



WOMEN SELF HELP GROUPS – A CASE STUDY OF KANNAD BLOCK, AURANGABAD DISTRICT.

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Abstract

Self-help Group is a small economically homogeneous and affinity group of rural poor which is voluntarily ready to contribute to a common fund to be lent to its members as per group decision, which works for group's solidarity, self group, awareness, social and economic empowerment through democratic functioning. The Self-help Group movement became a silent revolution within a short span in the rural credit delivery system in many parts of the world. Lokhande, M. A. (2009) explained that Micro finance programme has a significant role to play in Indian economy for boosting micro entrepreneurial activities for creating productive assets coupled with employment generation. The present research paper is an attempt to probe into the research questions such as, what is the participation level of married women in SHG activities? Does the SHG association of the members contribute to the Socio-economic Development? The researcher selected a sample of 115 women group members on the basis of simple random sampling. The major conclusion of the study is that women groups are successful in conducting group activities and they were found satisfied with their socio economic empowerment.

Keywords: Women Self-Help Group, Micro Finance, Entrepreneurial Activities.

INTRODUCTION

In India, usually self-help groups are women-oriented and most of their activities are concentrated towards savings and credit activities i.e. financial resource management. Apart from other activities focusing on women's empowerment, health and educational attainment etc. There is a common perception in development literature that increased participation of women in savings and credit activities or economic attainment will empower women. Thus, Self Help Groups are seen as an important tool for empowering women. There is also the perception that economic attainment will empower women's status in family and in the community, giving them more power to participate in decision making process.

The structure of the SHG is meant to provide mutual support to the participants by assisting one another in saving money, opening up co-operative banking accounts that help women and other people to build credit with a lending institution. The SHG also functions to support members through maintaining consistent contact among group members to aid the individuals, savings goals to help support the creation of these micro-enterprises. Often the SHG helps in the conception of these businesses and even the implementation of these enterprises upon receipt of micro-loan.

The movement of Self-help Group (SHG) as the most effective tool for financial inclusion, was started by NABARD in 1984 initially with 500 groups. This has evolved into a national movement with the proactive role of the state governments gaining recognition from all the major stakeholders.

REVIEW OF LITERATURE

Around 90 of the self-help groups activities in India are dominated by Women. Naturally, a large number of research scholars have highlighted various aspects of women groups, women empowerment and their problems. Lokhande, M. A (2010) suggested that SHPIs, NBFCs Banks and voluntary organizations are supposed to play a crucial role in the micro finance market. In order to achieve the objective of poverty eradication, every poor person should have easy access to credit for starting small economic activities based on local resources. Sharma, A. (2000) represents that, self help groups have a flexibility of approach and working, but they have failed to develop a work culture, which is acknowledged by the tribal themselves. He is of the opinion that better coordination is required from the voluntary agencies and the government departments for its better performance. Lokhande, M.A (2011) observed that formal financial system still is averse to provide financial services to women. As it is evident from Grameen Bank project of Bangladesh, women and poor, if provided with small amounts of loan for small economic activities can be effective for eradication of unemployment and poverty. Women self help groups can play a very positive role in socio economic empowerment of poor women. Manimekalai, N. and Rajeswari, G. (2000) analyzed the women self help group formed by the non-Governmental organizations in the rural area of Tiruchirappalli district for the purpose of promoting rural women through self-employment. The Non-Government Organization viz, Society for Education and Village Action and Empowerment (SEVAE) has been working in 362 villages and helping a total of one lakh women beneficiaries consisting of different avenues of self employment like, petty businesses,



processing, production and service units. **Kulshrestha, Laxmi (2000)** studied that credit can help women to take up farm-allied activities and the income generated from credit given to women can be expected to be spent for well being of the household. This novel innovative approach of microfinance emphasizes financial intermediation with self- sustainability of institutions.

Lokhande, M.A. (2014) observed that financial exclusion kept poor masses away from development process for centuries. In order to give momentum to socio economic empowerment of poor the NABARD had started SHG bank linkage programme and recently the government of India Jan Dhan Yojana. However, the financial inclusion plan could be successful only after addressing the burning issues like eradication of poverty and employment opportunities.

OBJECTIVES OF THE STUDY

The main objectives of the study are as under:

1. To understand the socio-economic status group members.
2. To explain the impact of self-help group activities on members
3. To examine the specific problems faced by the members with regard to savings, credit and marketing.

RESEARCH METHODOLOGY

The present study is exploratory in nature. The study was based on both Primary and Secondary data. Primary data were collected with the help of a questionnaire coupled with partly interviews of the respondents from Kannad block of Aurangabad district. Secondary data relating to the different aspects of Self-Help-Groups were collected from the official records of DRDA, published reports, books, articles in journals, newspaper clippings and district gazetteers. The collected data were tabulated and analyzed with the tools such as, simple percentage, averages etc. The study attempted to investigate in to the questions:- What was the participation level of married women, especially in the age group of 25-35 years in SHG activities? Did the SHG association of the members contribute to their Socio-economic Development?

Sample Size

As per DRDA office records, there were 1150 Women SHGs working in Kannad Block of Aurangabad district as on 31st March 2013, for the purpose of the study. 115 groups have been selected on Simple Random basis, i.e. 10% of the total Self Help 1150 Women Groups in Kannad block of Aurangabad district of Maharashtra state.

DATA ANALYSIS AND RESULTS

The study is conducted in Kannad Block of Aurangabad district, covering about 17 villages. 115 Women SHGs promoted by NGOs and operating in Kannad block are selected randomly. One member from each sample SHG totaling 115 are selected deliberately. The study attempts to review the resource management of SHG operating in Kannad, their functioning, working, contribution, development and improvement in one-self and group. The present study is based on primary data. The primary data is collected from the sample respondents by adopting the method of Interview schedules, Personal Interview and Observations. To elicit the required information a well structured schedule was designed with probing questions.

Table No..1: Age wise Distribution of group members

Sr.no.	Age (years)	No.of Respondents	Percentage
1	25-35	50	43.48
2	36-46	40	34.78
3	47-57	16	13.91
4	58 & above	9	7.83
	Total	115	100

Source: Field survey (2014)

115 Women respondents were selected and distributed according to their age. Table No.1 reveals the distribution of women respondents as per their age, in the age group of 25 years to 58 years and above. 50 respondents (43.48%) of the total were in the age group of 25 years to 35 years. 40 respondents (34.78%) of the total were in the age group of 36 years to 46 years. 16



of them (13.91%) were in the age group of 47 years to 57 years and only 9 of them (7.83%) were in the age group of 58 years and above.

Table No.2: Education wise Distribution of Women of SHG

Sr.no.	Education	No .of Respondent	Percentage
1	Illiterate	26	22.61
2	5th-10 th	47	40.87
3	HSC	25	21.74
4	Graduation	13	11.3
5	Post Graduation	4	3.48
	Total	115	100

Source: Field survey (2014)

Education plays a key role in all the sectors in today's world. Literacy factor has also been considered for the distribution of women of SHG. Table No.2 distributes the Women respondents as per their education. Out of 115 Women respondents, 26 respondents (22.61%) were illiterate. 47 respondents (40.87%) of the total lies in the range of 5th std to 10th std. 25 of them (21.74%) of the total were HSC passed. 13 of them (11.30%) were Graduate and only 4 Women respondents (3.48%) were Post-Graduate.

Table No. 3: Distribution of the Respondents as per their Marital Status

Sr.No	Marital Status	No. of Respondents	Percentage
1.	Married	88	76.52
2.	Divorcee	8	6.96
3.	Widow	19	16.52
	Total	115	100

Source: Field survey (2014)

Table No.3 gives the distribution of Women respondents as per their marital status. It was found that mostly married women were involved in SHG. Out of 115 Women respondents, 88 respondents (76.52%) were Married. 8 respondents (6.96%) were Divorcee and 19 of them (16.52%) were Widow and involved in various SHGs

Table No. 4: Distribution of the Respondents as per their Social category

Sr.No	Social category	No. of Respondents	Percentage
1	Open	57	49.57
2	OBC	35	30.43
3	SC\ST	13	11.3
4	NT\DNT	7	6.09
5	Other(VJNT)	3	2.61
	Total	115	100

Source: Field survey (2014)

Women belonging to different Castes were involved in different SHGs. As per their Caste, the Women respondents were distributed in Table No.4. 57 Women respondents (49.57%), out of 115, belonged to Open category. 35 Women respondents (30.43%) belonged to OBC category. 13 of them (11.30%) were SC/ST. 7 respondents (6.09%) NT/DNT and 3 of them (2.61%) belonged to other categories like VJNT, etc.



Table No. 5: Tenure of Membership of the Respondents

Sr. No	Tenure	No. of Respondents	Percentage
1	Up to 1 yr	10	8.69
2	2 yr-3 yr	30	26.09
3	4 yr-7 yr	49	42.61
4	8 yr-10 yr	20	17.39
5	More than 10 yr	6	5.22
	Total	115	100

Source: Field survey (2014)

The distribution of the total number of Women respondents as per number of years of membership has been specified in Table No. 5 Out of 115 respondents, 10 Women respondents (8.69%) were the member of their respective group since 1 year. 30 respondents (26.09%) were the members of their group from 2 to 3 years. 49 of them (42.61%) were the members from 4 to 7 years. 20 of them (17.39%) lied in the range of 8 years to 10 years of membership and 6 respondents (5.22%) had a membership of more than 10 years.

Table No. 6: Distribution of the Respondents as per Main Family Occupation

Sr. No	Occupation	No. of Respondents	Percentage
1	Agriculture	56	48.7
2	Labour	39	33.91
3	Business	11	9.56
4	Govt./ Other Service	9	7.83
	Total	115	100

Source: Field survey (2014)

The family depends and serves upon the Main Livelihood/Occupation of the Family. Such an analysis has been made and the Women respondents were distributed in Table No. 6 as per their Main Family Occupation. Agriculture being the major source of occupation, 56 respondents (48.70%) of the total depends upon Agriculture. 39 respondents (33.91%) works as Labour. 11 respondents (9.56%) earned through their Own Business and 9 of them (7.83%) earned through Government Sector Jobs.

Table No. 7: Distribution of the Respondents as per their Family Income

Sr. no.	Income (Rs.)	No. of Respondents	Percentage
1	Up to 25,000	19	16.52
2	25,001-50,000	54	46.96
3	50,001-75,000	15	13.04
4	75,001 – 1,00,000	7	6.09
5	1,00,001 & above	20	17.39
	Total	115	100

Source: Field survey (2014)

The Total Income of the Family from various sources such as main family occupation, secondary family occupation, etc. is also one of the criteria for analysis. Such an analysis has been shown in Table No. 7. Out of 115 Women respondents, 19 respondents (16.52%) have a Total Family Income up to Rs. 25,000. Maximum respondents i.e. 54 respondents (46.96%) has a Family Income in the range of Rs. 25,001 to Rs. 50,000. 15 respondents (13.04%) of the total has an Annual Income in the



range of Rs. 50,001 to Rs. 75,000. 7 of them (6.09%) has an Annual Income in the range of Rs. 75,001 to Rs. 100000, and about 20 respondents (17.39%) has an Annual Income of 100001 and above.

SOCIO-ECONOMIC IMPACT OF SHGS

Women self help group have been proving their significance in entrepreneurship development, marketing and active participation in social welfare campaigns, fighting against alcoholism, child marriages, dowry and superstitions. Savings is the principal activity of self help group.

Table No. 8: Distribution of the Respondent Groups as per Savings Contributed per Month

Sr. No	Savings per Month (Rs.)	No. of Respondent Groups	Percentage
1	< 1,000	28	24.35
2	1,100-1,500	62	53.9
3	1,500-2,000	10	8.7
4	2,000-2,500	9	7.83
5	>2,500	6	5.22
	Total	115	100

Source: Field survey (2014)

One of the chief benefits of SHG is the savings contribution among the members of the group. Thus depending upon the savings contributed per month the total number of groups can be distributed as per Table No. 8. The savings of the selected respondents ranges from Rs. 1000 to Rs. 2500 or above. From the data provided in the above table, it is shown that, the contribution of 28 groups (24.35%) is up to Rs. 1000. The contribution for 62 groups (53.90%) lies in the range of Rs. 1100 to Rs. 1500. For 10 groups (8.70%), the savings contribution lies in the range of Rs. 1500 to Rs. 2000. 9 groups (7.83%) contributes the savings of Rs. 2000 to Rs. 2500 per month, while 6 groups (5.22%) contributes Rs. 2500 and above per month.

Table No. 9: Distribution of the Respondents as per Utilization of Internal Loan

Sr. No	Purpose of use of Loan Money	No. of Respondents	Percentage to Total 115
1	Business	36	31.3
2	Self Employment	35	30.43
3	Agriculture	25	21.73
4	Education	22	19.13
5	Health	10	8.69
6	Marriage	10	8.69
7	Festival	2	1.73
8	Daily Expenses	44	38.26
9	Not Applicable	7	6.08

Source: Field survey (2014)

The analysis and distribution of the Women respondents as per the Utilization of the Internal Loan provided to them is revealed in Table No.9. As per this distribution, about 36 respondents (31.30%) utilized the internal loan for Business purpose. 35 respondents (30.43%) utilized it to gain Employment or for Self Employment purpose. 25 of them (21.73%) used the internal loan for the Agricultural requirements, like- for purchasing seeds, fertilizers, or any agricultural equipment, etc. About 22 respondents (19.13%) utilized the internal loan for Educational purpose, such as school/collage fees of their children. 10 of them (8.69%) utilized it for Hospital requirements and for Marriage purpose each. 2 respondents (1.73%) celebrated various Festivals and functions from the internal loan provided to them. Maximum of them i.e. about 44 respondents (38.26%) utilized the loan in order to fulfill their Daily needs, and 7 respondents (6.08%) had not yet applied for the loan facility.



Table No. 10: Responses regarding the Benefits Received by the members

Sr. No	Benefits	No. of Respondents	
		Yes	No
1	Increased Income	114 (99.13%)	1 (0.87%)
2	Increased Savings	114 (99.13%)	1 (0.87%)
3	Fulfilled Loan Needs	58 (50.43%)	57 (49.57%)
4	Employment	47 (40.87%)	68 (59.13%)
5	Freedom from Money Lenders	105 (91.30%)	10 (8.70%)
6	Increased Participation in Economic & Social Activities	78 (67.83%)	37 (32.17%)
7	Responsible Citizenship	70 (60.87%)	45 (39.13%)
8	Tendency to respond to Social Change	81 (70.43%)	34 (29.57%)
9	Developed Co-operative Tendency	97 (84.35%)	18 (15.65%)
10	Gain Knowledge of New Technologies	69 (60%)	46 (40%)
11	Increased Participation in various Social Activities	77 (66.96%)	38 (33.04%)
12	Helped for Personality Development	76 (66.09%)	39 (33.91%)
13	Influenced Standard of Living	75 (65.22%)	40 (34.78%)
14	Improved Health	93 (80.87%)	22 (19.13%)
15	Increased Confidence	100 (86.96%)	15 (13.04%)

Source: Field survey (2014)

Table No. 3.46 reveals the distribution of respondents as per the benefits received by them for being a member of SHG. Various criteria were considered for this analysis. Out of 115 Women respondents, 114 respondents (99.13%) were economically stable due to Increased Income and Savings each, while 1 of each (0.87%) were not. Loan need of 58 respondents (50.43%) has been fulfilled due to the membership of SHG, while 57 of them (49.57%) still have to borrow loan. In case of Employment 47 respondents (40.87%) were employed, while 68 (59.13%) were not employed through SHG. Out of the total respondents, 105 of them (91.30%) were freed from the Money Lenders Loan, 10 of them (8.70%) still has to borrow loan from Money Lender. Due to SHG, it was observed that there was an increased participation of about 78 respondents (67.83%) in various Economic and Social Activities, but 37 of them (32.17%) were passive in regard of such activities. 70 respondents (60.87%) realized their Responsibility as a Citizen, but 45 respondents (39.13%) were unaware of this concept. 81 respondents (70.43%) has developed their tendency to respond to various Social changes due to SHG, while 34 respondents (29.57%) still could not respond to such changes. SHG has helped 97 respondents (84.35%) to develop their Co-operative tendency, while 18 (15.65%) are still lacking this tendency. Due to SHG, 69 respondents (60%) gained Knowledge and Information of new technologies, but 46 of them (40%) had not gained any such opportunity. SHG inspires the members of the group to be Socially active, due to which 77 respondents (66.96%) increased their participation in various Social activities, while 38 of them (33.04%) were inactive in this regard. SHG provides a platform for Personality Development for its members, out of the total respondents 76 (66.09%) were benefited to Develop their Personality, while for 39 respondents (33.91%) this platform futile. **Lokhande, M.A (2012)** the study inferred that group associated and access to financial services certainly brings positive changes among group members leading to their socio economic empowerment. However, there is need of employment long term policy measures to empower activities need to be addressed in order to strengthen women empowerment process through micro financing.

SHG influenced the Standard of Living of about 75 Women respondents (65.22%), while 40 respondents (34.78%) Standard of Living was uninfluenced. 93 respondents (80.87%) were benefited as Improved Health Facilities due to SHG, but 22 respondents (19.13%) were not. 100 respondents (86.96%) claim that they have developed their Confidence due to membership of SHG, while 15 of them (13.04%) do not feel so.



PROBLEMS FACED BY GROUP MEMBERS

The women of SHG have to face many problems being a member of SHG which are tabulated in Table No. 11. Out of the total, 62 respondents (53.91%) had lack of family support. 76 (66.08%) were facing gender inequality problems, rather male dominant society, where the savings and bank loans are utilized all by men and the women are unable to invest it in business sector. 94 (81.73%) were in problem while dealing with marketing of their products, like- no advertisement of the products, fails to realize the importance of branding and packaging, low response of women for business on large scale, etc. 42 respondents (36.52%) faced delay in the thrift contribution problems. 59 (51.30%) had conflict among the group members, thus ultimately leading to the dissolution of the group. Lack of help and support from higher authorities lead to dissolution of about 77 respondent groups (66.95%). Illiteracy was one of the major problems faced by about 92 respondents (80%). 40 (34.78%) responded irregular group meetings, due to which the group members are unaware of the various group activities. 70 (60.86%) has not received any training facilities, which became hurdle in their work. 32 (27.82) faced high interest rate on bank loan and 28 (24.34%) responded that there is lack of motivation for the business.

Table No. 11, Distribution of Respondents as per their Problems (N-115)

Sr. No	Problems of SHG members	No.of Respondents	Percentage to Total
1	Lack of Family Support	62	53.91
2	Gender Inequality	76	66.08
3	Marketing of Products	94	81.73
4	Delay in Thrift Contribution	42	36.52
5	Conflict among the Members	59	51.3
6	Lack of Support from Higher Authorities	77	66.95
7	Illiteracy	92	80
8	Irregular Group Meetings	40	34.78
9	Inadequate Training Facilities	70	60.86
10	High Interest Rate on Bank Loan	32	27.82
11	Lack of Motivation for Business	28	24.34

Source: Field survey (2014)

In order to speed up the SHG-Savings, credit linkage movement, the NGOs, the banks and the government should encourage the rural and urban poor to join self-help groups for their socio-economic development. There should be a positive role of NGO and strict regulation about administration of SHGs. Better co-ordination is required from the voluntary agencies and the government departments for its better performance.

CONCLUSION

Women Self-help Groups are usually informal association of women who come together to find ways to improve their life situation. Self-help Group provides it's members with opportunities to save and borrow and it can act as a conduit for formal banking services to reach their members. Women SHGs contribute to solving the problem of inadequate housing and urban services as an integral part of poverty alleviation programmes. SHGs are mostly focused from financial aspects rather social one, this trend is more in the SHGs promoted under government programme. The SHGs have a major impact on improving the standard of living of millions of poor people as well as on promoting economic development. Thus SHG has become one of the most effective interventions for economic empowerment of the women. The role of women in the development of nation is very important now-a-days. SHG helps the women in uplifting their living conditions and also encompass the social, economic, educational level to improve their empowerment level.

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