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Impact of Women Self Help Groups on Sustainable Development in Jammu and Kashmir (A Case Study of Basohli)

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Abstract

Empowerment of nation in a holistic manner is not possible without development of women. Empowerment means increased spiritual, political, social, gender or economic strength of individuals and communities. The role of women has been confined to child rearing and housekeeping having least decision making powers. Women as a weaker section of society have least access to the services launched by the state and central governments. Historically, women have been worst victims of violence and other social evils and in case of Jammu and Kashmir, their sufferings have further got intensified due to political trauma. Though, there are laws dictating norms of equal opportunity but women folk are given meager chances to get benefited due to restrictions imposed by them at different levels of family, community and society. Under these circumstances, formalization of self-help groups (SHGs) can prove a viable alternative to seek empowerment of women and of nation in the long run. Formation of SHGs is a potent medium that can ensure the all-round development of women particularly in rural areas. The impact of self-help groups is significant in terms of self-worth like confidence cum capacity building by providing self-employment opportunities to meet the financial crisis. It also improves the decision making capacity in terms of various social, political, economic, health and educational affairs and mobilizes women to fight against various types of exploitations against them in family and society at large and women can get rid of financial problems as this group gives them access to various agencies and banks from which they can lend a loan to start their business or their work etc.

Key Words: Women Empowerment, Self Help Groups, Bank Linkage, Employment.

Introduction: Majority of the people in India live in villages and a significant proportion of that face abject poverty. To alleviate the sufferings of these people and for their betterment, both the Central and State governments have started several poverty alleviations schemes since independence in the country. For the upliftment of women living in rural areas of the country, hundreds and thousands of Self Help Groups (SHGs) have been started through both private and governmental agencies. Self-help groups play a vital role in reducing the poverty in the rural areas by providing micro-finance and micro-entrepreneurship facilities to women. Self-Help Group or SHG, now a well-known concept, is basically a group of women, generally in the rural areas in which the

members of the group deposit a certain amount of money weekly or monthly and then use the collection thus made for lending purposes within their group at low interest or no interest at all. It is a most common way or source of micro-finance in the rural areas. Micro-finance refers to a variety of financial services that serves low income people particularly women of the rural areas. SHGs play a great role in raising economic development of a country. They also play an important role in increasing the economic status of their families. Self-help groups serve as a boon for the poor women in the rural areas. By joining the SHGs, they can live a better life by lending money from the group and can start a micro entrepreneurial activity such as opening a small shop or by buying a cow or a goat to earn their livelihood. Through self-help groups women are able to increase their savings and can have an easy access to the credit through bank linkage. SHGs can also be work as a platform for the community through which women become active in village affairs, take action to address social or community issues (the abuse of women, alcohol, the dowry system, schools, and water supply). Self-help groups are needed in our country for a number of reasons some of which include to alleviate poverty, to raise status in society, for socio - economic development of the members of the groups, to raise funds for day today needs, to protect the exploitation of women from loan sharks, to ensure development of self- confidence among SHG members and to empower the women to participate in society and be a participant in sustainable development.

Rationale of the Study: Since ages, women in the state of Jammu and Kashmir have remained suppressed. One half of our society consists of women folk and no economic activity becomes productive as long as women remain outside the pail of political, social and economical empowerment. To pursue the endeavors of empowering women, the scheme of *Umeed under National Rural Livelihood Mission (NRLM)* was introduced three years ago in J&K. This is a comprehensive scheme initially started by the central government and the state government in four blocks of the border state, two in Kashmir valley and two in Jammu, and later this was expanded to a total of 21 blocks of the state including those of Ladakh. This scheme aims at poverty alleviation by providing small finance to the women to start their micro entrepreneurial activity. Core belief of *Umeed* is that the poor have innate abilities to come out of their poverty and through this scheme an environment should be created where the potential of people should be unleashed .As the scheme is being in implementation in Jammu and Kashmir since 2011, it is very important to study if it is working to empower women by providing finance to them and making the women self-dependent. It is also very important to analyze whether this scheme is providing micro-finance facility to the poor women who need it and whether it is having any economic impact of the working of SHG and its member women.

Objectives of Study:

The following are the main objective of this research study:

- To study the importance and role of the Self Help Groups
- To overview the performance of JKSRML in Basohli block of Kathua district in J&K.
- To analyze the impact of JKSRML on the income level of women after joining the SHGs.

Research Methodology: The present study is based on collection of data - both primary sources of data and secondary sources. Primary data is collected from well-structured interview, schedule, Focused Group Discussions (FGDs) and case studies.

A total of 28 respondents/women from different SHGs were randomly selected for research study. Information gathered from these 28 respondents from three different SHGs at Basohli block of Kathua district. The primary data was collected with the help of specially prepared Interview

schedule, FDGs and case studies. There are about 691 SHGs in the whole Basohli Block. The block is divided into six clusters. Out of six clusters, study conducted only in two clusters due to shortage of time.

Working of the SHGs: Self-help groups are the informal groups consisting of 10 to 15 poor women of the same area. Each group decides the choice of its members and the name of the group. Regular meetings are conducted and all members participate in the meetings where the member's savings are collected and loans are disbursed among the members of the groups based on the need of the person and the purpose of loan. Loans are given for opening some livelihood to the women of the group such as buying cattle, or shop or some other small micro- entrepreneurial activity. The repayment period or installments are fixed by the group members. Each group maintains cashbook, general ledger, individual member's ledgers, minutes' book etc. Each group has a bank account operated and the excess savings are deposited in bank account. Each group acts as a financial institution owned and managed by the poor for their betterment and upliftment. The sources of funds for the group are internal as well as external, the internal sources are the member's savings inclusive of the common fund, interest on their loans and loan repayment and the external sources are loans from grants/subsidies from government and NGOs. Each group collects savings from all members for lending to the needy members. In addition to that, it collects administrative fee and membership fee from the member.

Aajeevika - National Rural Livelihoods Mission (NRLM) was launched by the Ministry of Rural Development (MoRD), Government of India in June 2011. Aided in part through investment support by the World Bank, the Mission aims at creating efficient and effective institutional platforms of the rural poor enabling them to increase household income through sustainable livelihood enhancements and improved access to financial services. NRLM believes in harnessing the innate capabilities of the poor and complements them with capacities (information, knowledge, skills, tools, finance and collectivization) to participate in the growing economy of the country. UMEED was launched in J&K June 2013. The pilot project was launched from Khansahab (Budgam), Lar (Ganderbal), Basholi (Kathua), and chenani (Udhampur) simultaneously.

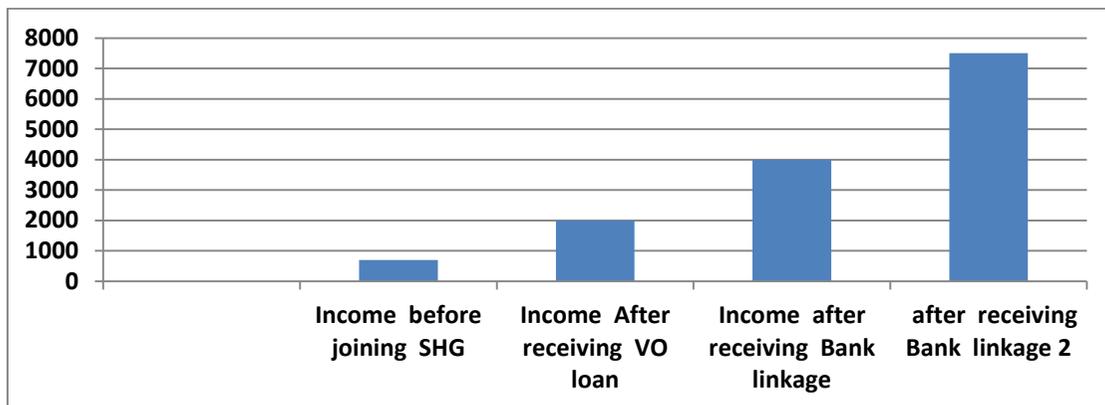
Overall Progress of Block Basohli Distt Kathua (J&K) Under NRLM:

| Planned Intervention | |
|------------------------------------|---------------|
| No of SHG's Formed | 691 |
| No of SHG graded | 691 |
| No of SHG's A grade | 685 |
| B Grade | 6 |
| No of Village Organizations | 73 |
| Total Saving | 1.72cr |
| Total internal lending | 2.55cr |
| Total RF | 1cr |
| Total CIF | 2.48cr |
| Bank Linkage 1 | 2.97cr |
| Bank Linkage 2 | 3.63cr |

Financial Inclusion:

Role of Revolving Fund, Community Investment Fund and Bank Linkages: Financial inclusion is most important step involved in poverty eradication from rural areas. Linking all SHG members to Bank and opening the bank account of every member is essential part of Umeed Programme. Two types of linkages which took place in this programme is as under, one is capital linkage that includes Revolving Fund (RF), Community Investment Fund (CIF) & Village Organization (VO) loan another type is credit linkage which includes Bank linkage-1 and Bank linkage-2. Capital should reach to every member that is why there is continuous lending’s and repayments process within the programme.

Income graph of SHG Member Renu Devi



Status of credit rotation in Radha Krishna SHG

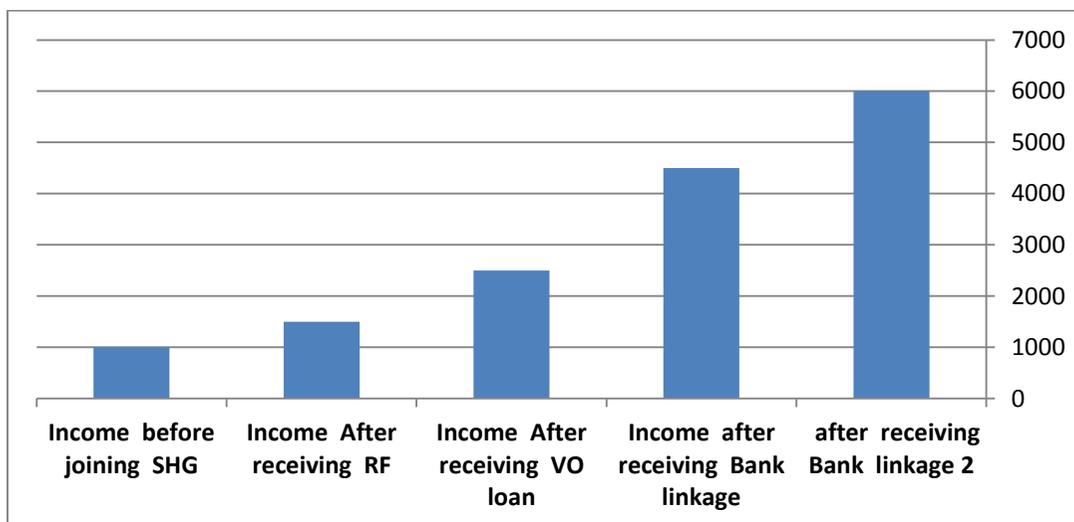
| Name of member | Loan type | | | | | Livelihood type |
|-----------------|--|--------|---------|----------------|----------------|--------------------------------|
| | RF | CIF | VO loan | Bank Linkage 1 | Bank linkage 2 | |
| Renu Devi | | | 40000 | 40,000 | 100,000 | Auto, Cow and Domestic purpose |
| Sikma Devi | | 10,000 | 60,000 | | | Shop and sewing machine |
| Sunita Devi | 5000 | | | | | Cow |
| Usha Devi | | | | | | |
| Santosh Kumari | 5000 | 20,000 | | | | Shop |
| Taro Devi | | | 7,000 | | | Cow |
| Santoshi Kumari | | 10,000 | 50,000 | | | Poultry |
| Toshi Devi | 5000 | | 50,000 | 10,000 | | Cow and Goat |
| Sushma Devi | | | | | | |
| Raj Kumari | | | | | | |
| Remarks | The SHG namely Radha Krishan having ten members associated with it. The SHG is federated with VO namely Ujala Mahila. The date of formation is 6/10/2013.out of ten members only seven have availed the loan facility in form of RF, CIF, VO loan, Bank linkage 1 and Bank | | | | | |

| | |
|--|---|
| | Linkage 2. The members have availed the credit for strengthening their livelihoods. |
|--|---|

Status of credit rotation in Devi Mahila SHG.

| Name of member | Loan type | | | | | Livelihood type |
|----------------|--|-------|---------|----------------|----------------|------------------|
| | RF | CIF | VO loan | Bank Linkage 1 | Bank linkage 2 | |
| Kanta Devi | 5000 | | 10000 | 50000 | 50000 | Cow Shed |
| Baishno Devi | 5000 | 10000 | 70000 | | | Cow |
| Guddi Devi | 5000 | | 20000 | | | Cow |
| Chanchlo Devi | | | | | | |
| Darshano Devi | | 10000 | | | 50000 | Cow Shed |
| Sapna Devi | | 10000 | 20000 | | | Cow Shed |
| Pooja Devi | | | | | | |
| Shanti Devi | | | 10000 | | | Cow |
| Kamlao | | 10000 | 57000 | | | Domestic purpose |
| Sunita Devi | | | | | | |
| Remarks | Devi Mahila SHG federated with Laxmi bai VO is having ten members associated with it. Seven members have availed loan facility after following proper procedure i.e. requisition for Loan to VO, VO meeting regarding loan disbursement and MCP. The members have utilized the loan on purchasing of livestock and construction of cow shed. | | | | | |

Income Status of SHG member Kantha Devi of Devi Mahila SHG

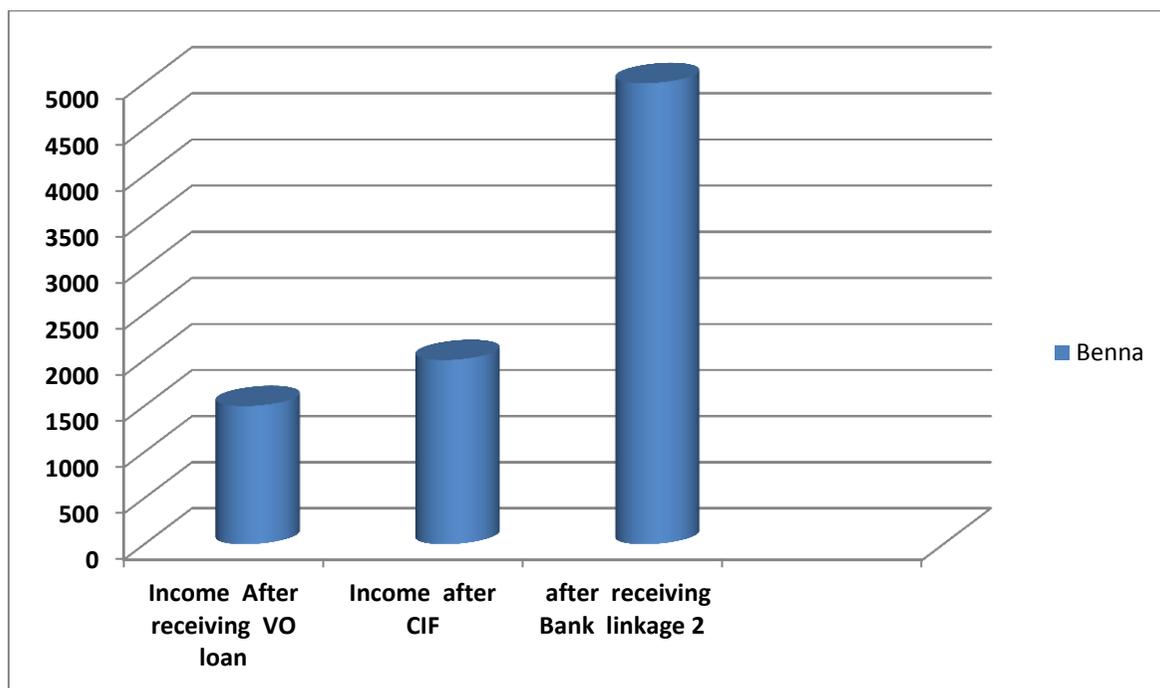


Status of credit rotation in JAWALA MATA SHG

| Name of | Loan type | Livelihood |
|---------|-----------|------------|
|---------|-----------|------------|

| member | RF | CIF | VO loan | Bank Linkage 1 | Bank linkage 2 | type |
|----------------|---|-------|---------|----------------|----------------|------------------|
| Kanta Devi | 5000 | 30000 | 50000 | | | Cow, Cow Shed |
| Madhu Devi | 5000 | | | 50000 | | Domestic Purpose |
| Beena Devi | | 10000 | | | 100000 | Cow, Cow Shed |
| Pushpa Devi | 5000 | | 30000 | | | Cow |
| Madhu Devi | | | 25000 | | | Domestic Purpose |
| Shukantla Devi | | | | | | |
| Chanchalo Devi | | | | | | |
| Pooja Devi | | | | | | |
| | | | | | | |
| Remarks | Jawala Mata SHG federated with Laxmi bai VO is having eight members associated with it. Five members have availed loan facility after following proper procedure I.e. requisition for Loan to VO, VO meeting regarding loan disbursement and MCP the members have utilized the loan on purchasing of livestock, construction of cow shed and for household needs. The SHG is formed on 9/10/2013. | | | | | |

Income Graph of SHG member Beena Devi



Conclusion and Recommendations: It was found that the income of the women have been increased after joining the SHGs. A good practice of the women SHGs in the study area is the timely repayment of loan by them. Even if few members do not pay in time, they ultimately repay with some minor delay and it does not affect the further credit of SHGs since the repayment of loan by the majority of the women is regular and within the time. The study shows that the women respondents received economic benefits also. These Benefits were savings and credit facility and use of credit for undertaking income generation activities.

The research found out that after joining the SHGs, the participation of women in decision making processes increased within their respective families. The study concludes that micro-finance brought both economic and social empowerment as well. Impact of micro finance is appreciable in bringing confidence, courage, skill development and empowerment among the women. The women who used to work within their four walls only, are now free to move with their groups and leaders. Some of the women from remote Basohli block have even visited Andhra Pradesh for bringing further improvement in themselves and their SHGs functioning. It resulted in their further participation in various social welfare activities.

Thus, SHGs have a positive impact on decision making power among women in Basohli. The women members of SHGs are now able to take decision on various matters of family as well as society. The respondents reveal that their status in their family increased, now their opinion is given due importance among their family members.

However, it was observed that more efforts are needed to bring the SHG up to the desired level. As education is the necessity for all round development of individual, it emerged from the study that every SHG of women should try to develop educational awareness among its members and their families. Awareness programme about other social issues should be organized by the SHGs members from time to time to aware people. Training programmes need to be organized for the women so that they are also able to focus on their income-generation activities and their standard of living is enhanced. A proper direction is required so that they enhance their skills and potential by participating in various training programmes such as stitching of clothes, jute bags, beauty parlour, poultry, farming etc. Such vocational training programme organized for SHGs women will help them in increasing their livelihood and alleviate poverty in the rural areas.

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