Socio- Economic Implications of Self Help Groups and Women Empowerment in Geyzing Subdivision of West District of Sikkim

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ABSTRACT: Sikkim, a small state of north-east India with the population 6.07 lakhs (2011 census) is located between 27°46’ and 28°7’48”N latitude and between 88°0’5” and 88°55’25”E longitude in the Eastern Himalayas. In India Self Help Groups (SHGs) is playing an important role in the empowerment of the women. Geyzing Subdivision of West district of Sikkim has been taken up for the study. The paper focus on the conceptual and functional framework of Self Help Group of the study area. It also studies the Social and economic impact of the SHGs and further on empowerment of women in the study area.

Keywords: Women Empowerment, SHGs, Development

I. Introduction:

Poverty and unemployment are the two major problems of under developed countries, to which India is no exception. India, a developing economy is on its path to modernization and development. Development is not only associated with improving the infrastructure but also improving the standard of living of its population. In the course of development, socio-political and economic systems undergo changes in their institutional structures at different points of time. But, the pace and course of these changes may vary from one system to another. There are marked differences between developed and developing countries in their economic organisations, interactions of the individuals and the institutions mediating interactions. Both institutions and market play the role of mediation, which facilitates transactions. Under many circumstances, actual functions of the markets, however, deviate from the neo-classical position of perfect information with cost-less transactions [1].

One of the most essential features of development is the transformation of community, which embraces social progress from traditional relations, social norms, and traditional ways of health care, education and methods of production to more improved ones. Changes associated with development provide communities as well as individuals with more control and influence over their own destiny. Development enriches the lives of individuals by widening the horizons of choices and freedoms by reducing their sense of isolation. Hence, the development strategy that is planned to bring sustainable affirmative change into effect must be aimed at facilitating the transformation of society by identifying the potential catalysts and barriers to change.
Experiences from various development attempts that have been made to minimize the effect of poverty so far has demonstrated that there are efforts to change the miserable life condition of many poor people in many parts of the globe but it is not easy to occur. In the so-called poor nations of the world, many development strategies experimented through various development agents/organizations, have not yielded the desired results. However, it is evident that few countries have benefited from such development efforts and have succeeded in rapid economic growth and poverty alleviation.

With a view to evolve supplementary credit strategies for reaching the unreached rural poor in the rural areas like the landless agricultural labourers, rural poor women etc., in a transparent and a cost effective way, National Bank for Agricultural and Rural Development (NABARD) has introduced in 1992-93, a pilot project for linking SHGs with banks. The programme has helped in resurgence of an alternative credit system administered by the clientele themselves, who have organized themselves into self-help groups. Thus, an informal credit system was evolved with the assistance from formal financial institutions. The agencies involved in the scheme were NABARD, Banks, NGOs and SHG members.

**Review of Literature:**

Different sources and authorities have defined Self Help Groups (SHG) in different ways. For the purpose of this study, the definition given by Kropp and Suran [17] is believed to be the most comprehensive, as it explains that SHG is an informal association of 15 to 20 people, mostly women, from the poorer section of the village community; whereby they are organized, owned, operated, and controlled by the members, based on solidarity, reciprocity, common interest, and resource pooling. Roy [2] while studying on Micro-Finance and its Inter-State Disparities in North-East India has pointed out that the performance of Sikkim is poor among the eight states of north east India [2]. Whereas the proportion according to the population shows that the performance of Sikkim is relatively higher than the other states of north east India. Some of the basic characteristics of SHGs, like the small size of the membership and the homogeneity of the composition, bring about cohesiveness and effective participation of members in the functioning of the group [3].

Sarkar[18], explains that investment in women not only benefits the women themselves, but it also has a relatively high social return which is reflected when observing an improvement in their children’s welfare, a reduction of fertility, poverty, and gender bias. The need to create a grassroots organizational base to enable poor women to come together, to analyse their issues and problems themselves, and to fulfil their needs was strongly advocated in countries like Indian, Bangladesh, and Pakistan. In these countries, such group-based participatory programs have made a significant improvement in the living conditions of poor women [4].

Sharma [5] in his study on the review of the genesis and development of SHGs in India, revealed that in the situation where the existing formal financial institutions failed to provide finances to those who were landless, marginalized and disadvantaged groups, the establishment of SHGs has enabled many poor people to become involved in various income-generating
activities through the small loans that they received from the groups[5]. To achieve this, practical goals need to be translated, and development of programs, and policies that focus on broadly based economic growth areas that ensure sustained improvements in the earnings of the poor are necessary[6].

Similarly, K.C. Sharma[5] stated that SHGs are the major tools for women’s empowerment. Their participation in the economic activities and decision-making at the household and societal levels are increasing. Puhazhendhi and Satyasai [7] in their study attempted to evaluate the performance of SHGs with special reference to social and economic empowerment. Their findings indicate that SHGs, having institutional arrangements can positively contribute to the economic and social empowerment of the poor. They also state that older groups have relatively more positive social impacts than younger groups, due to the maturation of experience. Self-help groups have facilitated the formation of social capital, where people learn to work together for a common purpose in a group or organization [8].

Rajendra and Raya [9] illustrated after studying the SHGs that the micro finance through SHG have brought higher psychological and social empowerment than economic empowerment. The study reveals that there is a definite improvement of managerial skills, psychological well-being and social empowerment among rural women as a result of participating in SHG linkage programme in Tamil Nadu.

II. Objectives of the Study:

To get an insight about the conceptual and functional framework of Self Help Group of the study area. The study also focuses on the empowerment of women and socio-economic implications of the SHGs in the study area. It further elicits their suggestions for effective implementation of self-help groups’ activities.

III. Methodology:

As the objective of this study is to assess and understand the socio-economic impact of SHGs and women empowerment in understanding the effect of poverty at the individual and household levels, it is exploratory and descriptive. Thus, the nature of the study required using both a quantitative as well as qualitative data collection techniques. Both qualitative and quantitative data has been collected from both primary and secondary sources in order to assess the socio-economic implications of SHGs in the study area.

Secondary data were collected for different offices including DRDA/SRDA, West District Zilla Panchayat Bhawan, Census Office, Directorate of Economics, Statistics, Monitoring and Evaluation (DESME), different banks. Literature has been reviewed from various published and unpublished books, reports etc. Sources of primary data have been generated from the field study.

Sampling Techniques and Methods Used
The objectives stated earlier were examined through an exploratory study of the functioning of selected SHGs in the Geyzing sub division under Swarnajyanti Gram Sarojgari Yojana (SGSY). The project is purposively chosen considering that Geyzing is one of the fastest growing area in the region where the socio-economic problems that affect the well-being of the poor community, particularly those of the poor women, are believed to be rampant.

Sample Size

In selecting the sample of the study from the SHGs, the following factors were considered. By the time this study conducted, there were a total of 356 SHGs in Geyzing sub division. As group maturity was one of basis on which an impact of SHG was assessed, all the 356 SHGs were listed according to their maturation and were coded accordingly. Among the listed SHGs, those whose maturation was at least four years were purposely selected for impact assessment, as it was believed that SHGs with less than four years of maturation do not have the same viable impact on members. Again, the study has been done taking only the SHGs with female members in it. Accordingly, 20 SHGs represented by women consisting of 217 members were identified. Then, among these 20 SHGs, a total of 120 respondents i.e. around 60% of the members were randomly selected and studied.

To collect quantitative data, semi-structured questionnaires were administered to 120 randomly selected SHG members. In order to substantiate data collected from these respondents, a focus group discussion was held with another twenty (20) respondents who were purposely selected. During the focus group discussion, questions that were believed to be best in eliciting personal opinion on the performance and benefit of the SHG were forwarded to the group and opinions of the respondents were gathered accordingly. Moreover, to obtain additional insightful data, interviews were conducted with five (5) SHG leaders, five bank officials and DRD officials, and a project coordinating staff separately.

Apart from this focus group discussion was used to collect qualitative data and accordingly an open ended focus group discussion guide was prepared and utilized to gather data about the individual’s as well as group’s perspectives on the impact of the SHG pertaining to the life of the poor, and to obtain deeper understanding of the socio-economic impact of SHGs on the life of their members. Interview methods have also been applied with SHG Leaders, Project Coordinating Staff, Bank officials.

For analysis of data collected from the field various statistical techniques such are average, percentage etc. has been used. Map of study area has been made. Tables and diagrams such as bar, line, pie has been made.

IV. Study Area:

Sikkim, with a total area of 7,096 sq. km, constitutes 0.22 per cent of the total geographical area of India. Being part of the Eastern Himalayan mountain ranges its elevation
ranges from 300 to 7000 metres above mean sea level with a rich biodiversity and formidable Physical features. It is bounded by vast stretches of Tibetan Plateaus in the North, the Chumbi Valley of Tibet and Bhutan in the East, Nepal in the West and Darjeeling District of West Bengal in the South. It is stretched over 112 kms from North to South and 64 kms from East to West. It lies between 27° 00’46” to 28° 07’48” North Latitude and 88° 00’58” to 88° 55’25” East Longitude. Population of Sikkim according to 2011 Census is 6.1 lakhs which is the lowest among the states of India. Sikkim, one of the eight states of North Eastern India is divided into four districts—South, North, East and West (Registrar General of India, 1989).

The present study area Geyzing Subdivision is one of the two sub-division of West Sikkim along with Soreng Sub-division. Geyzing is the districts headquarter of West District of Sikkim. Population of the West district according to Census Report is 136299 which consist of 66074 females making the sex ratio of 941. The density of population in the West District of Sikkim is 117 persons per sq.km with female literacy rate of 72.12 in 2011.

As per the information gathered from the DRDA/SRDA, west district has 624 SHG and under Gyalshing sub division there are 356 SHG. Unemployment, low family income, poor housing conditions, poor access to basic facilities, disempowerment, etc., are some the major challenges of the residents.

V. Result and Discussion:
Self Help Group and Women Empowerment

Empowerment can serve as a powerful instrument for women to achieve upward socio-economic mobility and achieve power and status in society. It is a source of mobility, equality and emancipation, both at the individual level and at the societal level. Gender development continues as an important part of development in this context. Gender bias in social, educational, economic and political fields is still manifested in many a civilized society of the world. Empowerment of women can serve as an essential input for development. It is thus important to bring women into the mainstream of development so that society benefits through women empowerment.

Self-help group is a system of organising the poor people and the marginalized to cometogether to solve their individual problem. The SHG method is used by the government, NGOs and others worldwide. The poor collect their savings and save it in banks. In returnthey receive easy access to loans with a small rate of interest to start their micro unitenterprise. Thousands of the poor and the marginalized population in India are building theirlives, their families and their society through Self help groups. The 9th five year plan of thegovernment of India had given due recognition on the importance and the relevance of the Self-help group method to implement developmental schemes at the grassroots level.

A Self Help Group is a group of 10-20 women or men who work for the capacitybuilding of themselves. The goal of Self help groups (SHG) is to become effective
agents of change. They serve as a platform to establish the banking with the poor which is reliable, accountable and a profitable business. SHG also enables livelihood opportunities for village women through micro-credit with the existing banks in the area.

Self Help Group (SHG) movement has emerged as the world’s largest and most successful network of community based organizations (CBOs). It is predominantly a women’s movement. As some experts have pointed out, it is a development innovation in its own right. MYRADA was an early promoter of SHGs. In the early eighties, MYRADA and the Bhagavatula Charitable Trust, of the Visakhapatnam district in Andhra Pradesh began mutual savings and credit groups in rural areas, mostly among women. These were probably the first instances of rural savings and credit groups in the country, for and of women. In the mid-eighties, there were a few more similar experiments, mostly in Andhra Pradesh and Tamil Nadu. The results were inspiring, and the rural development departments of the Government of India, in the late eighties, invited NGOs, donors and bankers to discuss the possibility of consciously promoting savings and credit groups of women, across the country, in place of the earlier DWCRA groups (Development of Women & Children in Rural Areas).

Self Help Group in Sikkim

Sikkim has 2428 SHGs having total saving 141.98 lakh has reported by Sikkim as on as on 31st March, 2010. It may also be suggested that guidelines lay down the minimum number of families for formation of a group but in the hilly areas like Sikkim where the houses are scattered in the villages, sometimes it becomes difficult to find 10 members in a hamlet which means the group cannot be formed in such village. Till May 2013 West District has 624 Self Help Groups, and the study area i.e. Geyzing has 356 Self Help groups. Out of 356 20 groups has been randomly selected for the study and conclusion has been drawn. It can be seen from the various secondary data that in Geyzing subdivision of West Sikkim maximum number of member in a SHG are 20 and minimum with 10 with average of 11 to 12 members in a group. Out of 356 SHGs in Geyzing subdivision, (formed since 2001) 187 are women group with 2323 members, 145 are male group and remaining 14 is a joint group.

Demographic and Socio-Economic Profile of the Respondents

In this study sex, age, marital status, level of education, religion, ethnic group, family size, family income, housing conditions, etc. were found to be important variables that affect the life of the poor particularly women in their empowerment and development; and detailed information with regard to each variable were described as follows.

Age & Sex Structure of the Respondents

The study has been done with the special focus on the group with female member. Therefore, all the studied groups are represented by the female member. As per the project
manual, SHG, being a poor women’s empowerment association, gives membership priority to poor women; and the minimum age of eligibility for membership is 18. Having understood these characteristics, age of the respondents was studied and the responses were summarized in the table below.

**Table 1. Frequency and Percentage Distribution of Age of the SHG Respondents**

<table>
<thead>
<tr>
<th>Age Group</th>
<th>Number</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>20 to 26</td>
<td>8</td>
<td>6.67%</td>
</tr>
<tr>
<td>27 to 32</td>
<td>21</td>
<td>17.50%</td>
</tr>
<tr>
<td>33 to 38</td>
<td>28</td>
<td>23.33%</td>
</tr>
<tr>
<td>39 to 44</td>
<td>18</td>
<td>15.00%</td>
</tr>
<tr>
<td>45 to 50</td>
<td>27</td>
<td>22.50%</td>
</tr>
<tr>
<td>Above 50</td>
<td>18</td>
<td>15.00%</td>
</tr>
</tbody>
</table>

The table 1 illustrated that members of SHGs were of varying age stratum. It has been found that the overwhelming majority (23.33%) of the respondents between the age group of 33 to 38 years. Members with age less than 26 years of age is only 6 %, which shows that majority of the responded members are of the age group above 27 years of age. Fifteen percent (15%) of the respondents were above 50 years of age. Majority of the women were found to be middle age group between 27 to 50 years of age, followed by the aged population. These women are generally enthusiastic and innovative in nature.

**Ethnicity and Mother Tongue of SHG Households**

Self-help groups are documented as non-partisan, non-political, and democratic associations comprised of people regardless of their ethnic affiliation. Accordingly, the composition of the group members and their mother tongue were examined and the results were summarized in the table below.

**Table 2. Caste/Tribe Composition of the SHG households**

<table>
<thead>
<tr>
<th>Caste/Tribe</th>
<th>Number of Respondents</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>General</td>
<td>44</td>
<td>36.67%</td>
</tr>
<tr>
<td>ST</td>
<td>39</td>
<td>32.50%</td>
</tr>
<tr>
<td>OBC</td>
<td>29</td>
<td>24.17%</td>
</tr>
<tr>
<td>SC</td>
<td>8</td>
<td>6.67%</td>
</tr>
</tbody>
</table>
Table 3. Ethnic Group

<table>
<thead>
<tr>
<th>Ethnicity</th>
<th>Number of Respondents</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nepali</td>
<td>83</td>
<td>69.17</td>
</tr>
<tr>
<td>Bhutia</td>
<td>14</td>
<td>11.67</td>
</tr>
<tr>
<td>Subba</td>
<td>21</td>
<td>17.50</td>
</tr>
<tr>
<td>Lepcha</td>
<td>2</td>
<td>1.67</td>
</tr>
</tbody>
</table>

As shown in table 3 members of the respondents came from various ethnic groups. Most of the Respondents belong to Nepali ethnicity with around 70%. Bhutia, Subba and Lepcha constitutes 11.67%, 17.50% and 1.67% respectively. Majority of the respondents belongs to General category, 32.50% of the respondents are Schedule Tribe and Other Backward Class (OBC) comprises of 24.17% of the total respondents. Schedule Caste(SC) with 6.67% are the lowest among the respondents.

Family Size of the Respondents

It is evident that an average family consumption is dependent on the average size of the family, and the family members’ age category. The greater the family size and the more unproductive the members might be, the higher the family’s consumption rate. In a village area as of our study area family size has to be one of the most important characteristics to be examined to know how much of the family’s income is used for consumption. Accordingly, the respondents’ family size was studied. The results were shown in the table below.

Table 4 Size of Family

<table>
<thead>
<tr>
<th>Size of Family</th>
<th>No. Of Respondents</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>1-3</td>
<td>13</td>
<td>10.83%</td>
</tr>
<tr>
<td>4-6</td>
<td>72</td>
<td>60.00%</td>
</tr>
<tr>
<td>7-9</td>
<td>30</td>
<td>25.00%</td>
</tr>
<tr>
<td>&gt;9</td>
<td>5</td>
<td>4.17%</td>
</tr>
</tbody>
</table>

Table 4 showed that the family size of more than half of the SHG respondents (60%) was between 4-6, and 25% of the respondents’ families’ size were 7 – 9. This shows that the overwhelming majority (85%) of the respondents’ families comprised of more than 5 members on average. The table also showed that the family size of 10.83% of the respondents is 1-3. Five families with member of more than 9 have also been found out of 120 respondents.

Respondents’ Level of Education

One of the measures that contribute to the cooperative functioning of the SHG is the efficient maintenance of SHG books completed and managed by the members themselves especially by the president or secretary of the group. The members’ ability to read, write and
perform basic arithmetic is essential to ensure such a success. Moreover, although it is not the only factor, a lack of education is believed to be one of the major factors for unemployment. Thus, the respondents’ level of education was examined and the following was found out.

Table 5 SHG Respondents’ Level of Education

<table>
<thead>
<tr>
<th>Education Level</th>
<th>Number of Respondents</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Illiterate</td>
<td>36</td>
<td>30.00</td>
</tr>
<tr>
<td>Formal Primary education (Grades 1 – 5)</td>
<td>43</td>
<td>35.83</td>
</tr>
<tr>
<td>Formal Primary education (Grades 5 – 8)</td>
<td>20</td>
<td>16.67</td>
</tr>
<tr>
<td>Grade 9 - 12 completed</td>
<td>19</td>
<td>15.83</td>
</tr>
<tr>
<td>Graduate</td>
<td>2</td>
<td>1.67</td>
</tr>
</tbody>
</table>

In order to get vivid picture of the respondent SHG members’ level of education, detailed categories were made and summarized in the table above. As it is clearly shown in the table, the rate of illiteracy was very high among the respondents (30%). The proportion of the respondents who didn’t pass through formal primary education was highest (6%). Almost 70% of the respondents can read and write. The majority of the respondents (52%) were in primary school range where around 35.83% of them were between grades 1 – 5 and around 17% of them were in grade 5 to 8. Quite a big proportion of the total respondents (around 80%) was school dropouts; and only few of the total respondents were high school completes. Only 2 respondents out of 120 have completed their graduation.

Religious Composition

As the Study is of impact of SHG on social condition religious composition is considered as important attribute. Therefore, religious data has been collected as one of the characteristics to be examined in the study and data collected in this regard were put in table shown below.

Table 6 Percentage Distribution of the Respondents’ Religious Composition

<table>
<thead>
<tr>
<th>Religion</th>
<th>Number</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hindu</td>
<td>80</td>
<td>66.67</td>
</tr>
<tr>
<td>Buddhist</td>
<td>37</td>
<td>30.83</td>
</tr>
<tr>
<td>Christian</td>
<td>3</td>
<td>2.50</td>
</tr>
</tbody>
</table>

As it is shown in the table above, it is easy to understand that members of the SHGs come from various religious milieus, and nearly two-third of the total respondents belonged to the Hindu religion; and the remaining 31%, and 2%, of the respondents were Buddhist and Christians.
Marital Status of the Respondents

Various literature concerning SHGs explained that SHGs are groups organized and formed to empower the disempowered women. It has been found that married women with low income are found engaged in SHGs. It has also been found in different literature that widows are also engaged in different SHGs to support their family. In order understand the different characteristics, marital status was taken as one of the characteristics to be examined.

Table 7 Marital Status of the SHG respondents

<table>
<thead>
<tr>
<th>Status</th>
<th>No</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Married</td>
<td>107</td>
<td>89.17</td>
</tr>
<tr>
<td>Un Married</td>
<td>8</td>
<td>6.67</td>
</tr>
<tr>
<td>Widow</td>
<td>4</td>
<td>3.33</td>
</tr>
<tr>
<td>Divorced</td>
<td>1</td>
<td>0.83</td>
</tr>
</tbody>
</table>

As it is illustrated in the table 7 the majority of the respondents (89.17%) were found to be married, and 7% of the respondents were found to be unmarried. 3.33% of the respondents are widowed and remaining 1 respondents is divorced.

ECONOMIC PROFILE OF THE SHG MEMBER

Economic Status and Livelihood

As the purpose of this study is to assess the economic and as well as social impact of SHG on their members, thorough examination of the household economic status and the impact upon their livelihood will have paramount importance. The respondents’ income, expenditure, and savings were discussed thoroughly. Pertaining to their income, issues related to sources of income of the head of the household and other members of the households, each household member’s contribution to the household income, estimated average monthly income, frequency of meals per day, and the current economic status of the family in comparison to their income before they became involved in the SHG were examined. Likewise, the expenditure of the households on food before and after becoming involved in the SHG was examined.

Table 8 Land Possession

<table>
<thead>
<tr>
<th>Land in Acre</th>
<th>No of Persons</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>NIL</td>
<td>4</td>
<td>3.33</td>
</tr>
<tr>
<td>Less than 1</td>
<td>78</td>
<td>65.00</td>
</tr>
<tr>
<td>1 to 3 acre</td>
<td>30</td>
<td>25.00</td>
</tr>
<tr>
<td>more than 3</td>
<td>8</td>
<td>6.67</td>
</tr>
</tbody>
</table>

Out of 120 studied SHG it has been found that 3.33% of the family of SHG has no land. 65% of the respondents have the land area of less than 1 acre of land which is the highest.
Family having land between 1 to 3 acre was found to be 25 %. 8 families i.e. around 7% of the respondents’ family have the land size of more than 3 acre.

Pre-SHG and Current Economic Status

Respondent households’ current economic condition was compared to their pre–SHG involvement period and the result of the assessment is tabulated in the following table.

Table 9 Household Current Economic Status in Comparison to Pre-SHG Family Economic Situation

<table>
<thead>
<tr>
<th>Present economic status compared to pre-SHG involvement</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>No.</td>
</tr>
<tr>
<td>Improved Significantly</td>
<td>30</td>
</tr>
<tr>
<td>Improved little</td>
<td>35</td>
</tr>
<tr>
<td>Remained same</td>
<td>47</td>
</tr>
<tr>
<td>Decreased</td>
<td>8</td>
</tr>
</tbody>
</table>

Comparison of the economic status of the households within post and pre SHG involvement time revealed that 48% of the respondents believed as their family economic capability showed improvement since they began to be involved in the SHG program. Eighteen percent (35%) of the respondents reported that their involvement in the SHG program did not bring economic change within their family. More interestingly, more than 5% (8 families) of the respondents replied that their family income has decreased after joining the SHGs.

Sources of Income Before and After SHG

As the impact of SHG members’ income was one of the major points to be assessed in this study, sources of family income and expenditure were examined. Thus, to scrutinize various sources of family income before and after being involved in a SHG, various questions were presented to the respondents and their replies were shown in the following table. Sources of Income

The major sources of income of the respondents’ families’ income before and after becoming involved in the SHG has drastically changed. It has been found that before involvement in SHG program, income earned from daily labour work and agriculture was the major source of living for the majority of the respondents’ families (80%). However, after becoming involved in SHGs, the main source of families’ income has changed and income earned from involvement in various income generating activities (IGAs) and petty trades, became the significant source of living of the respondents’ families.

Amount of Monthly Income of the Household

Change in the family’s amount of the average monthly income as a result of involvement in SHG is one of the variables that should be examined in this study. Based on the
response of the SHG members under the study, data regarding the average monthly income of the family before and after involving in SHGs was gathered and summarized in table.

Table 10 Amount of Monthly income of the household

<table>
<thead>
<tr>
<th>Average Monthly Income of the Family</th>
<th>Before SHG</th>
<th>After SHG</th>
</tr>
</thead>
<tbody>
<tr>
<td>No</td>
<td>%</td>
<td>No</td>
</tr>
<tr>
<td>Less than 500</td>
<td>21</td>
<td>17.50</td>
</tr>
<tr>
<td>501-1000</td>
<td>39</td>
<td>32.50</td>
</tr>
<tr>
<td>1001-2000</td>
<td>24</td>
<td>20.00</td>
</tr>
<tr>
<td>2001-3000</td>
<td>26</td>
<td>21.67</td>
</tr>
<tr>
<td>Above 3000</td>
<td>10</td>
<td>8.33</td>
</tr>
</tbody>
</table>

As it is clearly portrayed in the table, before involving in SHGs, 17.5% of the respondents’ families’ earned less than 500 rupees per month and it has been drastically reduced to 3.33% after joining the SHG. Again reportedly the data in the table showed that 32.50% of the respondents’ families’ monthly income was between Rs. 500 to 1000 and the result after joining the SHG is same as the previous on as it again decreased by 5% to 27.50%. The Situation about the other income group is different as before joining the SHG twenty percent (20%) of the families has the income of Rs. 1000 to Rs. 2000 rupees per month and the percentage of the same income group has changed and increased to 26.67% after they joined the SHG. 21.67% of the family were in the income group of Rs.2000 to Rs. 3000 and again the increasing trend can be seen here as the families with the same income has increased by around 4% to 25.83%. Interestingly the family as shown in the table with the income group of above 3000 has doubled from 8.33% before joining the group to 16.67% after joining the group.

Expenditure

Increase and decrease in the families’ expenditure is one of the indicators of SHG’s impact on the life of the participating members’ households. In order to be acquainted with the respondent families’ average monthly expenses, queries have been made and responses had been gathered. Studying the expenditure pattern of families of SHGs found that expenditures increased in almost all types of expense titles. Majority of the respondents stated that their family’s average monthly expense has increased; and around 20% reported that there is no change in their family’s food expenditure.

Savings

Another important point to be considered in an effort to assess the impact of SHG was to learn about the saving pattern of the members. It is evident that savings, when it comes to the situation of the poor, is a ‘sacrificial savings’ where its purpose is mainly securing the future. With regard to the poor SHG members, the main sources of savings were curtailin
expenditures even on basic necessities and saving from income. Careful analysis of the SHG’s account books, such as the minute book, and the individual member’s savings passbook, showed that the average savings per group per month was about Rs. 430 whereas one SHG Angles has the highest saving out of all the groups with Rs. 1100 per month. Detail investigation of the SHG financial documents showed that there is an increasing trend in the saving patterns of the members. Detailed analysis of SHG general ledger and individual members’ savings books showed that an overall performance of the groups’ savings had an increasing trend both in individual as well as group savings. It has also been found that some of the SHGs have increases their monthly saving per individuals.

**Findings on the Impact of SHGs on empowerment of women**

It has been found from the study that some SHG has been inspired from the NGOs prevailing there and other got to know about the SHG from the senior member of SHG from their locality. The study also found that there has been economic problem of the members before joining the groups and joining SHG has somehow solved their problems. Various social changes and impact on environment has also been seen in the study.

**Economic and Environmental Impact**

Self Has Group has its immense impact on the family of the SHG members. Occupation of member of the SHG of the women revealed that majority of them is from agriculture. It is mainly because of the prevalence of more number of agriculturists in this area, followed by non-agriculturist, who are engaged in labour work and few were working in government organizations, etc. Land holding of the women indicates that more number of them belonged to the marginal farmers followed by small farmers and few of them belong to landless category. It has been revealed clearly from the study that they have low economic status before joining the SHGs because in these areas agricultural lands are almost dry lands and also because of the sub-division and fragmentation of agricultural lands by the members of the family.

After forming the Self Help Group Member started various economic activities which they never dreamed of. With the help of the loan cum subsidy and revolving fund they initiated different activities which not only help their family but also the group as well. Some of the economic activities are as under:


Some of the important activities include the work done by some SHG which has started tourism business and opened up hotel with the help of loan provided by the bank. DRDA/SRDA helped the SHG by providing market centre called as Rural Artisan Marketing Centre (RAMC) in which the SHG has to pay minimum rent and can do their small scale
business. Some SHG has even opened popcorn and tea stall for the extra income to their groups. It also leads to the employment generation to one or two member of group.

Group members who had undertaken income generating activities collectively was observed in various case. The (income generating) products taken up by the members collectively were food items, bakery items, candle making, selling of vegetables, tailoring, food items preparation etc.

It has found in the study that the SHGs members are engaged in the environmental protection work. Cleaning of the village and especially school are carried out in course of time. Plantation is also carried out in the surroundings of the schools and their village.

**Socio–Cultural Impact**

The observation and the results from the field study show various change in the socio-cultural life of the women population. The summed up finding about the demographic and social-cultural impact has been written below.

**Age composition:** Majority of the women were found to be middle age group between 27 to 50 years of age, followed by the aged population. These women are generally enthusiastic and innovative in nature. The young aged women below 26 years of age are less as they might be busy with their study or other work. It also shows that young age women are less that they are not much interested or are not allowed. Aged women are high in group reflecting in the poverty of the family of the member.

**Education:** Education plays a very crucial role in the social and economic development of women’s life. Majority of the women belong to the studied SHGs are found to be illiterate or with low education. Except 2 graduates from the sample study area all others are found to be less educated. In other words SHGs is not having much effects related to the better education of the member group.

**Marital status:** Majority of the respondents were married and only 6.67 % are unmarried. 5 respondents are widow and divorced. The main reason for high marital status could be because of most of the women belonged to the age group of between 26 to 50 years and also might be due to the system of early marriage followed in rural areas.

**Family Size:** Regarding family type, nuclear families are little more compared to joint family. In case of family size medium sized families are higher in number, followed by large and small families. Medium family size is almost nuclear type families. It may be because of the realization of the advantages of nuclear families in terms of educating their children, and for saving money, assets, responsibilities, etc.
Social Programme: The study reveals that after joining the SHG the member started extension participation in the matter of society. The group help in the various social activities and sometimes organise pujas, and drama competition. They also help with funds in case of sickness of poor family in the village and support with manpower and fund in case funeral in the village.

Change in Status of women: One of the major impact of SHG among the women can be seen in the status of women and thinking power of the women. They learn how to be unified within the group. The members of the group got exposed to different field. Extension participation of the respondents in various training programmes after joining SHG can be seen. In addition, the women themselves are aware about the need for better education to for better future. This calls for encouraging the women to acquire higher education. After joining the SHG women became intellectual. They were exposed to bank, office, and started dealing with various systems. They learn how to how to participate in the public meeting and how to deal properly with the higher officials. Saving process is the main thing that SHG has taught the women. Generation of Income is another main concept that SHG has taught the women member.

Findings from Group Discussion:
A group consisting twenty (20) key informants female SHG leaders were interviewed. From the discussion held with this group, it was understood that involvement in the SHG has multifaceted benefits to the members not only in terms of boosting the economic status and livelihood of the members, but also in changing the view of the members on the benefit of working collectively. Moreover, the key informants reported that SHG is a typical tool to empower the poor, particularly the poor women, who live in a society where gender inequalities practiced commonly. Responding to the question raised during the interview, the SHG leaders testified that though the project implementing agency is serving all persons who were qualified for the SHG membership without discrimination.

From the group discussion with the leaders of the SHGs various findings has been reported. It has been found that Gram Panchayat members were earlier helping the SHGs for the proper functioning. It has been learnt that Gram Panchayat used to give fund previously till 2006 as micro plan fund. This revolving fund is used for various economic activities. They have to return the amount back in time without any interest. 8 Self Help Group from the sample area got revolving fund (loan) from Panchayat fund from their respected GPU, and they used the amount in different economic activities. They had to return back only 50% of the loan. DRDA/SRDA used to give Rs. 10000 as revolving fund and increased Rs. 25000 per group.

Among the twenty (20) SHG members with whom the focus group discussion was held, most of the reported that their income has increased as a result of the SHG trainings they have participated in, where the focus has been on small business management and access to the SHG...
loan they received. Since small business undertaking loan that the SHG members obtain from their group saving is based on their request and the profitability of the business plan they submit, during the discussion it was found out that there were few members who did not receive group loan so far. Regarding entrepreneurship skills they acquired through SHG micro business trainings, almost all the focus group discussion participants reported that such training enabled them to manage their small businesses better and has helped them to save more for future uncertainties.

In order to have a better understanding on the benefit of involving in the SHG, a question comparing the amount of work for the same payment before and after being involved in the SHG was posed to the group. Accordingly, more than half of the respondents described that the amount of money they are being paid at present for the same amount of labour before 3 – 4 years has increased. Though there could be various factors attributed to such an increment for labour payment, most of the interviewees counted involvement in SHGs and access to group micro credit enabled them to be involved in their own IGAs, and thereby this has helped them to earn better.

Change in women’s decision-making power in the family, group, and community affairs is another important indicator for measuring the empowering aspect of SHGs. In reply to a question about the significance of SHGs in boosting the women’s decision-making power at family, group, as well as community level, some reported that still there is male domination in household matters that needs decision; but decision-making power in the SHG is at their hand since the group is women’s group. However, almost all of the interviewees agreed that since joining the SHG, their involvement in family matters decision-making has improved; and the women’s capability to raise family’s income and their empowerment as a result of taking part in group meetings were counted for the enhancement of the women’s decision making power. Accordingly, it was understood from the discussion that few have benefited from micro credit services acquired from a government small business development program. However, it was also learnt from the discussion that some who participated in the micro credit programs did not benefit from the program as the major focus of the credit providing agencies was giving loan and looking for a repayment. They further elaborated that unless the micro credit service provision is based on supporting the borrower as to how to undertake the business, the focus on loan provision and repayment alone cannot ensure sustainable development in general, and empowerment of women in particular.

In response to the question regarding their motivation to join the groups, it was found out that during the project commencement period, the project staffs’ motivation helped them to join the group; but thereafter, most joined the group through self-motivation.

Findings from Bank Officials:

Interview has been conducted with five different officials from five different banks regarding the performance, book keeping etc. of different SHG of the locality. The finding from the same has been written below
Being priority sector SHG does not need collateral security for lending of micro finance advances. The bank on collaboration with NABARD and SRDA has been providing managerial and technical skills to SHG member. It has been found through the interview that soon after forming the SHG, the group open their bank account. After forming the SHG, member come to the direct contact with the bank and the officials which is helping in the proper maintenance of records and managerial skill and develop their capabilities. A corollary of participation in SHGs is an improvement in a woman’s access to credit. It has been found from the study that about 20% of the SHG is not paying back the loan installment in time and 80% of the SHG has paid and paying it in time. The financing to the SHG is easy and times saving. The Non Performing Asset (NPA) rate is very less in group finance than individual finance as the group approach is beneficial and group also act as guarantor of the loan. It has been found from the bank official that women SHG is performing better than the men SHG. They also said that due to the shortage of staff and officials, the bank could not go to the field and directly keep in contact with the SHG. They are of the view that SHG is a good concept if it works in a democratic way.

**Findings from Concerned Officials**

Interview has been done with the various DRDA/SRDA officials and the results obtained from the Interview have been written below.

a. It has been found that skill upgradation training programme has been conducted by the different Government and Non-Government agencies.

b. Some group leaders has found to be participated in international trade fair (SARAS MELA), at Delhi and other place. Two leaders from west district are participating in the Exhibition in different international meet in rotation basis.

c. The member of the group and leaders has participated in different exhibition cum sale.

d. The Self help Group used to get 50% or upto R.125000 subsidy for the group activity under SGSY.

e. For different economic activities DRDA/SRDA are helping in various ways. They have the provision to give Rs 26600 loan to the group piggery farm with subsidy of 50%. For Dairy farming Rs.30000 with 50% subsidy has been given to different members. For Cardamom farming Rs. 25800 with 50% subsidy has been given.

f. There are host of the other project in which DRDA/SRDA are helping the SHGs.

g. Grading has been done to almost all the SHGs of the study area.

**Suggestion for Better Functioning Of SHGs**

Suggestion has been incorporated from the findings of the study from members and leaders of SHG, Bank officials, DRDA/SRDA officials.

**Suggestion from Member:** After the analysis done from the prepared questionnaire various suggestions has been seen given by the SHG member which includes:
a. Training to be given more on various fields
b. To get tailoring training.
c. More loan to be given for Small business and other activities.
d. To overcome the marketing problems, marketing facilities be provided. So, SHG members market these products in weekly bazaars and also used at to go other market areas to sale their products.

**Suggestion from SHG Leader:** To obtain desirable employment transformation and to take full advantage of booming secondary and tertiary sectors, DRDA/SRDA may focus on manufacturing and service sectors. The small and medium enterprises may be promoted to village/cluster; sub-district/block and district level SHG federations. The potential units could be agro-processing units; milk processing units; common service providing units; cold storages; rural warehouses; market yards to organize weekly markets; etc.

The ministry may bring out publications pertaining to different aspects of SHG and its development/empowerment. It is felt that efficiency and effectiveness of SHG should be regularly monitored by a qualified and designated body to give corrective input wherever necessary as well as encourage the deserving ones.

Timely release of adequate loans and the eligible subsidy is important. SHG member education and awareness on the high poverty regions should be viewed as long term investment in human capital development. All stakeholders should invest their time for capacity building, handholding and development support.

**Suggestion from Bank Officials:** Various suggestions given by the bank officials have been incorporated here in the study. Regarding maintaining of records of groups the member should be trained from time to time to maintain proper records. They should focus on improving the skills and marketing their products. They should utilize loan and subsidy properly to generate more income. The implementing agency should take the responsibility to encourage and guide the SHG on productive activities and gradually train them on value addiction of their products making the business beneficial and sustainable in the long run. Active involvement of all members in the day to day affairs of SHGs is important besides their individual works and engagement. For better performance of SHGs the members is to be engaged in various developmental activities and should be self-reliant. It is easy for them to look into the matter at group rather than individuals.

**Suggestion from DRDA/SRDA Officials:** Suggestion from the DRDA/SRDA includes the training programme to be given to the SHG member regularly. Leaders and members of the SHGs to be given orientation programme. Publication related to the SHGs functions in different parts of the country to be regular monitoring for the betterment of the group. Basic orientation programme used to be given but not now, should be started.
Problem facing by the SHG: It has been studied from the field work that some SHG are not getting proper training and orientation. The income of some SHG member is very low that the even sometime it became difficult for them to pay the monthly saving amount. Out of the 20 studied self help group, it has been found that two groups has deformed and are not functioning. There are so many reasons which have been found in the study that results in the deformation of the group. This reason also results in the negative performance of the group. This includes

a. Miss understanding between the group members.
b. Lack of co-operation and team work among group members.
c. Some members do not pay the monthly amount in time.
d. Some members didn’t pay the loan back is also another reason for deformation.
e. Some group deformed after getting the subsidy from the government.
f. Because of poverty and illiteracy only few members have the full knowledge of SHGs, this also sometimes leads to the deformation of the group.
g. Laziness and time constrain is another causes for deformation of the group which has been observed in the field.
h. The products produced by the SHGs also need a good market. If the products produced by the SHGs are consumed locally there will not be any problem for them, if not consumed locally, they have to face marketing problems.

VI. Conclusion:

Women are an integral part of every economy. All round development and harmonious growth of a nation would be possible only when women are considered equal partners in progress with men. Empowerment of women is essential to harness the women labour in the main stream of economic development. Empowerment of women is a holistic concept. It is multi-dimensional in its approach and covers social, political, economic and social aspects. Of all these facets of women’s development, economic empowerment is of utmost significance in order to achieve a lasting and sustainable development of society. It has been studied that they learn the group approach rather than individual approach.

It has been found that SHG has been helping in the self reliance among the women. One of the primary benefits of participation in a SHG is the opportunity to save regularly, access formal savings institutions and participate in the management of these savings. They save regularly, have their own bank accounts and make deposits into these accounts. SHG is having a good impact on members, in their ability to save their hard earned money.

After joining the self-help group the women are economically and socially empowered. This empowerment cannot be transformed or delivered it must be self generated such that it enables those who are empowered to take control over their lives. Because of SHG, women know about their local political institutions such as the Gram Panchayats and have better knowledge of where to report certain types of grievances. As part of the political
empowerment process, it is a pertinent fact that many women have not only been elected to the Gram Panchayats but have become the role holders too.

Some of the suggestions elicited from the members of SHGs were improvement of loan arrangement and infrastructure, purchase of assets, marketing, training and other activities this might be because of problems faced by the group members when selling the produce without assured market outlets, lack of co-operation and team work among group members, ineffective group leadership, explaining accounts to illiterate members, resolving group conflicts, misunderstanding of group members that leaders benefit more and there were no economic intensive for being a group leader, less supervision by higher authority on SHGs, non-availability of raw material, ineffective management, unemployment problems, lack of knowledge on maintenance of machineries, maintenance of flies, amount books etc. Overcoming all these problems is not in the hands of a single agency, it will be the task of multiple agencies. If various agencies come forward to help the SHGs, it can certainly take a lead role in the development of women entrepreneurs.

Microfinance is playing a significant role in alleviating poverty and rural development. Since women are the sole family caretaker, proper emphasis should be given to the rural women and for empowering the rural women finance is required. Microfinance to the rural SHGs is a way to raise the income level and improve the living standards of the rural women. The Self Help Groups have proved the way for economic independence of rural women. Thus, it can be concluded that the self-help groups contribute substantially in pushing the conditions of the female population up and through that chip in poverty eradication as well. From the above analysis we can conclude that in spite of the concerted efforts taken by SGSY, it is clear that the failure of the programme is seen. But of course there are lot of advantages as well as disadvantages.

References:


