htm)

It is realized that the empowerment of the women through self help group would lead to benefit not only individual woman or women group but also for the families and the community as a whole through the collective action of development. (Dr. Suguna, B, Empowerment of Rural Women through Self Help Groups, Discovery publishing house, New Delhi, pp14). The activities of the self help group have found to be sustainable for the growth of the poor and the needy at their door steps. The concept of self help group is not new in the Indian society. It owes its emergence in the olden days even before 1904 when cooperative credit act was passed. Chit funds and Nidhis are some of the examples of these small groups that helped to mobilize small savings, planning for the development of their future in a much planned way. Self help groups in India are informal groups; their legal status has not been defined. (U.Jerinabi, Micro Credit Management by Women's Self-help Groups, Discovery publishing house, New Delhi,2006,pp2,)

Concept of Self help groups:

All for all is the principal behind the concept of self help group. It is a mini voluntary agency for self help at micro level has been a focus on weaker sections particularly for women in their social defence. (Dr. Suguna, B, Empowerment of Rural Women through Self Help Groups, Discovery publishing house, New Delhi, pp15). The main idea to cultivate SHG is to inculcate the habit of saving among the people of villages. The other important point here is that the people, particularly women should have confidence and trust among the banks and the bankers so that they can find themselves comfortable while handling with the small petty issues occurring in the daily life. This confidence can help these ladies to participate in the group activities leading to the financial freedom and welfare of the people living in their vicinity. Various government schemes like child immunisation, education for all and other village related programs can easily propagated through them. Self help groups are characterised by small size, democratic and mutual decisions, flexible nature, strong integration and self help awareness. The other major element of self help group is that it is homogeneous in nature. Homogeneous means similar in social and economic status. The members themselves find them interrelated to each other, they share same type of job opportunities, life styles, interests and heritage.

Self help group is a small group having 15 to 20 people having common social and economic problems. Generally the poor, dalits, widows, disabled people are preferred members of any self help group. In the system when there is no one to take care of these people the concept of self help group helps them to be self reliant, they are not dependent on government or any other non government agency to get help. The leaders are chosen from the group only that guarantees their involvement in the affairs of the group, which further help the group to develop and fulfil the objectives. The main objective while choosing the leaders of the group one important fact must be emphasised that these people should be positive in their attitude so that they can help in organizing the affairs of the group effectively. The major benefits in forming self help group are to induce the habit of savings among the members. It is a platform where one gets a wide access to the different technologies and skills. This learning of new skills and the availability of better technology leads the members to develop as entrepreneurs. It is one of the major benefits of the self help group that it has regular access to the assistance given by the financial institutions and the governments under various programmes. The group and its members have easy access to the

credit and the marketing of their products at the right price. The SHG movement in India took shape in the 1980s as several NGOs experimented with social mobilization and organization of the rural poor into groups for self-help. The SHG–Bank Linkage Programme (SBLP) under the leadership of the National Bank for Agriculture and Rural Development (NABARD) The role of SHGs as financial intermediaries emerged from a pilot programme, with NABARD support, to link 500 SHGs to the banking system in 1992. It is now a major global microfinance programme with an outreach to nearly 7.5 million SHGs having savings accounts with banks as on 31 March 2011 and nearly 4.8 million SHGs with outstanding loans from the banking system. (Ajay Tankha, Banking on Self-help groups Twenty Years On, sage publications, Delhi,pp1-2). Self help groups have emerged as major agencies to promote and develop rural households and specially women to empower them to lead the improved lifestyle which they were not enjoying during the past times. This study aims at studying the impact of self help groups upon the participant members particularly women, their life styles, economic and social development that helped them to lead the normal life. This will also help us to ascertain the sustainability of the self help groups. To study this data was collected from the self help groups operating in the union territory of Chandigarh, India.

Methodology:

To study the impact of the self help groups upon the under privileged houses and particularly the women in the area data was collected primarily from the members of the self help groups operating in Chandigarh. Questionnaire was filled from the women participants. Officials were also questioned and interviews were conducted to realize the practical situations. Some data from the bank were also gathered to get the official picture of these self help groups that will further analyse the real situation.

Results:

After analysing the results of the questionnaire and the interviews conducted upon the number of women, men and the officials many things come to fore. The major findings of this survey can be summed up in the following points.

Formation of the groups:

It was a herculean task to form the groups that can help the beneficiaries to improve their social, financial and economic status. Lack of education and understanding yielded many problems to organize and form the self help groups. Many women were not free to think the idea of this so called social and economic liberty which would be their own effort and the major one to take them to the next level of life. There are ninety self help groups operational in the district of Chandigarh till March 2015. Due to male dominant society it was very difficult for the women to move out of their shanties and unite themselves under one slogan of development and freedom. It was due to the efforts of the literate members of some of the groups that realised the organization of these self help groups. Groups were created with the motive of financial freedom and development of entrepreneurship among the members.

Savings and financial freedom:

The first and foremost function of these self help group was to imbibe the habit of savings among the members. Before joining the groups there was only 15.33% of the sample population had bank accounts. For this motive all the members were apprise about the importance of savings and their saving bank accounts were opened in the microfinance schemes of the nearest banks. These accounts had no quarterly average maintenance; more precisely they need not have to maintain any balance in their bank accounts. This is in fact a major benefit for the beneficiaries. The advance or loan facility is linked to the amount of the money they have kept in their account. This has not only imbibed the habit of saving in the members but also installed the feeling of taking financial decisions in their routine life. Women started understanding the value of money; moreover, the ladies were treated respectfully by their husbands and children. They got access to the credit schemes available with the banks. Most of the women got their first bank account which was the major development in their lives. After they joined the SHG all the members were given savings bank accounts by the respective banks. In the district of Chandigarh only there are 90 SHG with the savings tuning to 4.21 lakhs in their saving accounts. (Status of microfinance in India, NABARD, 2014-2015, pp53)

Access to Credit and other facilities:

Despite the high gross domestic product (GDP) growth rate over the past decade, over 350 million rural people (70 million households) remain locked in poverty. For poverty alleviation credit plays an important role and accordingly there was focus on flow of credit. In this background the National Rural Livelihood Mission (NRLM) has launched a comprehensive package for intensive block. It has projected estimated credit flow at `30 000 to 40,000 crore per year over the next 5 years and from 6-10th year it is expected to increase to `1 lakh crore per year. (NABARD, Status of micro finance in India 2014-15, pp4) Easy and affordable credit can help the people to improve their financial status and growth in the day to day arrangements. It is planned that entire poverty ridden people will be involved in the SHG Bank Linkage Programme (SBLP). It is in reality a big challenge for the banks and the government to identify and involve all the people in the program. In Chandigarh there are ninety self help groups operating at all with the possibility of four hundred fifty nine more self help groups in the district. Till March 2015 only 1170 houses were covered in the membership of SHG, there is a possibility of 5966 more households to be enrolled in the SHG. As the people enrolled in the SHG are from the economically backward classes, they need supplementary income to support their life. Moreover, the involvement of non government organizations in the training and development of SHG has been a significant step in the program. Many NGOs have helped the members arranging bank to their doorsteps and that further lead to get the credit facilities to the people of the said groups. After availing these micro credits for their personal uses the financial conditions of these households improved, out of these sample groups many households reported about the better conditions than the prevailing ones. Out of 150 surveyed households one hundred thirty two people reported better conditions which turn out to be 88% of the sample population.

Employment and training opportunities:

SHG has provided many opportunities to create self employment and other job opportunities for the people. Participant members with the help of credit facilities and NGOs started getting the opportunities for establishing the entrepreneurship. Many self help groups organised and started their small scale business like undergarment manufacturing, food processing units that are manufacturing pickles, papads and other related products. Sample population was related to NGOs that helped them with the training of the women in their selected trades. This training was

organized by either bank officials or the expert arranged by the NGOs to help the members learn the necessary skills for establishing their own units. Many SHGs started their combined group productions at small scale that helped many households which in turn has improved their status in the society. The concerned trainings have made the participants not only in the professional front but also on social grounds such as training on communication skills, behaviour patterns, social patterns etc. The sample groups who were involved in the trainings and other related opportunities developed a lot in terms of economics and social interactions. 80% of the sample groups were engaged in one or the other activity that has improved the standard of the participant members of the concerned SHGs.

Social interaction:

It is observed that the people were fighting for the bread and butter for their existence in the society. After joining the SHG people have started organizing and their interaction with the neighbours, people and other agents of society. There are many aspects that contribute to the development of the society. Their interaction with the officials of the banks, traders and other mediators for the training, production and other purposes made them confident that has improved the social interaction of about 54% of the people involved in this survey. Sheela, a lady who is living in her one room hutment told that she was not able to talk to the people so effectively prior to join the group. The training she got and the interaction she had developed with lot of people during these days helped her more confident while talking to the people in the group as well as strangers. Many ladies in the groups reported that they were leading an isolated life before they came in contact with the self help groups.

Improvement in the intake of nutritional diet:

The participant members found themselves good and in better position to combat the evils of poverty. They also understood the importance of nutrition rich diet. The members were arranged with the facility of a qualified doctor and dietician in a medical check-up camp organized by N.G.O for the welfare of the people in the area. With the information and the financial freedom the families started taking good diet including green vegetables milk and milk products. This effort has not only increased their nutrition intake but also helped to understand the value of hygiene and cleanliness. This has also helped in the right understanding of the individual towards

real life situations and handling the diseases with natural ways rather than depending on long term medication.

Increased self management:

The participating members found to be more participative and managed as before. Eighteen out of 150 ladies have made their schedule plan according to their work requirements. They have done the proper division of time according to their routine. They have also altered their work time and were proven more responsible in their lives. This turn out to be twelve percent. Eighty seven ladies which mean fifty eight percent of the ladies have planned their time in away so that they can devote some time to the group task. Almost ninety two percent of the ladies have developed a habit of visiting group's office daily. This impression is very important for the organization of their personal, social and professional life. Most of the ladies involved their young children and husbands in their petty works.

Realization of importance of Education:

People were not much aware about the importance of education when they were living isolated lives. They did not understand the importance of education in the lives. After joining the self help groups their area of interaction developed which further emphasised the role of education in the development. Twenty two people took initiative in their families and sent their children to the schools. Taking admissions was again a big problem for such people. NGOs come forward to help them in getting the admission. ASHA a group operating from the village Behlana, Chandigarh arranged a teacher for the education of the members of the group. Many such examples are seen in the groups where parents admitted their children to the schools and the uneducated adults tried to get the basic level of education.

Social participation:

Members of the self help groups were not socially active before joining the groups. It is found that many people were not active in their social life as they were not attending important community programs and the programs related to their personal people. With the increase in social interaction not only in their personal affairs but also in the activities related to other social interactions. They have developed a sense of social responsibility which was never seen before

in them. 13.1% of the sample group were in the position where they acted as the important agent of providing a distinguished support in the form of employment or organizing socially relevant programs like community kitchen and water service for the people. The ladies who were formerly considered as the rejected creatures of the village were treated respectfully by the sae people. This sudden change was due to the result of the financial security and the status that they had shown themselves. Their status has changed from receiver to the giver, which in fact is a big social change in these societies.

Economic independence and decisions:

The major effect that can be seen in these women is the economic freedom and the decision making power that come in the women. They started participating in the financial decisions which is a major breakthrough in their lives. P. Annant, a banker who has dealt with these women has an opinion on this matter that the ladies with their savings bank accounts feel more secure and independent. They have started saving some money on the monthly basis. Some women have started planning about their household facilities like television sets, refrigerators and other important utilities for their houses. The work that they have started has made them financially independent to take small and required articles timely without any hindrances and this step in the lives of such women is not less than a miracle. "The big success" according to Malti a member of one of the groups "is that now she has not to ask for the money on credit that she used to do earlier to feed her three children." Many such evidences show that self help group has developed the economic situation of such small and forgotten houses.

From idle idiot to entrepreneur:

With the banks coming up with all new credit schemes that are affordable for the swarozgaris to establish their own small business become a boon scheme for them. It has become a major program for the people falling under this category. Banks have started giving loans to the people at subsidised rate of interest. Banks in Chandigarh has made advances of Rs.11.48 lakh in the year 2014-2015. The total advances accumulate to 92.4 lakh in this year.(Status of microfinance in India,NABARD,2014-2015,pp53) All this data shows that lot of people from 90 SHG have used these advances and started their small level enterprises. These businesses have been established in a very effective ways where they were trained in one or the other skills and then

given the financial help to start their venture. Most of the women started with the small units of stitching, home made things etc, and are found successful in their respective ventures.

Political participation and awareness:

One of the important changes that have come is the awareness of these people in terms of the political involvement. These houses were only considered as the vote banks by the politicians. Village elections, municipal corporation elections, loksabha, etc all treat them as target group to get bulk votes. Most of the politicians never turned to them to address their grievances. Financial security, local utilities, other social problems are never addressed by the politicians. After this revolution of SHG many houses started sitting in the meetings of gram sabha, and other concerned meetings of the local area committees. This attendance not only reflects their awareness, but also political participation in the local affairs of the government.

Conclusion:

The above discussion comes up with a conclusion that self help groups are formed as the tool to uplift the poor and the needy person with their self involvement. Such groups have become the vital program for the development of the lower strata of the society where they are actually participating in the development of themselves with the help of government, nongovernmental organizations and experts. Such a big help was never devised earlier for the people of the rural back grounds and slums. These people are given full backup from the support agencies and this support has developed them a lot in the society. This development has been noticed by many elites and can be seen by the participants themselves. Many sources have been generated by the SHG to make the individual independent in terms of independence and the financial freedom. It has definitely increased the status of the people participating in it. They become confident to face their problems and come up with solutions. The cases covered in this study clearly shows that the difference that the participating members have shown in the overall development of themselves. This has clearly shown that it has not only brought about changes in the economic life but also the social and political life of the people. It is concluded from this paper that most of the ladies have not only gained confidence but also become the example for the others to settle their life in a very positive manner. Once the rejected class has risen to the class of selection where the ladies are totally free to choose what they want to do. This is the effect of self help group that most of

the participating members get help from the banks, experts and other related people to settle in their life in the most appropriate way. In nutshell we can conclude that the self help groups have taught the ladies to live their lives on their terms.

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