



**THE IMPACT OF SELF-HELP GROUPS ON THE SOCIO-ECONOMIC
DEVELOPMENT OF WOMEN**

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ABSTRACT

Women play multifaceted roles for welfare of the families, communities and the nation as they provide essential opportunities for socio economic development of the respective regions too. Self-Help Groups emerges as an important strategy for empowering women and to alleviate poverty. It is village based financial intermediaries usually composed of 10 to 20 local women or men. India's self-Help Groups movement has emerged as the world largest and most successful network of community based organisation. Most of the Self-Help Group found in India, Although Self Help Group also found in other countries especially in South Asia and Southeast Asia. The main objective of this paper is to know the impact of Self Help Groups on their social economic development and poverty. The data is purely collected on the basis of secondary sources. This paper is an attempt to identify the Self Help Groups impact on socio economic development of women in the society.

KEYWORDS-Village Based Committee, Parda System, Self-Help Groups Movement, Women empowerment

INTRODUCTION –PARDA SYSTEM

In the early decades the position of women was miserable in the society and women are not ready to take any assignment or job due to many reasons like fear, shyness, male dominance in the society and pardar system. But with changed scenario the thinking of people has been changed due to education and awareness. Now the problems of women are looked upon the problems of social welfare and considered more seriously and ultimately solved in the form of others way particularly in last 25 years. Self-Help Groups is now a well-known concept. Self-help groups are necessary to overcome exploitation, create confidence for the economic self-reliance of rural people, particularly among women who are mostly invisible in the social structure. These groups enable them to come together for common objectives and gain strength from each other to deal with exploitation, which they are facing in several forms. It is informal and homogeneous group of not more than 25 members has registered known as village based committee. Self-Help Groups consists of maximum members because any group having more than 25 members has to register under Indian legal system. Therefore, it is recommended to be informal to keep the away from bureaucracy, corruption, unnecessary administration expenditure and profit motive.

OBJECTIVE OF THE STUDY

The main objectives of this paper are to understand the role of self-help groups for empowering women status and to examine the impact of Self-help groups on skill development of women.

RESEARCH METHODOLOGY

The study is based on secondary data and the data has been collected from different published reports, text books and website journals.

NEED OF SELF – HELP GROUP

SHG is needed to make the women of below poverty line hopeful and self-reliant. SHG enable them to increase their income, improve their standard of living and status in society.

SELF-HELP GROUP

The concept of self-help groups had its origin in the cooperative philosophy and co-operators by and large, including the National Federation in the credit sector, could not think of any better SHG than a primary co-operative credit society itself. A SHG is a small, economically homogeneous and affinity groups of women/men who voluntarily formed to save and contribute to a common fund to be lent to its members. The main purpose is to work together for social and economic upliftment of their families and communities.

ASHG promotes small savings among its which are kept either with a bank or post office or corporate society. SHGs enhance the status of women as participants, decision makers, and beneficiaries in the democratic, economic, social sphere of life (Jain, 2003). The main objective of the Self Help group is to create an appropriate and sensitive forum for addressing the need of people. It also inculcates saving habits in the community and also improves the social status.

MOVEMENT OF SELF-HELP GROUPS IN INDIA

Self-help groups are popular and famous in India and South-East Asian countries. The Self-Help Groups concept was developed by the economist Professor Mohammed Yunus of Bangladesh, Chittagong University in the year 1975 to provide micro finance and micro credit for the poorest of the poor, who were ignored and shunned by banks when it came to lending tiny sums of money. Now, In Bangladesh, microfinance has been established as a most powerful instrument to tackle the poverty. In India, self-help group scheme was initiated by NABARD, main rural body emphasizing self-employment generation for women living in rural and semi-rural areas. In 1987, NABARD provided MYRADA (Mysore Resettlement and Development Agency [MYRDA]) with a grant of Rs. 1 million to enable it to invest resources in identifying groups, building their capacities and matching their saving after a period of 3-6 months. In 1990, Reserve bank of India accepted the SHG strategy as an alternative credit model. In 1992, NABARD issued guidelines to provide the framework for a strategy that would allow banks to lend directly to self-help groups and SHG-Bank linkage programme was launched. In India two broad approaches prevail in case of micro financing i.e. self-help group- bank linkage programme since 1992 (Lokhande, 2013). These groups are seen as instrument for achieving variety of goals including women empowerment, developing leadership abilities among poor people, increasing school enrolments, and improving nutrition and the use of birth control.

The journey of the SHGs has made dramatic progress from 500 groups in 1992. According to NABARD report in 2014, SHG now boasts of the world's largest microfinance initiatives with over 7.4 million SHGs representing 97 million rural households. The number of saving linked self-help groups now stands at 74.3 lakh with a membership of over poor households showing a marginal increase of 1.53 percent, whereas 73.18 lakh SHGs as on 2012-13. 90 per cent of these groups are only women group. More than 400 women join the Self-Help Groups movement every hour, NGO joins the Micro finance every day, the spread of the SHGs is highly concentrated in the southern part of the country with very few in the north and the east. Over half a million, SHGs have been linked to banks over the years. Mostly in South India, account for almost 65 %, Andhra Pradesh has over 48 %, Tamil Nadu

and Uttar Pradesh 20% and 11 % respectively, and Karnataka has about 9% of the total SHGs. Since the advent of SHG in India, its growth rate has been very low in the states of Bihar, Rajasthan, Uttar Pradesh, Madya Pradesh, Orissa, and union territory of Andaman and Nicobar Islands where the status of women is still very backward. The average saving bank balance of SHGs with banks as on 31-3-2014 was Rs. 13322, with southern region reporting an average of Rs. 16878, western region reporting an average 10367, while the North eastern states having an average saving of only 4073 (NABARD report 2014). The basic principles of Self-Help Groups are group approach, mutual trust, organisation of small and manageable groups' approach, spirit of thrift, women friendly loan, skill training capacity building and empowerment.

WOMEN EMPOWERMENT IN INDIA

The self-help programme has become a well-known instrument for bankers, development agencies and even for corporate houses which leads towards the development process. Empowerment of women signifies harnessing women's power by promoting their tremendous potential and encouraging them to work towards attaining a dignified and satisfying way of life through confidence and competence. Empowerment as concept was introduced at international women's conference at Nairobi in 1985. The conference defined empowerment as "A redistribution of social power and control of resources in favour of women. It is the process of challenging existing power relations and of gaining greater control over the sources of power". The year 2001 had been declared by Indian Government as "Women's Empowerment year" To focus on a vision where women are equal partners like men" because constitution of India grants equality to women in various fields of life. Women of today are ready to come forward and want more economic independence, their own identity, achievements, equal status in the society and greater freedom. Govt. of India provided for Self-Help Groups to them so that proper attention should be given to their economic independence through self-employment.

Women and SHGs in many parts of the country have achieved success in bringing the women to the main stream of decision making. Self-help Group has become a source of inspiration for women's welfare. Formation of SHG is viable alternative to achieve the objectives of rural development and to get community participation in all rural development programmes. Self-Help Group is also a viable organised set up to disburse micro credit to the rural women and encouraging them together into entrepreneurial activities (Abdul, 2007).

MODELS OF SELF-HELP

There are three models to provide micro finance to the self Help Groups from external sources. They are as follows.

Model-1

In this case, banks directly promote self-help groups. Here the bank assumes to play the role of NGOs and ensure linkage with SHGs. Self-Help Groups financed by the banks i.e. commercial banks (public and private banks), Regional rural banks (RRB) and cooperative banks. In this model, banks themselves take up the work of forming and nurturing the group, opening their saving accounts and providing bank loans.

Model-11

In this model, NGOs act as facilitators. of Self-Help Groups is formed by Agencies other than banks but directly financed by the NGOs and other formal agencies are organise the poor into groups undertake training for awareness and understanding building, introduce savings and internal lending, help in maintenance of accounts and link them with the banks for credit requirements. The bank directly gives loans to these self-help groups with the recommendation of NGOs and other agencies.

Model-111

In this model, besides acting as a facilitator, the NGO and other agencies also works as a financial intermediary. Here the loan is given to NGO by the bank for on lending SHGs. This is the model, where the NGOs take additional role of financial intermediations along with formation of SHGs. NGO would be legally responsible for repayment and would bear the risk of non-payment. Involvement of NGOs in microcredit system would have positive influence as they are the grass root agencies with information about borrowers.

Income

Self-help group members take up different income generating activities. SHPIs play an important role in taking up the suitable Income generating activities by the members based on the skills e.g. agriculture, animal Husbandry, Hosiery, Candle preparation, Cane preparation, Cane Items, carpets, Khadi, leather items, Spinning and Weaving, Basket weaving, Woollen blankets weaving, sale of fruits and seeds, vegetables vending etc.

IMPACT OF SELF-HELP GROUPS

Self-Help Groups (SHGs) is an instrument to change the condition of women socially and economically.

- Economic Empowerment- Self-Help Groups provides economic benefits to the women by providing income generating activities. It brings gender equality and increase the women's income translates more directly to family being. According to the report by National Commission for women. In India, women work for longer hour than men. The proportion of the unpaid activities to the total activities is 51 per cent for female as compared to males' Over the above this unpaid work, they have the responsibilities of caring for household which involve cooking, cleaning, fetching water and fuel, collecting fodder for cattle and providing voluntary assistance to vulnerable and disadvantaged individuals in the family. This shows that tough there is still a long journey ahead towards women empowerment. Women saves small amount of money regularly and mutually agree to contribute a common fund. But this does not fulfil all their needs.
- Social Empowerment- Empowering women contribute to social development. Economic progress in any country weather developed or underdeveloped could be achieved through social development. Hence women's empowerment cannot be ignored. The social empowerment means that the women should get an important place in the family and society and should have a right to enable her to make use of avoidable resources. The impact of SHGs ensures the equality of women as decision makers, awareness about various programs and beneficiaries in social democratic spheres of life. There is a change in the attitude of male members of the families, now they are convinced about the concept of SHGs.
- Micro-Financing Benefits- Self-Help Groups has aimed to enhancing profitability for rural people. Cheap rural credit facilities take micro financing; SHGs were designed to provide rural poor with access to adequate capital. Microfinance through SHG has become a ladder for the poor to bring them up not only economically but also socially, mentally and attitudinally and above all help them break through the stronghold of exploitative money lenders.

- Change in family Violence- Involvement with self-help group has reduced the violence in about 25 percent cases especially due to reduction in economic difficulties. In most of cases the members revealed that their husband should also be involved in SHGs.
- Political Empowerment- The political participation of women means not only using the right to vote but also power sharing, co-decision making and co-policy making at all levels. Self-Help Groups enable women to develop their communication skills to speak at Gram Sabha, public meetings etc. SHGs function through its regular meetings where members perform transactional activities and discuss over different related issues, social; mobilisation through SHGs is enviable for political empowerment.
- Employment- The Implementations of Self-Help Groups has generated self-employment opportunities for the rural poor. After joining the self-help help group the women are economically and socially empowered.
- Access to Credit- Participation in SHGs is an improvement in a women's access to credit. The financial mobility due to participation in Self-Help Group has led to an improvement in the quality of life. Overall many families were able to address their basic needs better than before. Some of the NGOs reports have shown that the record on repayment of loans by women was better than that of men, and women were also more likely to spend the income earned on their families, leading to improved health and nutrition and quality of their lives.
- Saving- One of the primary benefit of participation in a SHG is the opportunity to save regularly, access formal savings institutions and participate in the management of these saving. They save regularly, have their own bank accounts and make deposits in these accounts. SHG is saving have a good impact on members in their ability to save their hard earned money.
- Decision-making- The social impact of self-help group program increased involvement in decision-making, awareness about various programs and organisations, increase access to such organisation, increase expenditure on health and marriage event, there is a change in the attitude of male members of the family, now they are convinced the concept self-help group and encourage women to participate in the meetings and women reported that they have saving in their name and it gives them confidence and increased self-respect. Within family the respect and status of women has increased. Children's education has improved significantly. The sanitation in member's households has improved and it has led to better health in members. Members are now confident enough to raise social status.

CONCLUSION.

As women contributes to the larger part of population in India. The existing scenario is that women form an important part of the labour force and the economic role played by them cannot be isolated from the framework of development. But there are still quite a few areas where women empowerment in India is largely lacking. Government should take various initiatives to empower women of the country. It a gradual and consistent process but SHGs have the potential to have an impact on women empowerment. Self-Help Groups programme clearly plays a central role in the life of the poor. This programme has become a well-known instrument for bankers, developmental agencies and even for corporate houses. Empowering

women is not just for meeting their economic needs but also for their social development. There is evidence of increased household income, standard of living for the program participants have increased and also the food security is much more for the [programme clients. Micro financing is plying a significant role in alleviate poverty and rural development. Since the women are the role of family caretakers' proper emphasis should be given to the rural women and for empowering the rural women finance is required. Women can start economic activities through SHG movement. Economic and social upliftment took place with SHG movement. In this way, SHG concept is getting greater support from women as well as from financial institution. But still, it has to go a long way to achieve its objectives of inclusive development of every sphere.

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