

SELF HELP GROUPS (SHGS) OF WOMEN IN HARYANA A SOCIAL WORK PERSPECTIVE

Manju Panwar ^a, Jitendra Kumar ^b

^a Department of Social Work, BPS Mahila Vishwavidhalaya, Khanpur Kalan, Sonapat, Haryana, India.

^b Department of Economics, Ch. Charan Singh University, Meerut, (Uttar Pradesh), India

^b Corresponding author: jitenderkumar1109@rediffmail.com

Ontario International Development Agency ISSN 1923-6654

ISSN 1923-6662(on line) Available at <http://www.ssrn.com/link/OIDA-Intl-Journal-Sustainable-Dev.html>

Abstract

Both central as well as State government have been implementing various schemes and programmes for the eradication of poverty. But still poverty is persisting. After having tried many different projects for poverty's alleviation, the Central government launched the Swarnajayanti Gram Swarozgar Yojana (SGSY). The main aim of SGSY is to nurture Self Help Group (SHGs) right from formation to marketing stage.

SHGs have become a very important tool for reducing poverty. Credit is a powerful weapon. With appropriate credit institutions and credit policies, it is possible to lead a society towards a desired shape. The SHGs have contributed in developing the personality of women in molding the community into right perspective and in exploring the initiatives of women in taking up entrepreneurial activities. SHGs have emerged as the providers of social capital for transferring today rural India into a powerful society through micro finance. Thus, SHGs create a silent revolution which must be viewed as "change agents" in rural women. SHGs-bank linkage not only enhances the national conscience but also enable in achieving Millennium Development Goals.

Banks have a crucial role to play in the implementation of SGSY as it is credit-cum-subsidy programme wherein credit is the key component and subsidy is only a minor and enabling component. Therefore, close association of banks at all stages of

the programme's implementation is envisaged for its smooth implementation.

SHGs act as a forum for the members to provide space and support to each other. These groups enable the members to learn to cooperate and work in a group environment by providing savings and an effective credit delivery mechanism in order to cater to the economic needs of the members.

Keywords: Banks, Millennium Development Goals. Self Help Group, Swarnajayanti Gram Swarozgar Yojana (SGSY), Women .

INTRODUCTION

Poverty is a global phenomenon. United Nations in its poverty report (2003), showing that more than 12.1 per cent of the population (or about 34.5 million people) live below poverty line. Seven million American families and 12.2 million of their children live in poverty. Poverty prevails in India both in the rural and urban areas but it is more severe in the rural than in the urban areas. According to Planning Commission, out of the 260 million people in the country at the beginning of the new millennium, 75 per cent were in the rural areas. Such a high incidence of poverty is a matter of concern in view of the fact that poverty eradication has been one of the major objectives of planning process and rural development programmes.

Women constitute a significant role in the development of the World. They produce half of the World's food supply, account for 60 per cent of the working force, contribute upto to 30 per cent of the

official labour force, receive 10 percent of the World economy, but surprisingly own less than one per cent of the World's real state. Although women represent bulk of the labour force, especially in the developing economies of Asia, Latin America and Africa, they are not yet brought under the fold of main stream of the development.

The World Development Report (2001) outlines a comprehensive anti-poverty intervention strategy. This involves complimentary policies towards (i) promoting opportunities (ii) facilitating empowerment and (iii) providing security to the poor. Opportunities are provided to the poor with the creation of employment, credit, infrastructure, efficient markets, schools, drinking water and sanitation.

The establishment of SHGs in India has proved a ray of hope to the poor women in the context of their credit needs. Credit is also a means of increasing women's income because it creates opportunities for women to begin new market investment, keeping afloat their enterprise, reducing their dependency on exploitative money lending sources. Many women specific projects aimed at developing women's human resources and capacities are either ineffective or have failed because they lack access to sources of credit as well as adequate amounts of credit. (Joyce, 2001)

Crowell (2000) focuses on the SEWA's initiatives in empowering women in two districts namely Banaskantha and Kutch of Gujarat state. He narrates biographies of some of the women entrepreneurs he met. The book generally deals with as how women have organized themselves to generate sustainable employment in various spheres especially dairy development and handicrafts, used water as a regenerative resource by employing innovative methods of water harvesting, augmenting health care and nutrition among both adults and children and undertake disaster relief and rehabilitation. In addition, emphasis was also given on the advocacy of women's issues affecting their day to day life through legislation and their effective implementation.

Kurtz (1997) pointed out that with the self-help groups, members achieve life-altering goals namely insight, empowerment, reframing, identity transformation and formation of a new way of life. All of these may not necessarily be present in all groups and at all situations. Practitioners must be aware of the difference between short term participation and long term involvement. Short term participation starts the process of change, provides

information and supports people in crisis, all of which are worthwhile goals and are often all that is needed by the participant. Longer-term involvement provides the participant an opportunity to give back, to help others, and to acquire leadership skills. Long term attendance presents the participants with new avenues for achieving self-worth, increasing self-esteem, making a difference in the society and acquiring a sense of purpose. Members, should, therefore, be encouraged to remain involved in order to receive these rewards.

Robison and Henry (1977) point out that there are certain functions that professionals are equipped to perform in self-help groups. One is to act as a catalyst or facilitator, particularly in the early stages so that the group is formed by linking the clients with the group and giving moral support to leaders and by helping to carve out its role and modalities in the right direction. The other is to undertake research and conceptualize the group's experiences with a view to provide feedback necessary for further improvement and development in the function and the strategies adopted by the self-help groups as well as for theory-building.

In the above context, it is pertinent to mention that the problem of poverty has now become an issue of great priority for the social workers. They work with individuals or groups suffering from the problems of poverty and unemployment.

OBJECTIVES OF THE PAPER

This paper focuses on SHGs formed and nurtured by District Rural Development Agency (DRDA) Government of Haryana, Karnal under Swarnjayanti Gram Swarozgar Yojana (SGSY), a Centrally Sponsored Scheme of Government of India, in Karnal district of Haryana. The main objective of this paper to understand the problems faced by the members of SHGs. This study tries to understand the group dynamics and role of social worker in the mobilization, formation and stabilization of SHGs and how a social worker can intervene and make the SHGs sustainable for long time. Impact of SHGs on rural women has also been covered in this paper which is followed by suggestions for strengthening SHGs.

This paper is divided into five parts . (1) Profile and Functioning of SHGs. (2) Problems faced by SHGs (3) Role of Social worker in the social mobilization, formation and sustenance of SHGs. (4) Impact of SHGs on rural women at three levels namely Social, Economic and Political. (5) Suggestions for strengthening SHGs

METHODS

This paper is exploratory cum diagnostic in nature and endeavors to analyze the women role and place in SHGs functioning and impact of SHGs on the women empowerment. This paper is exploratory in the nature because researcher explores the role of social worker in the social mobilization, formation and stabilization of Self-Help Group. The universe of the study is Karnal district of Haryana. This present study is conducted in the three blocks namely Karnal, Assand and Indri of the Karnal district.

SAMPLING

For the sampling process multi-stage sampling strategy has been adopted to achieve the objectives of the study. (1) In the **first stage** of the sampling, Karnal district of Haryana is selected as unit of the study out of the 20 districts of Haryana. (2) In the **Second Stage** of Sampling three blocks namely Assand, Indri and Karnal out of six blocks are purposively selected. These are the only three blocks where the maximum number of SHGs are formed during the last three years (April 2005 to March 2007). (3) In the **third stage** of sampling, five Gram Panchayats from each block are selected where maximum number of SHGs are being formed. Thus a total fifteen Gram Panchayats (five from each block) are selected from Assand, Indri and Karnal blocks of Karnal district, Haryana. (4) In the **fourth and final stage** sampling 45 SHGs (three from each Gram Panchayat) were selected in the sampled area of the study.

TOOLS AND TECHNIQUES OF DATA COLLECTION AND ANALYSIS

The paper focuses on primary, secondary and tertiary sources of data collection. In the collection of primary data both Qualitative tools (interview schedule) as well as qualitative tools (Participant observation, focused group discussions) was used. Both qualitative and quantitative techniques were used for the analysis of the data.

Details of the data sources and tools of data collection are given as (a) **Primary Data: Primary data is proposed to collect through** (1) **In-depth Interview Method:** The data was gathered through interview schedule by the researcher from the samples SHGs so as to explore the attitude and experiences of individuals and group as a whole. (2) **Participant Observation Method:** The observation method is one of the several methods of data collection. Simply collection of data without the actual observation leads to research gap. Therefore, the study adopted participant observation method for data collection. (3) **Focused Group Discussion**

method Apart from interview and observation method in data collection, the discussion method was also used to gather the accurate and relevant information from the respondents.

(b) **Secondary Data** : Secondary data/ information were collected from the publications of Government of India, Plan documents, Census reports etc. Secondary information was also gathered from various publications of the Central, State and local government.

(c) **Tertiary Data:** Tertiary data include text books, journals, and reports. The information is also made available from published articles, books, studies, journals, newspapers, official's documents and reports. Records of SHGs i.e resolution copy, individual, monthly, and joints accounts was also looked into. In addition to this, reports prepared by research scholars, Universities were also studied.

METHODS OF ANALYSIS

Both qualitative and quantitative techniques were used for the analysis of the data.

RESULTS AND DISCUSSION

Section-I

Profile and Functioning of SHGs

This section discusses the profile and functioning of sampled SHG members. The various components of the profile are age, education, marital status, family size, their participation, awareness level of SGSY and experiences of rural women in the formation, stabilization and substance of SHGs are covered in this section.

Age Group Analyzing the age pattern of the respondents, it was observed that out of total 90 beneficiaries, 45 (50%) falling in the age group of 31 to 40 years. The respondents belonging to younger age group below 30 years were merely 17.8%. Only a small percentage (2%) are found to be in the age group below 20 years, followed by above 50 years of age (5.6%).

Religion Data shows that out of 90 respondents there are 77 Hindu women (85.6%) and 8 Sikh women (8.6%). Only 5 respondents (5.6%) belong to Muslim category.

Caste Over 41.1% of respondents belong to General category and 31.1% to SC category. Out of total 90 respondents, 27.8% belong to the OBC category.

Education The literacy rate of Haryana is 67.91 percent, which is comparatively higher than the National average which is 64.80. Education plays an important role in empowering women. It is

heartening to note that 84.4% of respondents are literate. At the aggregate level, 40.8% respondents have attained education upto primary level. While 23.7% and 25% of respondents are educated upto Middle and High School respectively. Only 5.3 % of respondents are educated upto graduation level.

Marital Status Among 90 respondents, 84(93.3%) members are married. Merely 6.7 % belong to widow category.

Type of Family Maximum number of respondents i.e 68.9% belong to the nuclear family and remaining 31.1% members come under the category of joint family. It was observed in the field after interacting with the members of SHGs that most of the members were interested to remain in the joint family but due to the attainment of BPL card, they disintegrate from their joint family system and adopted nuclear family.

Main Occupation As table No. 1.8 indicates that out of total respondents, 64.4% are involved in agriculture. Small numbers of them i.e 12.2% were involved in petty business.

Awareness about SGSY Out of 90 respondents, 37.8% members got information about SGSY through SHG's members, 25.6% by rural development functionaries and rest of the members i.e 19 (21.1%) by SHGs leaders.

Motivation to join SHGs At the aggregate level, 33.3% respondents motivated to join SHGs by SHG's members which is followed by R. D functionaries (28.9%).

Composition of the group It was found in the field that most of the SHGs were formed hurriedly with incentives financial assistance rather than through the process of social mobilization building by the poor themselves. As presented in table no 1.11 maximum numbers of respondents i.e 78.9% belong to below poverty line and remaining 21.1% come under the category of above poverty line.

Aim while joining SHGs The objective for which the members under different schemes joined the SHGs are given in table 1.12 below. Out of 90 respondents, 54 (60%) joined SHGs for their economic development. Apart from the economic development, social development was another objective to join SHGs. As data shows in table no 1.12 that 23.3% respondents joined SHGs to improve their social status which include promoting education of the children, social security and to fight against social evils.

Method of Saving At the aggregate level, 70.1% of respondents were of the opinion that they conduct their monthly meetings. After interacting with the

office bearers and members of SHGs, it was found that they deposit their monthly savings in the group meeting on the fixed date. At the aggregate level, it was found in the field that 78.9% respondents deposit their savings in their monthly meetings.

Default in Payment At the aggregate level 68.9% of the respondents were not able to repay the loan on time because they were not able to earn good income from the income generating activity that they adopted. Due to the lack of marketing facility, they were unable to repay the loan to the bank.

Training Training is an important part given to the members for SHGs for improving the knowledge, particularly in terms of financial and communications skills. Majority of the respondents (74.4%) have not undergone any basic orientation programme. Only 25.6% respondents said in affirmative about the participation in the basic orientation programmes. After interacting with SHGs's members, it was found that capacity building of the SHG members was not done at an optimum level resulting in lack of understanding about SGSY scheme.

Individual Approach preferred One important factor that came out during the field study was that in most of the SHGs, members adopted individual approach rather than group for starting income generating activity. Data also shows that 72.2% of respondents adopted the individual approach in starting the income generating activity. After interacting with the members of SHGs in the field, it was found that common reason for not taking up group activities were not finding market for their products. Most of the members felt that they were uneducated and not possessing the required skill, so it is better to continue with agriculture or animal husbandry which they had been doing for years.

Section-II

Despite of giving so much importance to the strategy of SHGs for rural development, problems at the grassroots level persists. These problems have to be tackled to make the SHG strategy more effective. Certain difficulties have been observed in the process of social mobilization, formation and linking with SHGs with banks by the office bearers and members of SHGs which are discussed below:

Fake BPL List It was observed in the field that economical well off people were getting the benefits of the scheme. On the other hand, the poor women who were eligible to become the members of SHGs, could not become because they did not hold BPL card.

Lack of family support After interacting with the members of SHGs, it was found that initially most of them became the members of SHGs without telling to their family as either their husband or in-laws may not allow them to join SHGs. Besides this, there are social customs which keep women in the four walls of the house. Women become either the office bearers or members of SHGs because of the motivation of SHG's members only which comprises of 33.3% followed by Rural Development Functionaries (28.9%).

Lack of awareness of Gram Sabha meeting After conducting the group discussion with the members of SHGs, it was found that some of the members of SHGs were interested to participate in the Gram Sabha meeting but they were not informed about the timing and dates of Gram Sabha meeting. Data shows that members of SHGs i.e 81.1% did not attend the Gram Sabha meeting because they were not made aware about the same.

Not much time spent on social mobilization process After the focused group discussion with the members of SHGs, it was eye opener for researcher when they told that their SHGs was formed in one day without giving much awareness about the importance of SHGs in their life by the supervisors deputed by District Rural Development Agency (DRDA) for the formation of SHGs in their respective districts.

Lack of awareness and poor quality of maintenance of records The group should maintain simple records such as minute's book, attendance register, loan register, general register, cash book and individual pass so that they can run their SHGs successfully. But in the field, researcher found due to the lack of social mobilization and regular follow-up, members of SHGs were not aware about the information of group records. Data indicates that 45.6% of SHG's members were not aware about the records which should be maintained. Quality of the records was also found unsatisfactory.

Distance of Bank Another problem faced by members of SHGs is the long distance they have to walk to reach bank. In most of the Gram Panchayats, there was a dearth of transport facilities. Data shows that in all the three blocks, banks are located more than three kilometers. Due to the lack of transport facility, women have to walk so much to reach bank, as a result, they have to give up one day labour cost which they earn by working in the field.

Reluctant bankers in providing loan to SHGs
Establishing Credit linkage for their members with the bank is an important function of SHGs, as poor

have difficulty in obtaining bank loan because of the cumbersome procedures. Bankers not only harass women in opening of their accounts but also bother them while providing loan to them. The problem of the bank defaulters has added insult to injury in this regard. Because of this, poor women would not be able to get the benefits from bank and government agencies. There have been cases where SHGs are running successfully but unable to get the loan from banks because the families to whom they belong are defaulters.

Bankers always remain suspicious whether women were able to return the loan to them or whether they will be able to start any income generating activity. They do not trust SHGs's office bearers and their members. Women have to take many round of the bank in order to get loan from the bank. Data depicts that office bearers of SHGs had to make at least five to seven rounds i.e aggregate 33.3% to the banks for getting loan from the bank.

Limited options to start Income generating activity. Dairy emerged as one of the most popular activity among the group beneficiaries. Large portion of the respondent i.e 61.1% adopted buffalo keeping activity under this programme. This was followed by cutting and swelling i.e 10%. Since in the rural areas there was large number of traditional activities, which does not require many forward and backward linkages, so traditional activities like dairy has been given more preference. Majority of SHGs in all the three blocks after taking loan from the bank only purchased cattle and earned their income from keeping cattle which again shows that women were not given other options to start any other innovative activity.

Ineffective training Data presents that a majority of the individual beneficiaries (74.4%) have not undergone any basic orientation programme. Only 25.6% of beneficiaries said in affirmative about the participation in the basic orientation programmes. After interacting with SHGs's members, it was found that capacity building of the SHG members was not done at an optimum level resulting in lack of understanding about SGSY scheme.

Default in payment It was found that at the aggregate level 68.9% of the respondents faced problem of the less income from the scheme is inadequate because of which they were not able to repay the loan. Total 21.1% of the respondents opined that due to the lack of marketing facility, SHGs's members were not able to repay their loan to the bank. Other unavoidable reasons because of which members of SHGs were not able to repay their loan were the marriage in the family, illness etc.

Section –III

Role of Social Worker in the Development of SHGs

At the outset, social worker explores or surveys the area focusing on initial planning and operational aspects. In this phase, social worker visits villages, establish rapport with the Gram Panchayat, community based organization like Mahila Mandals, youth club so as to understand the situation of the village. Social mobilization approach is a participatory process where people are educated, organized, motivated and enabled to undertake social enquiry and analysis for understanding their life situation and taking decisions and actions to change it for their well being. Such a complex process cannot be achieved in a onetime transaction.

In this process, intensive efforts are made to generate awareness about the importance of SHGs. Gram Sabha plays an important role in the social mobilization process for formation of SHG. After attending the meeting of GS, social worker can get idea as how many people particularly women are interested to become the members of SHG.

In most newly formed groups; the social worker has the initial responsibility of seeking to create an atmosphere in which members feel comfortable. The social worker should be aware about the issues, problems, needs, resources and assets related to SHGs, only then she/he can be available for providing resources to confront the situation. Agenda is an important part of planning the discussion. The social worker should make sure that the group has enough time for discussing the agenda. Group discussions can be held with the members of mahila mandal, youth club, aganwadi workers, helpers regarding the benefits of SHG. In this phase, social worker has to make people aware that “untied they stand, divided they fall”.

Social workers can play a very important role in opening their account in the bank. Social worker should make a effort to meet with bank officials for opening of the bank account once SHGs is formed. Social worker should guide the office bearers and members of SHGs to maintain simple basic records such as Minutes Book, Attendance Register, Loan Ledger, General Ledger, cashbook, bank passbook and individual passbooks. The worker should work out the details of capacity building programme for the members such as: Organizing literacy programmes, Sensitizing males about women’s role and status in the society, Skill development and leadership development.

Social worker can play a vital role in making the members of SHGs aware about the various alternatives of income generating activities such as petty shops, kirana shops, flower selling, candle making, masala and pickle making, brass ware, leather goods and many other craft related activities. Another important role of social worker is that she/he should try his/her level best to have good communication between the authorities and community in order to get support and cooperation from the higher authorities. If a social worker interacts with the higher authorities, then automatically other allied officers start cooperating in the activities and do not create problems.

Social worker should also make it a effort that community should not be dependent on the outside resources. She/he should encourage the community to use its own resources first rather than depending on others. Social worker can arrange exposure visits for the beneficiaries so that activities of peer-group can be learnt and attitudinal changes can be achieved. A social worker can also play an important role in networking one SHGs with another SHGs. By using a participatory learning and action methodology, a network of SHGs can empower villagers. In case the social worker has to shift his/her place, she/he should try to sustain the efforts of the mobilization. But the ultimate goal of the social worker is to have the community continue moving on its own. Social worker can invite relevant experts from financial, training or other institutions to address pre and post group meetings for the purpose of providing clarity to potential members about the functioning of the group.

Section –IV

Impact of SHGs on Rural Women

SHGs yields greater social and economical impacts in terms of poverty reduction, school enrolment, increase in food expenditure and improved child and adult health status. This section deals with the impact of SHGs on women. This section is divided into three parts namely (a) Impact of SHGs on social Empowerment (b) Impact of SHGs on economic empowerment (c) Impact of SHGs on Political empowerment.

IMPACT OF SHGS ON SOCIAL EMPOWERMENT

After interacting with the office bearers and members of SHGs, it was found the women have empowered themselves socially. Following points are given related to the social empowerment of women through SHGs.

Role Models for other women After interacting with the members of SHGs, it was found that they are the

role models for other women in the villages. Some of the women who were disinterested to become the members of SHGs, decided to become SHG members when they saw the benefits of joining a SHG, they themselves formed the group. Thus, some of the members has paved the way for others to follow the suit.

Solidarity A strong bond of solidarity has evolved among the members and they provide moral and financial support to each other in times of need. It was found in some of the SHGs that members belong to different castes and religions. Whenever there is a function in any of the member's families, the others pool money to buy an agreed upon gift.

Eradication of illiteracy has been one of the major concerns of the government of India since independence. Education is the most important element for the growth and prosperity of the nation. Members of SHGs not only want to improve their economic and living conditions but also aspire to educate their children. They encourage their children including girls to attend school regularly. Some of the members of SHG took loan from the SHGs and banks for their children for paying their fees of the school or getting admission in college.

Recognition and appreciation of SHG's women in Society This is also a proof to the fact that women and their work have gained recognition and appreciation in the village. Members hold meetings regularly within their group. They are pleased that after becoming members of SHGs, their status has risen in the community. They discuss the issues like health and education in their monthly meetings.

Awareness of Health and Hygiene There is a progress in the personal health and hygiene among the members of SHGs. The members are also showing improvement in their knowledge and concern about immunization, nutritious diet, family planning and sanitary toilet facilities. They discuss social issues like female feticide, declining sex ratio, malnutrition etc. in their monthly meetings. The SHG members are also taking interest in the immunization programmes and want to ensure that all the children in the village are immunized.

Importance of sanitary toilets It is interesting to find that women after becoming the part of SHGs understood the importance of sanitary toilets and convince their family for the construction of the toilets. Most of the members of SHGs also took loan from the SHGs to construct toilets in their houses. Data show that there is an increase in awareness level about the sanitary toilet from 8.9 %(before) to 75.6%(after).

Attitudinal Change One of basic objective of the SHGs is to bring about social change in the attitude of the rural poor women. Women discuss the social issues like domestic violence, sex abuse, desertion, child marriage, female feticide, male alcoholic menace, gambling etc. in their monthly meetings. It was observed that after becoming the part of SHGs, women became aware of their social responsibilities. Once the group becomes empowered, they also seem to realize their social responsibility and want to render service to society. The group has taken the responsibility of creating awareness about health issues. Data shows that majority of women i.e 55.6% women did not make any effort in eradicating social evils before joining SHGs but after the formation of SHGs, they realized the importance of eradicating social evils in their village and muster courage to hold rallies, wall writing, discussion with the community based organizations in the village on the social issues.

Gained Confidence After becoming the part of SHGs, women have gained confidence to travel alone to visit their relative's place, bank's visit, going to health centre etc. Data shows that before the formation of SHGs, only 1.1% women had the freedom of movement and they used to go along with their husband, family and other relatives. But after becoming the part of SHGs, number increased substantially from 1.1% to 54.4%.

Awareness about schemes Both Central as well as State Governments have been implementing various schemes and programmes for the welfare of the poor people particularly women. But due to the lack of awareness, people are not able to use them for their benefit. After interacting with the members of SHGs, it was found that their level of awareness of government schemes also increased after becoming the members of SHGs. Data also illustrates that only 2.2% of women know well about the government schemes before the formation of SHG but this number increased to 27.8% after the formation of SHGs.

ECONOMIC IMPACT

The SHGs are empowering women across the country. Economic empowerment of women has boosted the morale of the women. SHGs not only provide economic freedom to women but also recognize them as the bread winner of the family. It has been seen in the field that women after becoming the part of SHGs, have improved their personality in the sense that they have become confident in interacting with society. Not only that, they have the decision making power and control over their own income that they have earned from their income

generating activity. They get freedom on deciding what matters to them. There has been a positive change in savings which is followed by income generation, expenditure level, reduction in the debt position, increase in the investments, households items and in Business. Let us see the below mentioned points showing the economic empowerment of women.

Decision to spend money Data shows that only 2.2% of women decide as how to spend money before becoming the part of SHGs. This number increased substantially from 2.2% to 28.9% as women started spending money along with their husband.

Improvement in the assets holdings The loan taken from the bank has been used by the members to increase the assets of their families like constructing the house *pacca*, building additional room, purchasing buffalo, auto-rickshaw etc. It was observed that there has been an improvement in the assets holdings after the formation of SHGs. Data indicates that 54.4% of families had Rs.30,000 to 60,000/- of assets before the formation of SHGs but this number increased to 60% after the formation of SHGs. The value of assets in the form of consumer durable assets per household recorded significant growth in each stage of SHG.

Change in borrowing habits Earlier, when women need money for anything, they would approach moneylender. They would normally dilly-dally and women felt exploited by them being charged very high rate of interest as high as 5 per cent per month. Women were frequently borrowing money from moneylenders at high rates of interest not only for the education and marriages of their children, but also to meet out their daily expenses. By becoming the member of SHGs and getting out of the clutches of moneylenders, these women from Karnal district are now assured of a fixed income and savings. After forming the SHGs, they are no longer dependent on the moneylenders and have also become confident enough to take part in a number of developmental activities. As it is evident from data that moneylenders (52.2%) were the most important source of borrowing money in the pre-SHG situation. Employers (6.7%) and village show owners (28.9%) were also evaluated. Banks (5.6%) was found the least source of borrowing money. But after the formation of SHGs, all the members of SHGs started taking money either from SHGs account or banks.

Monthly individual income of SHGs members Formation of SHGs aims at enhancing the income level of members and thereby they can improve their standard of living. SHGs formed are focused mainly to eradicate poverty and bring its members to the

mainstream of development. This study revealed that there is a significant improvement in the income level of the members. It was found in the field that women borrowers of the branch have been successful to increase their family income from the utilization of their loan money. As a result, they are helpful in contributing to their family and also participate in the family decision making. Collected data clearly shows that there has been an increase in the income level of SHG members after joining the SHG. It also shows that in the income group of Less than 1000/- before joining the SHGs, 10% of the women falling under this income level. After joining the SHGs, the percentage has fallen to 7.8%. In the income group of more than 5000, only 12.2% of the women were falling under this income bracket whereas after joining the SHGs, the percentage has gone upto 17.8%, which is the mark shift of income level. This shows that SHGs has been able to enhance the monthly income of its members.

Starting income generating activity One of the vital objectives of SHGs is the promotion of income generating activities among the rural poor women for sustainable livelihood. Various economic activities have been pursued by SHGs in sampled district. Dairy was the most successful trade. The understanding of these group members in running the enterprise varied across groups and activities. In some of the cases, enterprises which started with enthusiasm could not be sustained because of lack of maturity of the members. It was observed in the field that due to the lack of guidance and marketing facilities, members of SHGs were not able to start innovative income generating activities. As data demonstrates that out of 90 beneficiaries, 61.1% SHGs adopted only buffalo keeping activity. Sustainability of micro enterprises depends on the marketing of the products. Milk has readily available market and other activities were not chosen by the beneficiaries due to the lack of market facilities. Therefore, to make the micro enterprise sustainable, the project authorizes should make provision for credit facilities and marketing support.

Repayment capacity of loan It was found that repayment of loan is positive in the SHGs. Due to their joint liability, they planned to repay successively. It was observed in the field that women not only increasing the repayment but also raising their purchasing power in all other expenses. Due to the collective responsibilities, the repayment is much higher in the SHG's than the other individual loans. Data indicates that 88.9% of the re-payment of the loan is done on monthly basis which is followed by fortnightly and quarterly basis (5.6%). The problem however began when they took the very first loan of

Rs. 25,000/- from the bank. This loan was used for disbursing among the members, who instead of utilizing it for income generating activities, made use of it for routine household expenses.

Amount of loan taken SHGs start with their savings and not with credit, the group then uses its savings to give loans to members to meet their emergency needs. The interest rate is affordable to each and every member. After interacting with the members of SHGs, it was found that there was a time when women were afraid of going to the banks and it was unimaginable for them to get loan from the banks. But after becoming the part of SHGs, they have started taking huge loan from the bank, started income generating activities for their economic development. Data shows that 46.7% of SHGs took loan of Rs. 50,000/- to one lakh, 35.6% SHGs received loan of Rs one lakh to 5 lakh.

POLITICAL IMPACT

In India women constitute a sizeable position of the population. Due to their under education and underprivileged character, they are exploited largely. It is also seen that corruptive politicians use the women strength for their corruptive activities. The women had no political platform to voice their views. Due to the lack of genuine leadership, their presence was never felt. It was found in the field that women after becoming the part of SHGs, not only making themselves economically and socially empowered but also making them politically empowered. Due to the group formation and leadership abilities, women are coming forward to become Panchayat members and also trying their level best to become the Presidents of local panchayats. No doubt, SHGs proved instrumental in empowering women by enabling them to work together in collective agency. Following points are mentioned which shows women's political empowerment after the formation of SHGs.

Participation in the gram sabha is an indicator for socio-political empowerment. SHGs are found to be effective means for encouraging women to participate actively in Gram Sabha. Data shows that only 18.9 % of women attended Gram Sabha meeting before joining SHGs but after the formation of SHGs, this number increased to 35.6% after the formation of SHGs.

Voting is another indicator of political participation through SHGs. The respondents were asked whether they had voted during the election of panchayats. Data shows that before the formation of SHGs, only 13.3% of respondents voted in the panchayat election

but after they became the part of SHGs, this number rose to 58.9%.

Interaction with the elected representatives After interacting with the members of SHGs, it was found that before the formation of SHGs, they were afraid of interacting with elected representatives and they have inhibition that their problems of the villages will not be heard by them. Data demonstrates that only 7.8% of women were confident in interacting with the elected representatives and 92.2% of women had low confidence.

SUGGESTIONS

SHGs involvement is well-recognized in the entire World as an useful tool for poverty alleviation and for improving socio-economic status of rural poor. In India too, SHGs is making progress in its effort for reducing poverty and empowering rural women. SHGs through the network of cooperatives, commercial banks, regional rural banks, NABARD and NGO's has been largely a supply driven recent approach and are engaged in providing financial services to the poor. Some of the recommendations are given below which will help in strengthening SHGs movement in India.

(1) Faultless BPL List

Defects in the BPL lists are the most important problem because of which poverty alleviation programmes are ineffective. The SGSY is also go through the same fate. Almost all projects for helping the poor at the grassroots have become tied with the BPL lists. Whether it is giving ration cards for subsidized food, or providing training and credit for self employment-every facility is kept for those who are in the BPL list. But due to the politicization, only those people get BPL cards who are near and dear ones of Sarpanch. Otherwise, majority of the actual poor are not able to get the benefits of the schemes and programmes which are implemented for them. It was observed in the sampled Gram Panchayats that families who were well off belong to the category of BPL and those who need BPL card were not given. In some of the Gram Panchayats, it was found that few non-eligible beneficiaries are receiving the benefits of the scheme. In view of this, it is suggested that the implementing officers of the scheme should take appropriate steps to ensure that only eligible beneficiaries of the scheme should get the benefits.

(2) Training of the beneficiaries

It is found in the field that beneficiaries of SGSY who had undergone basic orientation and skill development training are very few in numbers. After

interacting with the beneficiaries who got training, they were of the opinion that duration of the training was very less. The procedural difficulties are one of the major impediments which denied women in getting the financial benefits of the banks. Therefore the procedure for credit access to women should be made more easy and simple through imparting training to the SHGs. As training is an important part that contributes to the success of the scheme, more emphasis should be given to proper and effective training. This will definitely improve the performance of the group activities. The training facilities do not often reach the required level. Though leaders and members of SHGs have attended training but they still feel that there is a need for further training in the areas of accounting, marketing, entrepreneurship etc.

(3) Bank officials training

It was observed in the field that SGSY needs to get push from the side of banks. Indifferent attitude of bankers is the major constraint because of which interested SHGs took much time in opening their accounts and some of the SHGs could not get loan on time. In this regard, efforts should be made to impart intensive training to the bank officials and make them aware about the importance of SHGs. They should be encouraged to take active interest in the project and reduce the duration of time which is taken for processing the applications and disbursing loans. The loan should be given immediately after the beneficiaries' complete training for skill development as written in the guidelines of SGSY. Through training efforts should be made to change the attitude of bankers towards rural poor people, including women and treat them as potential business entrepreneurs. Their active involvement is also sought in the selection of key activities, formation and grading of groups and follow up action after disbursement of loans.

(4) Expand areas of banks

It was found in the field by the researcher that banks are situated in far flung areas because of which rural poor women have to suffer a lot. They have to make innumerable visits for opening their accounts and getting loans from the banks. Keeping this in view, banks should also expand their area of operation so as to enable BPL families to form their SHGs and can get cash/credit facilities from banks for meeting out their working capital requirements. This will also help banks officials to visit SHGs which will establish good rapport with the groups in assessing their capacity for repaying the loan amount.

(5) Marketing

Another area which needs proper attention is marketing. In general, the beneficiaries have to be made aware of the potential market for their products. They should be given clear ideas on the various available marketing infrastructures and how they can get benefit from them. Need of the hour is that more and more marketing facilities at the state and district levels need to be initiated for selling the products of SGSY. There is need to evolve training packages for entrepreneurship development to enable rural women as successful business managers and sustaining micro-enterprises. In this task, role of NGO's, Panchayats, Women's organizations etc. may be enhanced to impart training, skill development and technical knowledge to the leaders and members of SHGs. They need marketing support and institutional capacity to handle marketing activities independently.

(6) Market assessment

It was observed in the field that negligible number of SHGs did the market assessment. Majority of the beneficiaries of SHGs have not done any type of market assessment prior of starting an economic activity. As the outcome of the micro enterprise depends upon the selection of key activity, more importance should be given to market assessment. Various factors like local demand, availability of raw material and aptitudes and skill of the people need to be given their due weight age in selecting the key activities of the group. These factors are of vital importance in the survival of a micro enterprise.

(7) Product Design

Assistance should be provided to the beneficiaries regarding the product design/development. Attraction towards a particular product at the very first sight is an important thing that is needed for a successful product. So, in order to make the products attractive, proper training should be given in product design/development.

(8) Packing and labeling the products

In period of globalization, quality of the product is an important factor which differentiates one from the another. In order to compete with the products already available in the market, SGSY products must have quality at par with the products which are existing in the market. Appropriate technical trainings need to be provided to the beneficiaries on maintaining the desired quality of levels for their products. The beneficiaries also need to be taught about the packing and labeling their products.

(9) Personality Development Training

It was observed in the field that most of the SHGs disintegrate in the middle because of the lack of trust among the members of SHGs. In order to be successful, the group requires good team work and active participation of all the members in its activities. Therefore, it is imperative that training on personality development programmes covering aspects like importance of team work, group dynamics and synergy effects should be provided to the beneficiaries so that they can get benefits of the SHGs to the fullest. In addition to this, training should also be given to the beneficiaries under which topics like requirements and provisions, their entitlements and responsibilities under the Scheme should be included. Special attention needs to be paid for creating understanding and awareness about the financial aspects of the Scheme. The women entrepreneurs should be given training for developing managerial and leadership skills to carry out their responsibilities effectively. The convener and joint convener of the enterprise should be rotated normally once in a year. Such rotation helps in leadership development in all the entrepreneurs.

(10) Monitoring

Proper monitoring of groups needs to be done at various stages of their growth. Proper monitoring of the SHGs was found to be lacking in some of the sampled Gram Panchayats of the Karnal district. Strengthening and Group monitoring methods including selection of leader, homogeneity of group members, etc. need to be developed. In this regard, concerned authorities of DRDA and banks must monitor the progress of the group regularly.

(11) Wide publicity

The success stories of SGSY beneficiaries need to be given wider publicity. DRDA should document and circulate positive stories of their SGSY beneficiaries. Documentary movies may also be made where objectives of SGSY have been achieved by some SHGs and what obstacles they face while getting loan from the bank. These short films will inspire others to be more innovative and motivate them to continue their income generating activity.

(12) Innovative economic activities

It has been envisaged in the SGSY guidelines that the groups will increase from livelihood to enterprise stage. The guidelines have further accepted that in spite of funding diverse activities, SGSY should identify key activities and concentrate on activity cluster. The success of SGSY depends on the identification of the key activities. No doubt, key

activities are identified block-wise, yet the traditional activities are being pursued for income generation. For example, in the field, it was observed that majority of SHGs are opting for dairy loans. Therefore, it is suggested that DRDA should provide help to SHGs in marketing of products and also to identify such items which are required by the Government departments in bulk and have market demand. Some of the key activities like duri making, soft toys, embroidery, knitting, stitching, pickle making can be successfully adopted which has local demand and market. Chalk making, candle making, file and files cover making are other activities which have market in the government offices. SHGs should be encouraged to undertake some innovative activities which can give them more earnings. NGOs, bank officials, government agencies should help them in this matter so that they can grab the market opportunity by coming out of traditional activities to which they are well versed.

(13) Not to be treated as targeted approach

It has been observed in the field that most of the SHGs were formed in haste. As a result, some of the SHGs disintegrate. The main reason of their disintegration is to lack of attention and regular follow-up. It is suggested that the target approach for the formation of the group should not be adopted. Adequate time should be given to 'nurture' the groups once the names of members have been collected.

(14) Awareness generation

There is no doubt that many schemes and programmes doomed to fail because of the lack of awareness among the people for whom they are made. It is imperative that awareness generation programmes should be organized on regular basis before the implementation of the programmes. People should be made aware about the benefits of the programmes and way of getting benefit from them. This can be achieved by having a proper display of the pictorial posters about the success stories, usefulness of the schemes. Most of the villagers are illiterate and they are not able to read the posters or hoarding, for them documentary films should be shown in the villages itself. Another method of awareness generation is nukad natak through which maximum people can be made aware about the schemes and programmes that are implemented for their benefit. There should be a proper display of the literature about the success stories of these schemes in other villages. This display of literature should be done in a language understandable to villagers.

(15) Involvement of Panchayati Raj Institutions (PRIs)

Gram Panchayats have an important role to play in the implementation of SGSY. There should be no bottlenecks in the communication between the beneficiaries and the implementing agency. Sarpanch at the Gram Panchayat level should arrange a meeting of villagers and the implementing authorities which will provide a platform to the people to clear all their doubts related to scheme. This will create a sense of transparency in the minds of people and they will start trusting and participating in it.

(16) Capacity building of Community based organizations

Community based organizations like Shakhar Mahila Samooch(SMSs), existing Self-Help Groups(SHG), youth clubs, aganwadi workers etc. working in the village can also play a role of catalyst in bringing the schemes and programmes at the doorstep of those for whom they are made. Leaders of SHGs and SMS can motivate rural women to remove social/cultural barriers and should come out from the four walls of their houses to get benefit of the schemes and programmes implemented for their development. Capacity building programmes should be organized on regular basis by NGO's activists, volunteers, Panchayat representatives, members of youth clubs etc. to promote small savings and women's active and positive role in development process, ensuring their rights, entitlements and due share in developmental benefits. Members should be given intensive training in motivation, leadership, accounting and entrepreneurship. More attention should be given to the capacity building of those members who belong to the socio-economically weaker section of the society.

(17) Coordination is required

Different departments agencies, organizations and banks are involved in the promotion of SHG. But it was found in the field that there was no proper coordination among them and all of them found working in watertight compartments and unaware of each other's roles and responsibilities. If there is a coordination between banks and DRDAs, then there will be timely release of funds to the SHGs. It is imperative that DRDA, banks and other institutions which are involved for the promotion of SHGs should understand their responsibility towards society. They should participate in SHGs bank linkage programme with great intensity. The success of any programme is depended upon the joint and collective efforts. Hence, it is imperative that proper coordination and

cooperation is required to fulfill the objectives of the poverty alleviation programmes.

(18) Involvement of the NGOs

Though it is envisaged in the guidelines of SGSY that NGOs may be engaged in the social mobilization and SHGs formation. NGOs must be trained to form SHGs. Necessary support and assistance needed for starting enterprises should be imparted to the group and NGOs should take efforts to raise the groups to a level of self managed entity. In addition to this, NGOs should encourage SHGs to participate and to take active role in the social programmes, like family planning, literacy improvement, pulse polio, AIDS awareness, immunization programmes, health care schemes and other similar activities which are beneficial to the village community.

(19) Optimum utilization of infrastructure funds

Proper infrastructure is essential for the success of micro enterprises. It may be either for production, processing, quality testing, storage, design development, value addition, and diversification of products or marketing. It was observed in the field that despite of the adequate funds of infrastructure funds under SGSY, no importance was given to this aspect.

(20) Sufficient Staff

Inadequate staff is another area which needs urgent attention. It was observed in the field that due to the lack of staff in the banks, proper monitoring of the SHGs are not done on time because of which most of the SHGs defunct. Lack of field staff has posed a big problem for SHGs, which results in the delay in acquiring loan on time which led to the threat of the sustainability of SHGs. It is expected that employees handling the SHGs activities should be sensitized to the needs of the SHGs, so that the employees understand the objectives behind micro finance programmes. For that reason, It is suggested that qualified micro finance practitioners can be employed by banks so that pressure on existing staff can be reduced and these qualified professionally can help the other staff to master the techniques on SHG banking.

CONCLUSION

It may be concluded that SGSY programme has supplied production loan to the members of SHGs. The loans have been supplied through the nationalized commercial banks in the name of SHGs. The loans are treated as joint liability of the members of the group. After interacting with the office bearers and members of SHGs, it was found that after

becoming the part of SHGs, their family income has increased. There is less dependence on money lenders who used to exploit women from their heavy interest. Monthly family saving has increased after joining of SHGs. SHGs promotes the saving habit among the group members. It was observed that economic empowerment of women have created an awareness among women which is reflected in better hygienic habits and more optimal allocation of food expenditure among the family members.

ACKNOWLEDGEMENT

I am very much grateful to my Guide Prof. C.P Singh, Head, Department of Social Work, Kurushetra University, for providing me help and support to write this paper. I am also thankful to the officials of district, block and Gram Panchayat for providing their support during the field surveys. I would like thank to all the SHGs and the respective households for sparing their time and rendering cooperation to me . last but not the least, I am also very much thankful to the bank managers who provided support by interacting with me in the course of the study.

REFERENCES

- [1] Crowell, W. (2000). *The SEWA Movement and Rural Development Banaskantha and Kutch Experience*. New Delhi: Sage Publications.
- [2] Harper, M. (2003). *Practical Micro Finance, A Training Guide for South Asia.*. New Delhi: Vistaar Publications.
- [3] kumaran, K. (2002). Role of Self Help Groups in promoting Micro Enterprise through Micro credit: An Empirical Study. *Journal of Rural Development* , 21-22.
- [4] Kurtz, L. (1997). *Self Help and Support Groups- A Handbook for practitioners*. USA: Sage publications.
- [5] Panwar, M. (2005). Self Help Groups in Haryana: Some Experiences. *Mainstream* , XLIII No 40, 39-42.
- [6] Robinson, D. a. (1997). *Self Help and Health: Mutual Aid for modern Problems*. London: Martian Robertson and Company Ltd.
- [7] Siwach, R. (2005). Micro Credit in Haryana: Some Problems. *The Grassroot Governance* , III, No.1, 78-82.
- [8] Srinivasan, N. (2008). *Micro Finance Indian State of the Sector Report*. New Delhi: Sage Publications.
- [9] Yunus, M. (1999). *Bankers To the Poors*. Bangladesh: Public Affairs.
- [10] Zaman, H. (2001). *Assessing the poverty and Vulnerability Impact of Micro credit in Bangladesh: A Case study of BRAC*. Washington: World Bank.
- [11] United Nations, (2001): Empowerment of Women Throughout the Life Cycle as a Transformative Strategy for Poverty Eradication Report.
- [12] Meena, Zubair (2003): Empowering Rural Women: An Approach to Empowering Women Through Credit Based Self-Help Groups, Delhi: Aakar Books.

About the Authors

Name: Manju Panwar

Mailing Address: Manju Panwar, Assistant Professor, BPS Mahila Vishwavidhalaya, Khanpur Kalan, Sonipat Haryana, Pin Code 131305. Tel: 09996086737 Fax: 01263-283020
e-mail: manjupanwar@hotmail.com, panwarmanju@gmail.com

Name: Jitendra Kumar

Mailing Address: Research Scholar, Dept of Economics, Ch. Charan Singh University, Meerut, (Uttar Pradesh), India. Tel: 09816330298. e-mail: jitenderkumar1109@rediffmail.com

