



EMPOWERING WOMEN THROUGH SHGS: A CASE STUDY OF BRLPS

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KEYWORDS: Self Help Groups (SHGs), JEEVIKA, Social Status, Financial Status.

ABSTRACT

As the title of the paper indicates empowering women through SHGs. This paper tries to explore how SHGs can help empower women. Also this paper tries to explain what SHGs are with a special reference to the scheme of Bihar government-Bihar Rural Livelihoods promotion Society also known as JEEVIKA. For the purpose of the study we have adopted a case study method conducted on the beneficiaries of this scheme. Analysis was done on that basis and results & suggestions are being given. Conclusion of this paper lies in the fact that there is considerable increase in the living standard of the participants thus they are being empowered in many ways be it social status or financial status.

INTRODUCTION

Self-help groups are generally facilitated by NGOs, and increasingly advise and train members in a variety of on- and off-farm income-generating activities. Indeed, in a number of recent projects, NGOs were substituted by trained facilitators and animators drawn from self-help groups. Through promoting self-help group, IFAD-funded projects have contributed to improving the overall status of women in terms of income, empowerment, welfare, etc.

In the Rural Women's Development and Empowerment Project, for example, 90 per cent of the beneficiaries reported increased access to and control over resources such as land, dwellings and livestock. Under the Livelihoods Improvement Project in Himalayas, women self-help group members in Uttarakhand were even elected as *gram pradhans* (heads of the local governments at the village or small town level) in 170 out of 669 *panchayats* in villages. In those operations, the country program evaluation also found unequivocal advances in the self-confidence and assertiveness of self-help group members. In the Tamil Nadu Women's Development Project, 50 per cent of women self-help group members reported that, for the first time in their lives, they had visited new places and travelled longer distances, while 90 per cent had interacted with institutions such as banks, NGOs and project agencies. The impact study on the Jharkhand and Chhattisgarh Project reveals that access to finance through group savings and lending to members had allowed women to become increasingly involved in economic activities such as the collection and sale on local markets of non-timber forest products. However, the study also noted that greater effectiveness would have been achieved if the project had stressed value-addition and promoted market linkages.

This paper includes certain case studies on SHG (self-help groups) households of women of Madhubani district who have become more fruitful through JEEVIKA.

JEEVIKA is been denoted as Bihar Rural Livelihoods promotion Society It is an independent society formed by the Government of Bihar & supported by the World Bank. It was incorporated on 2 October 2007. This scheme is implemented with an objective of enhancing the social & economic conditions of the rural poor in Bihar. The Chief Executive Officer of the project is Mr. Arvind Kumar Chaudhary & Chief Finance Officer is Mr. Brij Kishore Pathak.

- Duration of the project- 5 years.
- Project preparation year- 2006-2007.
- Collaborators- World Bank & the Government of Bihar.
- Tries to cover 5.9 lakhs poor families, 4000 villages through building self managed community institutions to the poor.
- Total estimated project cost- 73 million USD
- World bank financing- 63 million USD
- Govt. of Bihar contribution- 7 million USD
- Community contribution- 3 million USD



Objectives of JEEVIKA:-

- It aims to increase the social & economic conditions of the rural poor in Bihar by:
- Making self-managed community institutions of participating households.
- Increasing the income of the participants through sustainable source of livelihoods.
- Enhancing access to social protection including food security by enabling the rural poor to articulate a more effective voice in the implementation of such schemes.

The project claims to achieve its objectives by adhering to below mentioned strategies:-

- Primary strategy of the program is to establish a sound community of institutions of women, who can become self managed institutions through member saving, internal loaning, regular re-payment & other economic activities.
- Greater emphasis will be on a demand driven approach for community participation & ownership in implementation.
- The self help groups often regarded as the primary level community organization will be federated (Action of forming states or organizations into a single group with centralized control) at a higher level so that they become social service providers, business entities & valued clients of the banking system.
- Financing strategy will be based on a strong & powerfully built financial model where the community organization will revolve leveraged funds from various sources rather than depending on a single set of subsidy.
- Frame social capital (the networks of relationships among people who live & work in a particular society, enabling that society to function properly) for strengthening & sustaining the community organizations.
- Project in its geographical area of operation will work on the saturation approach taking in the project fold all poor which denotes a people centered approach to a social change whereby local actors take charge

Organizational Profile:-

The JEEVIKA is figure through SHG formation and enhance the resource & financial condition of rural social unit. Ultimately social unit girl will work with JEEVIKA and relate with JEEVIKA to extend their living condition. to reinforce the resource possibility for the poor folks the BRLPS is implementing JEEVIKA Bihar Rural Livelihoods Project with the target of enhancing the social and economic authorization of the agricultural poor in Bihar significantly ladies.

The BRLP intervenes with the community through the subsequent four themes or programs: establishment and capability building, social development, microfinance. The project will play a chemical process role in promoting development of small finance and business enterprise sectors. The project has incorporated identification of existing innovations in numerous areas as its key component and professes to lend a assistance in developing processes, systems and establishments for scaling up these innovations. It additionally aims to target stimulating productivity growth inky resource sectors and so increase the utilization generation choices in project areas. It aims to position project investments to be chemical process in nature to spurt public and personal investment within the poor. The projected project elements ar formation and strengthening of SHGs, producers teams and federations, specialist technical help and development funds and project management.

Background of study:-

- **SHG:** Self facilitate teams (SHGs) are gaining recognition currently on a daily basis for the authorization of poor ladies in most the developing countries as well as Asian country. Self facilitate teams are fashioned by twelve to fifteen poor social unit girl .Main role of SHG play in rural Asian country is financial condition alleviation.
- **Introduction and background:** A growing range of poor folks (mostly women) in numerous elements of Asian country are members of SHGs and actively interact in savings and credit similarly as in alternative activities like financial gain generation, natural resources management, literacy, kid care and nutrition, etc. The saving/credit focus within the SHG is that the most distinguished factors and offers an opportunity to form respectable management over capital, albeit in terribly little amounts. The SHG system has tried to be terribly relevant and effective in giving ladies the chance to interrupt bit by bit faraway from exploitation and isolation. Most major donor agencies support SHGs in Asian country in a



method or another. Several NGOs in Asian country are promoting the SHG mechanism and linking it to varied alternative development interventions. Whereas there's ample proof that the SHG approach could be a terribly effective, economical and relevant tool for organizing and empowering the poor, issues do arise with style, development and introduction of programs to market financial gain generating activities (ideas) that may generate ample, property and regular financial gain. This paper tries to spot the role of SHG in providing Rural Non-Farm Employment (RNFE) through enterprise development and selling.

- **How self facilitate teams work:** In Asian country SHGs are fashioned for numerous functions and by a range of individuals. With the target of upgrading their livelihoods through collective savings and investments in income-generating activities most SHGs are promoted by a good vary of JEEVIKA; they currently structure ninetieth of all SHGs. Therefore, the bulk of the problems mentioned during this paper are significantly relevant for girls. The foundations and rules of SHGs vary in step with the preferences of the members and people facilitating their formation. A typical characteristic of the teams is that they meet frequently (typically once per week or once per fortnight) to gather the savings from members, attempt to that member to present a loan, discuss joint activities (such as coaching, running of a communal business, etc.), and to mitigate any conflicts which may arise. Most SHGs thus begin with none external money capital by saving regular contributions by the members. These contributions will be terribly little (e.g. 10Rs per week).after a amount of consistant savings (e.g. three months) the SHGs begin to present loans from savings within the variety of little internal loans for small enterprise activities and consumption. Solely those SHGs that have utilized their own funds well are assisted with external funds through linkages with banks and alternative money intermediaries. Development initiatives operating through SHGs are specifically targeting the poorest folks. As an example, United Nations agency funded BRLP district financial condition initiatives project aims, amongst others, at supporting investment in sub-projects projected by grass-root establishments of the poor to accelerate their entry and expand their involvement in social and economic activities. so as to succeed in the poor, this project used a three-fold system of targeting: geographic targeting (selection of the poorest districts and among the poorest mandals), cluster targeting (through formation of group-based activities for the poor) and self-targeting (through attention on little, technologically manageable investments that are engaging primarily to the poor organizing themselves into common interest groups).
- **How SHGs save:** SHGs helps its teams channelize savings from their members, and will then on-lend these funds to one-another, typically at apparently high rates of interest that replicate the members' understanding of the high returns they'll earn on the little sums endowed in their micro-enterprises, and also the even higher value of funds from cash lenders. If they are doing not want to use the cash, they'll deposit it during a bank. If the members' would like for funds exceed the group's accumulated savings, they'll borrow from a bank or different organization, like a micro-finance non-government organization, to enhance their own fund. The system is extremely versatile. The cluster aggregates the little individual saving and borrowing necessities of its members, and also the bank desires solely to keep up one account for the cluster as one entity. The banker should assess the ability and integrity of the cluster as a micro-bank, however once he has done this he needn't concern himself with the individual loans created by the cluster to its members, or the uses to that these loans square measure place. He will treat the cluster as one client, whose total business and transactions square measure in all probability similar in quantity to the typical for his traditional customers, as a result of they represent the combined banking business of some twenty 'micro-customers'.
- **Scaling up:** Apex bodies and cluster development: promoting initiatives just like the ones delineated on top of cannot work with just one SHG – they need that teams square measure organized at a better level. Forming federations or apex bodies of SHGs has been promoted by NGOs and government programs for variety of years, with the most aim of strengthening rural people's participation in selections taken outside their own community. Typically 8-10 individual SHGs square measure united into a village organization, with the aim of addressing the commonality of problems at a bigger forum. The management of the affairs of the VO is taken care of by the VO leaders elect or electoral by the individuals. The VO monitors the performance of SHGs, helps strengthen them, and provides access to credit by acting as a link agency to the banks. VO's are liable for organizing coaching to the SHG members. Typically the VO's square measure united at the sub-district level to make. The CM represents all the VO's and also the government body of the CM is made-up of regionally electoral members from the VO's. Their role is to form linkages with government departments, audit the SHGs and facilitate with microfinance. The globe Bank funded Bihar rural living Project, that is analogous to the one adopted by another living program. The degree of



federation of SHGs, and also the effectiveness of the federation, varies from state to state. In Mysore there have been at the tip of 2001 quite hundred rural women's SHG federations, conjointly claiming over one.25 hundred thousand members in half-dozen, 000 individual SHGs.

- **Sources of capital and links between SHGs and banks:** United Nations agency and Bihar govt. are the main financer of BRLP. SHGs are mainly achieve fund by the World Bank, from Bihar govt. and by other some bank linkage. SHGs can only fulfill a role in the rural economy if group members have access to financial capital and markets for their products and services. While the groups initially generate their own savings through thrift (whereby thrift implies savings created by postponing almost necessary consumption, while savings imply the existence of surplus wealth), their aim is often to link up with financial institutions in order to obtain further loans for investments in rural enterprises. NGOs and banks are giving loans to SHGs either as "matching loans"(whereas the loan amount is proportionate to the group's savings) or as fixed amounts, depending on the group's record of repayment, recommendations by group facilitators, collaterals provided, etc. SHGs are increasingly linking up with financial institutions to obtain formal credit.

It is estimated that there are now 500,000 SHGs in India, with a membership of 8 million people, who are linked to about 20,000 rural outlets of more than 440 banks, with an advance portfolio of more than 240 million \$(Wilson 2002). This has been a tremendous achievement, considering that during the first four years after NABARD first introduced its SHG linkage program (i.e. between 1992 and 1996), less than 3,000 groups were borrowing from banks. Box 1 explains how linkages between SHGs and banks work in India. In India, micro-finance has been defined by the task-force on Micro-finance constituted by the National Bank for Agriculture and Rural Development (NABARD).

Objectives of study:

- To examine SHGs area unit what proportion effective for alleviation of poorness.
- To examine constitution and performance of SHGs organized and nurtured by NGOs and Madhubani in Bihar.
- To study the social profile of the SHG members, aspects like time taken for bonding numerous activities undertaken by the SHGs etc, role of SHGs within the family, social and community problems.
- To study the structure dynamics inside SHG, level of management achieved by girl SHG members.
- To verify the role of SHG members in deciding within the family and also the SHG.

RESEARCH METHEDODOLOGY

1. Sample style

The data collected represents the quantity SHGs ménage household WHO additional with JEEVIKA as selected by field team members of BPIU. The main target was to gather knowledge of poor ménage household WHO joint with JEEVIKA as a SHG member. Total variety of visiting SHG girl enclosed within the information is fifty.

2. Knowledge assortment

Primary knowledge assortment

- **Structured questionnaire:** knowledge on the quantity of SHGs member operating with JEEVIKA through SHG and VO victimization resource, microfinance, HRF, food security was collected through structured form. The form consists of general queries on family background, concerning the SHG and VO name, land below SRI and also the total own land, which sort of business, what was the monthly financial gain, what was the progress etc.
- **Field visit:** Field visit was done to validate the SHGs ménage household operating with JEEVIKA. The main target was to ascertain what the poor girl condition before be a part of JEEVIKA was & what was the condition was improvement once be a part of JEEVIKA, what they reach through SHG. Specialize in that they however work with resource, small finance, HRF etc
- **SHG/VO meeting:** to know the operating of the organization at the grass root level and to urge info concerning the information among the SHG members concerning resource and MFI, SHG/VO meeting was attended.
- **Centered word with the SHGs household:** FGD was conducted in numerous villages to know the farmer's perception and behavior toward SRI, towards use of Vermin compost etc.



- **On individual meeting with the SHGs household:** to know that JEEVIKA is what proportion fruitful and what area unit the advantages area unit given them .How they're benefitted by SHGs work.
- **Direct observation:** info gains through the direct observation by visiting on SHGs and VO meeting and perceive however SHG and VO work along in unit type.

Secondary knowledge collection: Info on the operating of the organization, concerning the SHGs work resource and MFI was collected through the subsequent sources:

- Through web
- Through the manuals provided by host organization
- Through meet with organization member.

Limitations of the Study: Though most of the objectives of the study were totally lined throughout the project amount, a couple of limitations were known within the course of this study. They are -

- Data is collected from every SHG ménage household .To analyze the what proportion effective JEEVIKA is for them.
- Data is taken from every member for keeping right info concerning her living and status.
- Data collected as per ménage recall. Ménage don't seem to be ready to keep in mind actual info associated with past monthly financial gain or monthly expense and time of loan taken from JEEVIKA etc.
- Sample size – there's a distinction between sample size of SHG and objective made space.

Case studies on SHG women ménage.

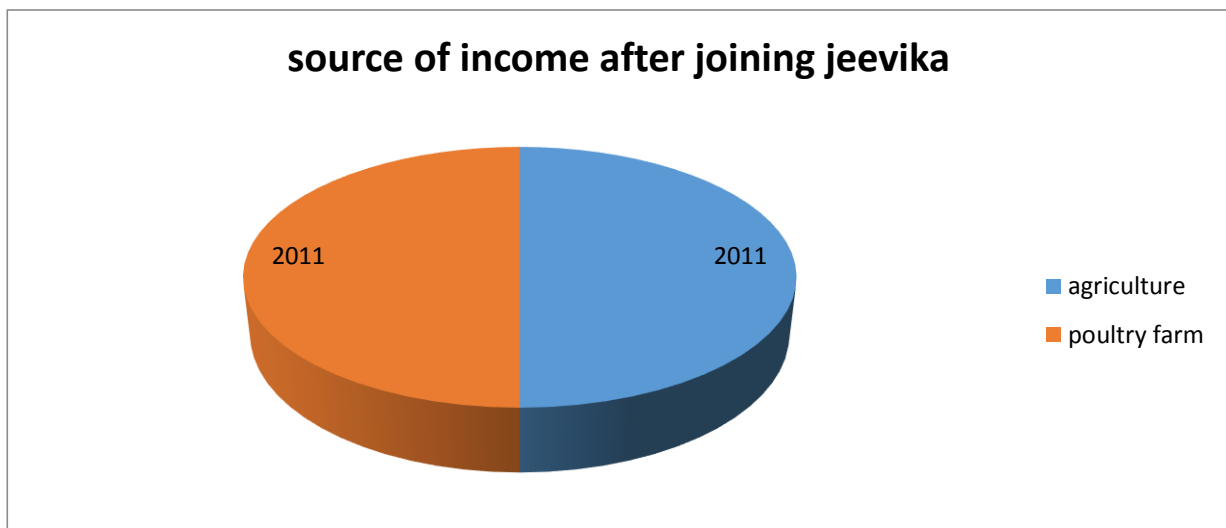
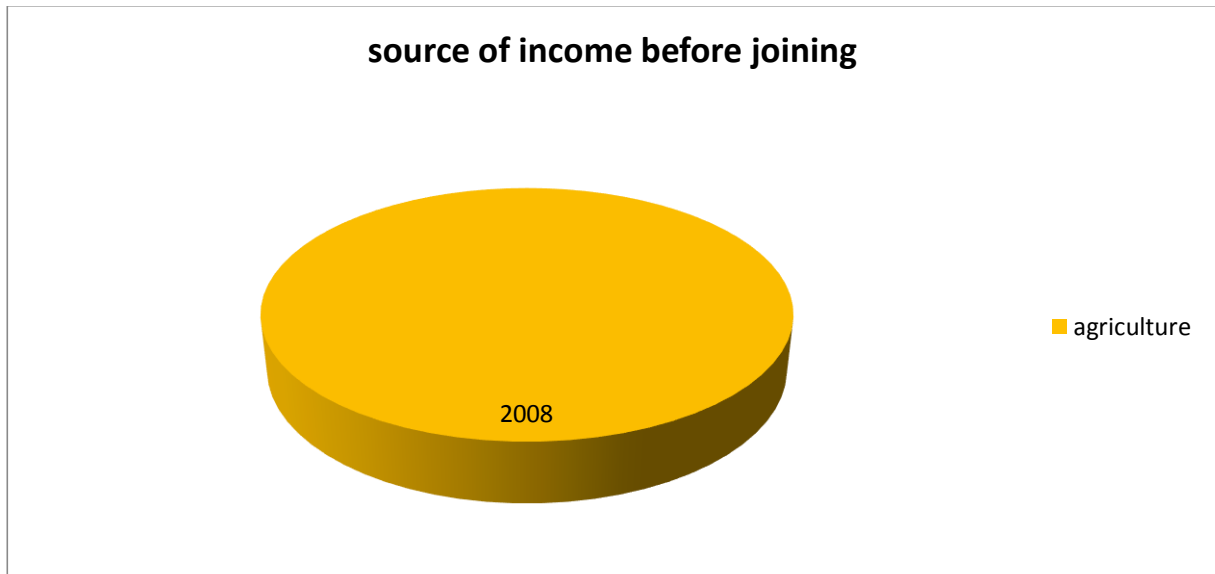
- **Kisunvati Devi, Bennipati, Madhubani**

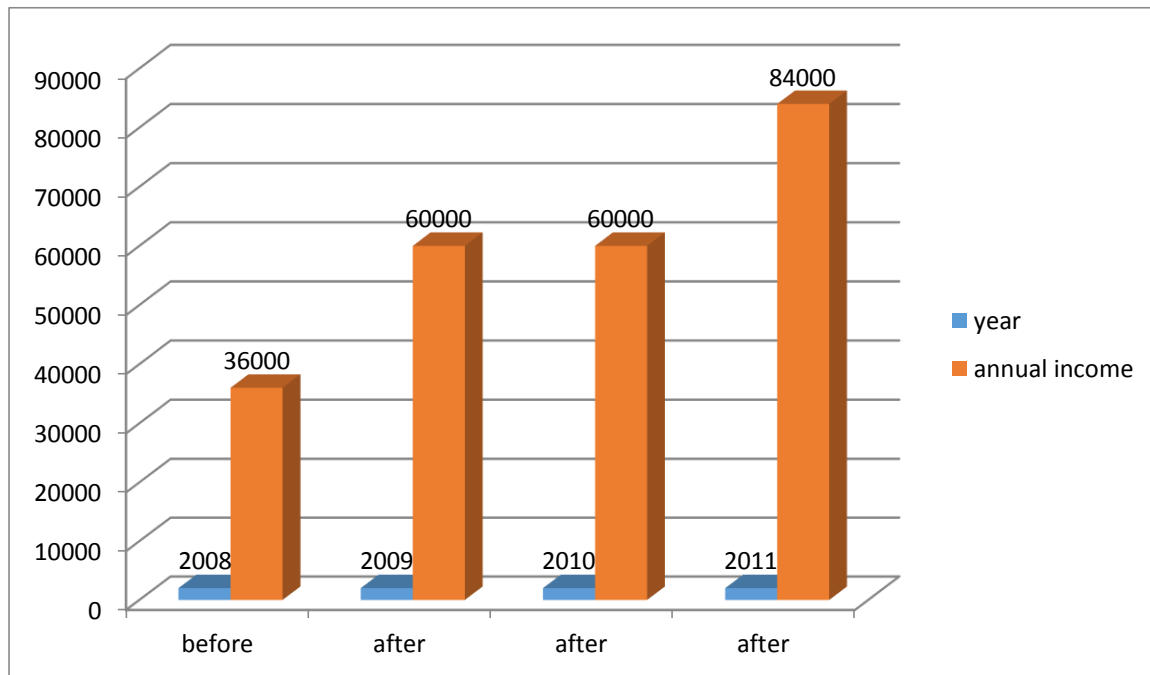
Initial state of affairs of the household: Kisun Devi, 50 yr old, belongs from village Jamurai. She is married & has two boys & two girls. In her initial days she had five katha land field & does farming. Before joining JEEVIKA her financial gain was rupees 3000 solely. At that point she had rupees 25000 loan from the shark at five-hitter rate of interest. Her family had to usually face days of food insufficiency as a results of the low irregular financial gain flows. Saving for the emergency or for security of the longer term was virtually not possible.

Interventions Accessed: She joined Ambe Maa SHG on eleven January 2009 and her VO's name is Bikash. Her length of be a part of JEEVIKA is three year. She took loan of Rs 10000/- from CIF at a way lower rate of interest for the aim of agricultural activity, she took loan within the year 2009. Installment rate of reimbursement was 1000/month and she or he paid her loan in eleven month. As associate degree output her monthly financial gain was accrued by the assistance of JEEVIKA and 5000 rupee monthly financial gain was come back from agriculture facet.

Next time she once more took 25000 rupee from village organization on Oct 2010 for open a poultry farm and build earning 2000 per month. She additionally repaid her loan in ten month by the two, 500 monthly installment rates. As a result her monthly financial gain was accrued than the previous financial gain. Given her made expertise as SHG member, she was chosen and trained as Community Resource Person (CRP) for forming SHGs and VOs within the new Villages.

Way Forward: She is currently happy with JEEVIKA and understood the importance of JEEVIKA. She is currently making an attempt to extend her monthly financial gain through the various sources of financial gain and making an attempt to realize a decent living condition.





Annual income of household

- **Sheila Devi, Bennipati, Madhubani**

Initial scenario of the household: Sheila Devi, thirty six years previous, belongs from village katayia. . She is married and has two kids, one boy and one lady. Before connection JEEVIKA her husband worked in Delhi on daily wages financial gain and find supply 5000/month and Rs.2500 sent to home for family expenses. She had no extra money to manage her family with well living condition and he or she witnessed a lot of bother in her life to manage her family and kid. Her family had to usually face days of food insufficiency as a results of the low and irregular financial gain flows. Saving for emergency or for securing future was nearly unmanageable. She had no land field to form earning by the agriculture.

Interventions Accessed: She joined Annapurna SHG on 06 Aug 2008. Her length of be part of JEEVIKA is four year and her VO's name is Bajrang. She took loan Rs 5000/- from SHG at a way lower charge per unit for buffalo purchase within the year 2009 on repayment rate of reimbursement was 300/month and he or she paid her loan in fifteen month. As associate output her monthly financial gain was enhanced by milk merchandising on rate of 20/kg and her monthly financial gain was enhanced. Next time she once more took 3000 rupee from SHG in 2010 for get a sew machine. She conjointly repaid her loan in fifteen month by the two hundred monthly installment rates. third time she once more took loan 30000 for increase dairy farm business As a result her monthly financial gain was enhanced than the previous financial gain and currently her monthly financial gain is 6000. Given her no-hit expertise as SHG member, she was chosen and trained as Community Resource Person (CRP) for forming SHGs and VOs within the new Villages. She four times went in serum globulin visit.

Way Forward: She is currently self dependent and earns cash by dairy farm business. Her husband is come back to home and be part of dairy farm business. Her satisfaction level is become high concerning the JEEVIKA. Sheila Devi is evident that within the long haul education would be the strongest quality for her family thus she needs to produce quality education to her kids.

**Annual income of household**

Before joining	After joining	After joining	After joining
2007	2009	2010	2011
30000	42000	48000	54000

Results and suggestions:

Name of SHG member	Present annual income	Previous annual income	Increment of income	Percentage of income increment	Other benefits
Kisunvati Devi	84000	36000	48000	133.33%	Farming through SRI and Open a poultry farm
Sheila Devi	72000	30000	42000	140.00	Increase milk selling business

SUGGESTIONS AND CONCLUSION**Suggestion for upgrading SHGs:**

- Make new form of theme for the poor ménage to require additional like JEEVIKA and improve their living and status.
- Training program ought to be offer to the serum globulin leader to introduce the advantages of JEEVIKA to the new members of SHG.
- Exposure visits ought to be organized to any organization World Health Organization is being concerned in preparation of SHGs.
- Certain educational program ought to be provided to organize SHGs member additional concuss concerning JEEVIKA.
- Try to allow sensible market availableness for small business.

CONCLUSION: This project aimed to grasp a number of the issues concerning credit access that are being witnessed by the agricultural poor within the blocks of Bennipati. To do this, it had been necessary to achieve associate insight into the resource ways of various households with special specialize in their credit necessities. The methodologies used were a good thanks to speedily question an outsized range of individuals across six completely different villages and that i am more than happy with the information gathered.

Throughout the country SHGs are seen as answer for women management and economic condition Alleviation. Bihar isn't any exception thereto. Particularly within the socio-political context of the state, SHGs aren't simply seen as required however most required.

- Bihar rural resource project play a vital role for the alleviation of economic condition in Bihar and it's attainable through the assistance of self facilitates teams and Village Organization.
- Through the assistance of JEEVIKA and SHG their monthly or annual financial gain is increase and at the moment time they need over one supply of financial gain. However in past days they need just one supply of financial gain and tiny monthly financial gain, however these days they're hyperbolic financial gain through the SRI and SWI, through open a poultry farm or the other small business.
- Now the SHG members are be a part of serum globulin and create nice awareness concerning the JEEVIKA and that they additionally offer coaching to the new members of SHG.
- Poor house hold ladies are additional benefitted by Microfinance theme as a result of JEEVIKA give them loan on a pair of rate of interest that is way lower and easier to repay the loan.
- JEEVIKA additionally give them Health Resource fund on one hundred and twenty fifth of rate of interest that's creating straightforward requirement treat those ménage.
- SHGs are enhancing the management of poor ménage ladies and facilitate them to face forward in against of economic condition.



- Through the assistance of SHG they're begin aspect business and create cash to alter their socio and economy condition.

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