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Panoroma of Shgs - Cachar District

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ABSTRACT

The Swanajayanti Gram Swarojgar Yojana (SGSY) – a holistic self employment Programme for the rural poor is now being restructured and is implemented in a mission mode under the banner of National Rural Livelihood Mission (NRLM). The basic objectives of formation of SHGs lie in empowerment and poverty alleviation. With the NRLM entire gamut of activities including social mobilization, capacity building, financial inclusion, skill development and taking up different livelihoods options are taken care of to strengthen the SHGs. The present study is limited up to the year 2013-14 for women SHGs in the district of Cachar. Rural Development Programmes are strategies adopted for poverty alleviation and SHGs are one such strategy, a viable alternative to achieve its objectives. It also ensures community participation in the development process. Formation of women SHGs, in other words is the roadmap towards women empowerment. The women members in the SHGs are now capable to increase their income level manifold, thereby contribute to the development of their family (Nirmala, 2004).

In the eve of this study, we have come across a success story of a particular SHG namely Nabojyoti SHG where women are extrovert and forward, who are conscious about their rights and role in the decision making and it had been reflected through their worthy enthusiasm for participation in Panchayat. Internal Lending, Credit

Linkage and Re-investment Plan with market accessibility have been visualized. Progress Report submitted by DRDA was thoroughly studied as DRDA is in direct link with the SHGs. This study is -2-intended to give an insight the effectiveness of the SHG in the context of upliftment of Rural Economy.

KEYWORDS Women, SHG, Economic Development, Empowerment, Fund

Introduction:

Self employment is significant step to have sustained income and remove the shackles of poverty. Earlier Programmes like Integrated Rural Development Programme were not found adequate . Govt. through"Swarna Jayanti Gram Swarozgar Yoajana, SGSY".tried to address the weakness of the earlier programme. The concept of SHG formation was started under this Programme, assistance is given to the poor families living below the poverty line in rural areas for taking up self employment, whom are called Swarozgaries. The need for re-structuring the SGSY has arisen again on account of feed-back provided and recommendations made by various studies including those conducted by National Institute of Rural Development and reports of the steering Committee constituted by the Planning Commission for the 11th Plan. The Ministry of Rural Development, Govt, of India has accepted these recommendations on credit related issues under SGSY to create National Rural Livelihood Mission(NRLM) to provide greater focus and momentum for poverty reduction to achieve the Millennium Development Goal .

The population of District of Cachar is 17,36,319 out of which female population is 8,49,703 Nos. (2011 Census) . The No of women SHGs in the district is 4960 Nos covering all the 15 no of Blocks. Here in this study, attempt has been made to analyse the effectiveness of the

SHGs due to the participation of Women in Socio-Economic Development on the basis of criteria as indicated below:-

Quantum of quantitative and qualitative changes in Socio-Economic condition.

Extent of gainful Employment opportunities

Creation of assets.

Methods:

In this Study, Multi-Stage Random Sampling Technique has been used. District Officials from DRDA, Financial Institutions (NABARD), Bank Officials (UBI, Assam Gramin Vikash Bank) and Group of SHGs were randomly selected to carry out the study. Data were collected with the help of Structured Interview Schedule after Pre-Test by the Personal Interview Method and Analysis was attempted based on the Progress Report and measured in Rating Scale.

80% -100% = Excellent, 60% -80% = Good, 40% - 60% = Fair, Below 40% = Poor.

The required data has been collected from primary and secondary sources has been examined in the light of the Objectives and criteria as spelt out to assess the socio-economic impact of SHGs in Cachar District.The primary sources of data were collected as per the questionnaire distributed to selected few members of SHGs (Sample Size = 100, 10 members from SHG) ..

The secondary data as collected from the DRDA Cachar and data collected through questionnaire are compared and examined whether actual achievement has been reflected and felt by the targeted population.

ANALYSIS:

Respondents' opinions towards SHG were put into 3 points against 15 Statements viz "Agree", "Undecided" and "Disagree" according to Like rt Scale in which Score 3,2,1 is taken as positive and 1,2,3 as negative. The overall opinions of the respondents were thus categorized as "Highly Favourable", "Favourable" and "Unfavourable".

Skill Upgradation :

It is evident that 75% were facilitated for engagement in Govt. Sectors excluding remaining 25%.

The Skill Upgradation, in respect of Finance and Accounting,

100% SHGs received Training from Basic Orientation Programme, DRDA and various Awareness Programmes were also attended in Block Level as well as G.P. Level under Health/ Education/ Social welfare/Nutrition etc. It indicated that all SHGs had linkage with the Govt. regarding the matter of Training, Finance and Accounting.

They maintained records, Accounts, Proceedings, Activities, Attendance, Visitors' Register, Loan Ledger, Saving Ledger, Passbooks etc. The Record Maintenance, which is one of the major components of any Organization for their effectiveness has been found followed. The attempts have not been made to undertake collaborative activities with other Institutions. The samples SHGs have never received any Training Programme on Writing Skill, Communication Skill, Negotiation Skill etc. 70 % of SHGs desire for Training Programme on Writing Skill to carry on better

performance. 30% of SHGs showed disagree with the Training. In case of Negotiation Skill, 60% SHGs desire for Training and 40% disagree with Training. 65% of the Respondents desire for Communication Skill Training and 35% disagree. In this connection, Govt. Department should pay special attention for motivating the Training Programme on Writing Skill, Communication Skill, Negotiation Skill etc. so as to identify the latest technologies.

Cent Percent SHGs received Training on Conducting Meeting from BOP. SHGs are well familiar with the importance of the meeting. Accordingly, they hold the meeting monthly, weekly or as when as needed.

The Finding shows that 40% SHGs have knowledge in Computers. They have received Basic Course from Private Institutions. All the SHG members showed interest to receive Computer Training in to become familiar with latest designs using Computer Aided Design (CAD) along with computerized Accounting.

The Cent Percent SHGs have received Training on Planning Activities through Basic Orientation Programme conducted by DRDA, Cachar. They are advanced in connection to Sequential Planning. Cent Percent SHGs have never received any Training Programme on SWOT Analysis. 60% of SHGs desire for Training whereas 40% disagree. Though SWOT analysis has not been fully shared a part of its analysis is being followed like Strength and Weakness of the SHGs to be analysed by the Gram Sevika and DRDA Officials.

Engagements include opening of a Grocery Shop, Tailoring Centre, Fishery and Motor Vehicles carrying passengers & goods etc. In addition to involvement of members in SHGs, they also have engaged themselves in other facilitation activities like Weaving, Handloom, Gardening, Duckery, Piggery etc.

It can be concluded that majority of the respondents got exposure on Training. The members of the SHGs were vigorous and want to gain new knowledge and experiences from different programmes. So, proper care has to be taken to encourage the members for attending Advanced Training on non-received Skills.

Stress on Income Generating Activities was only given the reason for which the other above mentioned skills could not be implemented due to which they are unable to compete with the other Districts of the State in respect of marketing strategy and product value.

Meetings-participation

100% of the respondents conducted meetings out of which 70% regular attendance were found and rest 30% were found irregular. Various steps have been taken for regular attendance resulting in separate action taken for each member and penalty of fine and attendants are deprived of next loan which were supposed to be provided. Majority (75%) of the respondents have consensus while SHGs took decisions in the General Meeting. While going to perform certain activity, they took views and opinions from all the members, considering their abilities and convenience to perform a specific activity and 25% dominating in respect of decision making. In

case of least percentage, the members of SHGs were dependant on the decisions of the President and Secretary. Leadership Quality Training to be imparted to the SHG members so that they can participate in decision making.

As concerned Maintenance of Balance Sheet, majority (65%), (30%) and (5%) of the respondents have fixed deposit in the ranges of Rs. 25,000 to Rs. 50,000, Rs. 50,000 to Rs. 1, 00,000 and above Rs. 1,00,000 respectively and have Savings Bank Deposit in the ranges of Rs. 15,000 to Rs. 25,000, Rs. 25,000 to Rs. 50,000 and above Rs. 50,000 respectively. In case of disbursing loans, majority (75%), (22%) and (3%) of the respondents receive amounts ranging from Rs. 15,000 to Rs. 25,000, Rs. 25,000 to Rs. 50,000 and above Rs. 50,000 respectively and have accumulated profits ranging from Rs. 5,000 to Rs. 10,000, Rs. 10,000 to Rs. 20,000 and above Rs. 20,000 respectively. Concerning percentage of profit/loss on the basis of previous month majority (77%) of the respondents could earn profit whereas rest (23%) could not.

It discloses that majority of the SHGs received Loans, Sources Fund for SHGs in form of Membership Fees, Infrastructure Facilities, and Revolving Fund including Subsidy Amount from DRDA, Cachar and deposited the fund in Banks. SHGs utilized their fund in purchasing equipments, stationery items, and raw materials for Income Generating Activities, conducting meetings, honorarium to resource persons, religious functions, lotteries and gifts. SHGs repay their loans monthly, quarterly and annually. Rate of Interest on loans ranges from 2% to 5% in case of majority SHGs. Percentage of profit/loss on the basis of previous month keeps on increasing and

the loan given to each member is based on the percentage of savings i.e. 80%, 75% etc. The President and Secretary of the selected SHGs have Joint Account in the Banks and liabilities of disbursing and re-collecting of premiums from the members of SHGs lie on them.

It is also seen that the profits coming out from the loans are saved in Banks and also in terms of Fixed Deposit in case of Majority SHGs which are utilized in Internal Lending at Interest. It is noticed that Saving habits of the SHG Members is increasing gradually. Information is being spread out among the members of SHG regarding the importance of availing of Govt. Scheme namely "Prime Minister's Jon Dhon Jojana". The members become self-reliant getting full benefits from the profit.

2. Effect on households

90% of SHGs are aware of vaccination, regular health check up-nutrition, attending AWC / school. Only 10% of SHGs were found to have no conception on Health and Nutrition. Cent Percent of the SHG articulated that education of Children has improved. 80% of the respondents participated in decision making and the rest of 20% are yet to participate. Participation in decision making is felt increasing. Majority of the respondents (65%) participated in Panchayat and 35% are yet to participate. 80% respondents have the opinion that Proxy System has minimized in Panchayat Level Meetings and 20% have the mirror opinion.

Here, the findings show that SHG members are taking initiatives towards Child Care, Pre-natal and Anti-Natal Check-ups, Vaccination etc. After joining SHGs, the members were acquainted to the above mentioned Households Effects subsequent to which various Awareness Programmes were attended in Govt. Scheme Benefit Sectors. Education of Children were also improvised. Children are preliminarily attending the various AWCs prior to formal Schooling. They are also being forwarded in various decisions making in connection with family matters, administrative matters etc. They have lust

for participating in Various G.P. Level Elections in comparison to earlier days. One of the members of SHG was nominated for Panchayat Election during the year 2013 but unfortunately could not come out with flying colours. Now-a-days, it has been observed that the % of women from SHGs coming forward to fight elections is seen more than 33% Reservation. SHGs members have come to know the importance and actual role of women due to which the awareness amongst them regarding various Govt. Benefit Schemes is seen increasing. Decision making and suggestion in connection with each member of the SHG is highly honoured and welcomed. It is also to be mentioned that the Proxy System is minimized resulting in existence of women in SHGs.

It is evident that 75% of the respondents are engaged in Economic Home Based Activities. 15% are Farm Based. 10% are Allied Based. Cent Percent of the respondents attended Training Programme in Income Generating Activities. Home Based (Weaving, Pickle Making, Snacks Preparation etc.) Farm Based (Sericulture, Poultry, Piggery etc.) and Allied Based (Grocery,

Flower Making, Tailoring etc.). Cent Percent respondents expressed the benefit of money invested and profit earned and they were also individually benefited. Cent Percent respondents are involved in Re-investment Plan. In connection with Market accessibility, 100% Respondents captured market in the local area as well as in Town area. Different types of supports have been received from the Govt. like participation in SHG Mela, Expo, Khadi Mela etc. and they have (100%) forward linkages and opportunities were fully utilized. Majority of the respondents (75%) have made Self-Assessment and the rest have not made yet. Assessments were done by using some tools. Regarding Transparency and Accountability, 100% of respondents maintained transparency ad accountability among the members in regular meetings. All the samples SHGs have never shared Audit Expenditure. Cent Percent of the SHGs redressed for grievances regarding loan problem, repayment, irregularities in meetings etc. were sort out. Majority of the respondents (60%) took opinion from Community Labourers before performing important roles of SHG.

It is apparent from the study that Training on Income Generating Activities plays a vital role in strengthening the functionality of SHGs. Re-investment Plan is also carried out by them for upholding the SHGs by purchasing the equipments and raw-materials required. Market accessibility has been made possible by choosing a Town and local market, Silchar via Credit Linkage. Self- Assessment is made by the SHGs in respect of profits emerged from Income Generation Activities and market value as well. Transparency/Accountability is maintained by conducting regular meetings in which monetary outcomes are discussed and shared and plan for

Re-investment for suitable activities is thought for. Though C.A. Audit is not exactly made, Gram Sevika stands liable for necessary inspection from time to time in Block Level. Redressal mechanism of grievances is maintained as and when required. It is seen that grievances are seen amongst the members when there seen dissimilarities in thoughts in respect of choosing Income Generated Activities. The Presidents/Secretaries of SHGs take initiatives for conducting Awareness Meeting for assembling the differentiating thoughts in connection to give priority to Need-Based. Opinions of Community Labourers are sought for to participate in any Govt. Programmes at various levels i.e District/Block/G.P. Level.

SHGs have been moving on successfully since they have started their journey.

Opinions of the members towards SHG:

It is evident that cent per cent respondents of SHG agreed with statements SHG brings the economic security among members". The member of SHG should proceed according to the guideline/constitution of SHG " "Saving account of SHG should be transparent to all the member in the regular meetings" and "New ideas/thought of every members should be welcomed equally".

The findings showed that SHGs were active, hence the respondents were aware about all the rules, regulation and constitution of SHG and also they provide equal opportunities to all members. They realized that new idea/thoughts widen the scope of experience.

A large majority (97.00 per cent) respondents of SHGs agreed with the statement "SHG helps to develop the feeling of team spirit." The result showed that the group members of SHG knew that the unity, confidence and cooperation of all the members could only make the SHG success.

It revealed that majority (93.00 per cent) of the respondents of SHGs agreed with the statement "Member of SHG utilize their leisure time constructively." The result revealed that the leisure time of the members were utilized constructively in various SHG activates.

89.00 per cent respondents of SHGs agreed with the statement "SHG encourages to develop mutual understanding and responsibility among the members" the finding showed that every group member had mutual understanding and bear equal responsibilities to avoid of any loss in group activities.

88.00 per cent respondents of SHGs agreed with the statement "Contribution to the SHG indirectly help to develop the habit of small saving among the members." Emphasis on small saving, thrift and lending will give a sense of ownership of the group and help in developing financial management skill(Mandal,2005.

It reveals that (100.00 per cent respondents of SHG disagreed with statement " It is better to know in a SHG if the total number of member in less than 10 and "Formation of SHG is nothing but a wastage of time."

The finding showed that all the SHGs were very much aware about rules and responsibilities of SHG and also realized that SHG never waste the time of women . SHGs are the homogenous group pf 0 to 20 women having clear understanding about the main objectives of SHGs, including thrift and credit (Anon. 1997)

(81.00 per cent respondents of SHG disagreed with statement "Pre- training is an essential requirement for the members of a SHG". The result showed that majority of the respondent of SHG were already skilled in the selected activities so they did not need training in the initial stage of formation of SHG.

It is evident that majority (78.00 per cent) of the respondents disagreed with statement : A members of SHG is to be literate". Because members were aware that as per norms an illiterate could be a member of SHG but she/he might have interest to be literate one with the help of co- members.

70.00 per cent respondents of SHG disagreed with statement " Members of SHG are from the same caste and religion". This is due to the fact that SHG were formed on the basis of skilled person not based on caste and religion.

70.00 per cent respondents of SHG disagreed with statement " Activities of women SHG enhances social limitation of women " and 69.00 per cent of the respondents disagreed with the statement " SHG does not develop the social awareness." The findings showed that majority members of SHG realized involvement of women in group activates improve the social awareness.

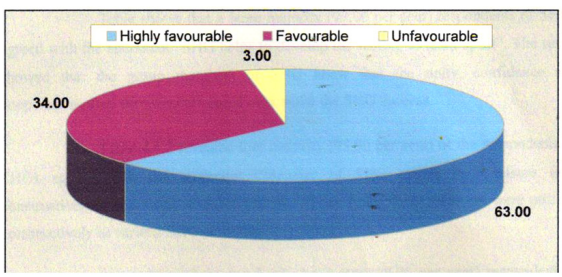
In all stages of economic and social activities involvement of women becomes essential. SHG encourage women to take active part in the socio- economic progress of our nation. (Kamaraj and Muralidaran, 2004).

It is evident from the Statements of Positive and Negative

at Annexure Part –III that cent percent respondents of SHG agreed with Statements "SHG brings the economic security among the members" and "The members should proceed according to the Constitution/Guidelines of SHG".

It is revealed that 97% respondents of SHG agreed with Statements "SHG helps to develop the feeling of team spirit", 93% with "Members of SHG utilize their leisure time constructively in other SHG activities", 89% with "SHG encourages to develop manual understanding and responsibility among the members" and 88% with "Contribution to the SHG indirectly helps to develop the habit of small saving among the members".

It is crystal clear from the study that majority of the respondents is 63% had highly favourable opinion followed by (34.00 percent) favourable opinion and a very small portion (3.00 percent) had an unfavourable opinion towards SHG.



NRLM – 2013-2014

(Progress of Work under NRLM during the year 2013-14)

Financial :-

Opening Balance	Fund Received	Other receipts (Bank Interest)	Total fund availability (1+2+3)	Expenditure =Rs. 131.08 Lakhs
Rs. 392.83 L	NIL	Rs. 13.50 L	Rs. 406.33 L	i. Revolving Fund = Rs. 27.82 L ii. Credit Linkage = Rs. 67.50 L iii. Fund released to Blocks = Rs. 20.80 L iv. Training = Rs. 4.61 L v. Stakeholders Workshop = Rs. 5.06 L vi. Exposure Visit = Rs. 3.78 L vii. Awareness Programme = Rs. 0.20 L viii. Contingency = Rs. 0.34 L ix. Advertisement = Rs. 0.38 L x. MIS = Rs. 0.59 L

Physical :-

Total Revolving Fund & Capital Subsidy released to SHGs.	= 346 nos.
Stakeholder Workshop organized	04 nos. (5 days workshop covering PRIs and officials of Blocks, GPs, DRDA and bankers)
CRP Trainings conducted	5 nos. (at KVK, Machimpur)
Block level 2 Members SHG Training	28 nos.
Workshop on Formation of Federation & e-Book Keepers etc. Registration, Financial Inclusion	15 nos. (14 nos. of Blocks & 1 at Block H.Q.)
Exposure Visit of SHGs	Block under Kamrup Dist.) 01 no. (at Sualkuchi Dev.

Sital Pati and Jute products Awareness meeting for Best Practices on	02 nos. (at Tapang Block)
Sital Pati and Jute products Skill Upgradation Training on	01 no. (at Tapang Block)

Data in table - I showing the physical and financial progress for the year 2013-2014 under NRLM. In financial progress, it is highlighted that out of the availability of fund amounting to Rs. 406.33 Lakhs, Rs. 131.08 Lakhs was utilized and the expenditure incurred for different purposes. It is observed that out of expenditure 131.08 Lakhs, was utilized for credit linkage and Rs. 27.82 Lakhs for revolving fund. During the year 2013-14, total 346 No. of SHGs were formed and received Capital Subsidy and revolving fund Phase-Wise after proper scrutiny and as per gradation. It is evident that SHGs are formed to obtain the financial support from the Govt. It is due to fast growing of the SHG bank linkage programme, the quality of SHG has come under stress. SHGs had linkage with Govt. in the matter of finance, training and advice from time to time. Although thrift and credit had been one of the major activities of the SHGs in the rural areas particularly among women but they were also involved in income generating activities for sustainability of the group.

It is also observed that apart from income generating activities i.e. farm and non-farm activities, most of the SHGs are engaged in Jute diversified products and Sheetal Pati making. Weaving is most popular in Cachar District. Awareness Programme, meeting, workshop and skill

development training and exposure visit to other Districts are organized to update the SHGs with the latest technologies and exchange of culture

It reveals that the members of SHGs increase their income level and thereby enhance their. Socio-Economic status through Employment Generation and Income Generating Activities.

During the course of study, the Officials from Banks expressed the views regarding Micro Finance to SHGs by using Direct Interview Method. UBI and Assam Gramin Vikash Bank have financed the SHGs. The Officials of NABARD also stated that as and when required Bank Loan to fulfill the demand of the requirement of SHGs are provided at lower rate of interest .

Thus, there had been perceptible change in the living standard to the SHG members in terms of ownership of assets, increase in savings and borrowing capacity.(Bhatia and Bhatia (2002),

Rajendra Kumar and Kaptan (2004) conducted a study on SHG strategic alliance partner to rural marketer fund that SHGs mobilize fund from internal and external sources to execute their plans and programmes on time. Internal fund is garneted by the members own weekly / monthly contribution and the external fund is obtained from the Govt./Bank/Financial Institution.

The analysis revealed that SHGs were focused mainly on improvement in financial strength of women through providing easy access to innovate saving and credit activities besides entrancement in social and economic livelihood and inculcated good saving habit and ethics. SHGs

have successfully maintained a loan repayments and successfully generated additional income, jobs and small enterprises.

Micro Finance to SHGs help the rural poor to improve their

standard of living and fulfilling their credit needs.

From the above study, it is opined that the Micro-Finance System among SHGs provides empirical evidence of the economic and social impacts of accessing Micro-Loans. This study evaluated that economic and social impact of SHGs based on Micro-Finance initiative in Cachar District. As per analysis made by using Rating Scale, it is estimated that Panoroma of SHGs in Cachar District is found fair tending to good.



Present Socio-Economic Status:
Before the formation of SHG the members used to pass their time only in household works, looked after the children, that too traditionally without any scientific and methodical approach. For every thing they were dependent on their husbands. They could not participate in the discussion with their family members in any enterprising activities, children education. They came to participate in Panchayat meetings with their husbands and many husbands were proxy to their wives in Panchayats meetings.

After formation of SHGs, the optimistic thoughts grew among the members and SHG has a positive impact on women's fatalistic attitude, became self-reliant and initiative entrepreneur qualities, participation in decision making skill, improved saving habits etc. It provides a platform for resolving their problems-individual and community, encourages to take up new opportunities, strengthen their commitment and helps in upliftment of rural economy.

Conclusion:
It can be drawn that Self Help Groups' help themselves including the poor, who are otherwise unable to take up activities are now can build their self confidence through Community action. Interactions in group meeting and collective decision making enable them in identification and prioritizing their needs and resources. The process would ultimately lead to the strengthening and Socio-Economic empowerment of the rural poor as well as to improve collecting bargaining power. It is expected that the study would help the concerned authority to take necessary steps in formation and nurturing the SHGs. Beside providing members, economic independence SHGs endeavor independent development in all the areas of socio sectors.

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