

CO-OPERATIVE SOCIETY SPONSORED SELF HELP GROUPS IN EMPOWERMENT OF WOMEN: A CASE STUDY

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Abstract: The basic principle of co-operation is voluntary association of people to serve their common interests. The International Labour Organisation (ILO) gave a comprehensive definition in the following terms; 'A co-operative organisation is an association of persons, usually of limited means, who have voluntarily joined together to achieve a common economic end through the formation of a democratically controlled organisation.'

Self help groups (SHGs) form the basic constituent unit of the micro finance movement in India. SHG is a group of five or more than five members, who pool their savings in to a fund from which they can borrow as and when necessary. The SHG members are usually poor and often women. The membership of a SHG shall not exceed 20 members. The SHG is linked with a rural co-operative or commercial bank, where they maintain a group account. Over time the bank begins to lend to the group funded out of the savings generated by the group members themselves called inter loans. It builds financial discipline and credit history that encourages banks to lend to them in certain multiples of their own savings and without any demand for collateral security. SHGs play crucial role in economic empowerment of poor people in the rural areas. In addition to the financial help, SHGs provides enough opportunities for the overall development of women in the rural areas. In this context an attempt has been made to analyse how co-operative sponsored SHGs involved in the empowerment of women)

Key words: Co-operative society, Self-help groups, Empowerment of women

Introduction

Self Help Groups are small informal association of the poor people. It is formed for the purpose of enabling members to reap economic benefits out of mutual help and group responsibility. SHG- Bank linkage was started in India in 1992 under the guidelines of NABARD and RBI. In India three different models of self help groups have emerged such as SHGs formed and financed by banks, SHGs formed by NGOs and formal organisations but directly financed by banks and SHGs financed by banks using NGOs and other agencies as financial intermediaries. The second model SHGs formed by NGOs and formal

organisations which directly financed by banks is much popular in India. It contribute major share in the micro finance development in the country. SHGs perform the role of collective banks. They mobilise savings from the members and performs both debit and credit functions. For external credit, SHG links with the banks. There are 80 Lakh SHGs with active bank linkages in India. More than 10 crore people involved in SHGs activities in India. More than 90.00 per cent members of SHGs comprises of women. The SHG is linked with a rural co-operative or commercial bank, where they maintain a group account. Over time the bank begins to lend to the group funded out of the savings generated by the group members themselves called inter loans. It builds financial discipline and credit history that encourages banks to lend to them in certain multiples of their own savings and without any demand for collateral security. SHGs play crucial role in economic empowerment of poor people in the rural areas. In addition to the financial help, SHGs provides enough opportunities for the overall development of women in the rural areas.

Objectives: The General objective of the paper is to analyse the role of Self Help Groups in empowerment of rural women. However, the following specific objectives are laid to develop this paper.

1. How Self Help Groups enriches the rural women?
2. What are the socio- cultural benefits of SHGs?
3. What is the role of co-operative society in developing group spirit and accountability among the members of SHGs?

Methodology

The paper is developed on the basis of primary data. For the collection of primary data detailed interview schedule was prepared. Data is collected through sample survey method. 46 Self Help Groups functioning under the supervision of cooperative society located at Moodbidri in Dakshina Kannada district of Karnataka were selected for the survey. A total 316 SHGs members were interviewed to study the benefits and to understand the role of cooperative society in developing the SHGs. Secondary information is also used for the analysis of data.

Importance of Self Help Groups

SHGs play crucial role in creating confidence among the rural people especially among the women. It helps to mobilise the financial resources of the individual members for their collective economic development. It creates habit of thrift and helps to utilise local resources. It helps to mobilise individual skills for group's interest. Through self help groups socio economic development of village takes place. SHGs help to develop mutual understanding and trust among the members. It develops the sense of responsibility and leadership among the members.

Analysis of Data

The study was carried out on SHGs sponsored by the cooperative society at Moodbiidri in Dakshina Kannada district of Karnataka. The study is made upon the 46 Self Help Groups. About 316 SHG members were interviewed on the basis of random selection. For the collection of data structured interview schedule was prepared. The study reveals that, out of the total 316 members 302 members are female members and only 14 members are male members. The study is undertaken in female dominated SHGs. Self Help Groups are functioning in different villages in and around Moodbidri city.

Individual Profile of the respondents

The occupational background of the SHGs members reveals the economic status of the members. Members of the SHGs belong to the different activities.

Table – 1: Occupational Background of the members

S.N.	Occupation - Group	Occupation	Frequency/%	%
1.	Agriculture	Agriculture	4 (1.3%)	1.6%
		Animal Husbandry	1 (0.3%)	
		Asha worker	1 (0.3%)	
2.	Labour	Cashew factory	12 (3.8%)	11.4%
		Cooly	22 (7.0%)	
		HOTEL	1 (0.3%)	
		Beedi	81 (25.6%)	
3.	Self-Employed	Tailoring	4 (1.3%)	27.2%
		Tailoring & Beedi	1 (0.3%)	
		Cooperative	4 (1.3%)	
4.	Salaried - Pvt	Nurse	1 (0.3%)	54.7%
		PIGMI COLLECTOR	1 (0.3%)	
		Pvt. Org.	167 (52.8%)	
		Govt.	1 (0.3%)	
5.	Salaried - Govt	Govt.	1 (0.3%)	0.3%
6.	House Wife	House Wife	15 (4.75%)	4.7%
		Grand Total	316 (100.00%)	10000%

The study reveals that of the total members 54.70 per cent of the members belong to the category of those working for the private organisations for the monthly salary. It includes the members working as Pigmy collector, nurse, working in cooperative units and those working for the private organisations. 27.20 per cent of total members constitute the self employed. They occupied in beedi rolling, tailoring and some involved in both beedi rolling and tailoring together. 11.40 per cent of the members are in the category of labour class. This category includes asha worker, Labourers working in cashew factories, cooly and hotel workers. 1.60 per cent of members occupied in agriculture and animal husbandry. About 4.70 per cent members are occupied in domestic work. The study indicates that SHG members are largely occupied in the private organisations and Self employment activities.

Table- 2: Economic status of the members

S.N.	Economic Status	Frequency	%
1	APL	51	16.13 %
2	BPL	265	83.86%
3	Grand Total	316	100.00%

Economic background of the members reveals the standard of living of the members. The survey indicates that, of the 316 members 16 members belongs to the category of BPL (Below Poverty Line) families. Only 51 members, i.e. 16.13 per cent are in the category of APL (Above Poverty Line) families.

Social empowerment of SHG members

Self Help Groups helps in social empowerment of the members. The social empowerment of women led to the change in perception and shift in the attitude of society towards women. SHGs also encourage the development of cultural and social activities in the villages.

Table- 3: Participation in Group activities.

S.N.	Group Activities	Yes	No	Yes %	No %
1	Bhajane	21	25	45.7%	54.3%
2	Clean	25	21	54.3%	45.7%
3	Tree Plantation	27	19	58.7%	41.3%
4	Water Store	13	33	28.3%	71.7%
5	Health Awareness	42	4	91.3%	8.7%
6	Literacy awareness	21	25	45.7%	54.3%

It is found from the survey that about 21 groups i.e. 45.70 per cent of the total sample groups undertake the Bhajan activity frequently. They also involved in the social activities like area cleaning. About 54.30 per cent of the total groups involved in the area cleaning programmes which conduct frequently in the villages. It is found from the survey that SHGs give focus on the social services like tree plantation programme, water harvesting and conservation awareness programmes, health and literacy awareness programmes.

Empowerment of women through SHGs

SHGs encourage the members to improve their confidence. They also develop the banking knowledge. It also helps them face new challenges of life. Members of all the 46 groups are of the opinion that it has helped them to develop confidence among the members. Mutual financial dependency and friendship provides for total social and economic empowerment of women in the villages.

Table- 4: Social benefits from SHGs.

S.N.	Social Benefits	Yes/%	No/%
1	Confidence	46 (100.00%)	0 (0.0%)
2	Banking -Knowledge	46(100.00%)	0 (0.0%)
3	Daily Life	44 (95.7%)	2 (4.30%)
4	Friendship	46(100.00%)	0 (0.0%)
5	Social Welfare	42 (91.30%)	4 (8.70%)

In addition to the social empowerment, members have improved financial literacy, have more household assets and generally exercise greater influence in household decision making. There is significant increase in income level of members. There is increase in ownership of productive assets of the members.

Role of cooperative societies in developing group spirit

The cooperative bank play crucial role in promoting self help groups in the region. The SHGs which come under the supervision of cooperative society is properly guided and supervised by the officials of cooperative society. They visit to the every group frequently to monitor the group activities. It helps them to develop sense of responsibility among the members of self help groups.

The satisfaction level of group members pertaining to the services of cooperative society was studied. The study reveals that all 46 SHGs groups have shown positive response pertaining to the services of cooperative society. They appreciated the services of cooperative society.

Table -5: Satisfaction level of the group members

S.N.	Item	Yes/%	No/%
1	Loan Application	46 (100.00)	(0.0%)
2	Officers Help	46 (100.00)	0.0%)
3	Loan Pay	46 (100.00)	0.0%)
4	Bank Acc. Info	46 (100.00)	0.0%)
5	Bank Emp. relationship	46 (100.00)	0.0%)
6	Bank info	44 (95.70%)	2 (4.30%)
7	Loan Amount	44 (95.70%)	2 (4.30%)
8	Bank Visit	30 (65.20%)	16 (34.80%)

Members have satisfaction over the services of society pertaining to the loan application, officials help, and provision of banking information to the members from time to time. Bank officials frequently visit to the SHG meeting. They also motivate the members to involve in the group activity more actively. About 65.20 percent of the total group members have satisfaction over the bank officials visit to the group meeting. 34.80 per cent of the group do not have satisfaction over the bank officials visit to the group meeting. They expect further more involvement by the bank officials in the activities of the SHGs.

Banking services by the cooperative society to the SHGs.

SHG members obtain several forms of banking assistance from the society. Financial assistance in the form of vehicle loan, gold loan, property loan, home loan, and loan for purchasing new property, e-stamp facilities and other facilities were obtained by the SHG members from the cooperative society.

Table – 6: Banking services by the cooperative society to the SHGs.

S.N.	Item	Yes/ %	No/%
1	Vehicle Loan	11 (23.90%)	35 (76.10%)
2	Gold Loan	19 (41.30%)	27 (58.70%)
3	Property Loan	4 (8.70%)	42 (91.30%)
4	Home Loan	16 (34.80%)	30 (65.20%)
5	Property Buy	12 (26.10%)	34 (73.90%)
6	E-Stamp	10 (21.70%)	36 (78.30%)
7	Other	4 (8.70%)	42 (91.30%)

It is found from the survey that, of the 46 SHGs, 11 groups availed the vehicle loan, 19 group members availed the gold loan from the society, and home loan was availed by the members of 16 groups. Members of SHGs also avail E-stamping and other facilities from the society.

Findings

The following are the findings of the survey on cooperative sponsored SHGs at Moodbidri in D.K. district of Karnataka

1. The study reveals that, of the 316 members of SHGs, a major proportion i.e. 302 members which constitutes 95.57 per cent are women members. Only 14 members are male members of SHGs.
2. The occupational background of the SHG members reveals those major shares i.e. 54.70 per cent of the members are occupied in the category of salaried private organisations.
3. About 27.20 per cent of the members are occupied in Beedi rolling and other self employment ventures.
4. Of the total members, 265 members belong to the economic category of Below Poverty Line (BPL). Only 51 members i.e. 16.13 per cent of the total members are in the category of Above Poverty Line (APL).
5. Participation of the members in the socio-cultural activities reveals that members are actively involved in the group activities like bhajan, cleaning activity, tree plantation, health awareness and literacy awareness programmes.
6. The study reveals that SHG activities helped them in building confidence, to develop banking knowledge and social welfare.
7. With regard to the services of cooperative society towards the SHG members, study reveals that most of the members are satisfied with the services of the society.
8. Pertaining to bank services by the cooperative society, it is found that the SHGs members are using the banking facilities such as home loan, vehicle loans, gold loans and other facilities.
9. The study shows that the cooperative society sponsored SHGs are functioning successfully. It has helped to the greater extent for the empowerment of women. It also helped the rural poor to gain confidence, courage and leadership quality for the better living in the society.

Conclusion

Self help groups (SHGs) form the basic constituent unit of the micro finance movement in India. SHGs play crucial role in economic empowerment of poor people in the rural areas. SHGs provide enough opportunities for the overall development of women in the rural areas. The study reveals that SHG activities helped them in building confidence, to develop banking knowledge and social welfare. The study shows that the cooperative society sponsored SHGs are functioning successfully. It has helped to the greater extent for the empowerment of women.

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