

Impact of Self-Help Groups in bringing in socio- economic change: An assessment

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Abstract:-

To bring the poor within the umbrella of organized financial sector different micro finance schemes have widely been recognized as major avenues in our country. Micro finance has emerged as a viable alternative of traditional banking for bringing in social and economic changes. Self-Help Groups are considered as the main vehicle in this context. National Bank for Agriculture & Rural Development (NABARD) has played a vital role in the development and promotion of Self-Help Groups and Micro Finance Institutions and providing them refinance at special rates. This paper basically tries to see how far these Self-Help Groups have been successful in bringing in the much expected social and economic changes especially in the rural areas of our country.

Key Words: Organized Financial Sector, Traditional Banking, Micro Finance, Self-Help Groups

Introduction:

‘A Country is poor because it is poor’- Ragnar Nurkse.

The basic aim behind the setting up of NABARD in the year 1982 was to make the betterment of rural poor people. Now a days, NABARD is called as the apex bank for rural credit (Misra and Puri, 2012). In India 70% of our population resides in 6, 38,345 villages and 24 crore poor are engaged in micro enterprises. Poverty in India is wide spread with the nation estimated to have one third of world poor. The credit needs of the rural masses in general and rural poor in particular are met via financial market which consists of commission agent, money lender, landlords etc. However the access to credit for the poor from traditional banking is often constrained by lack of collaterals, information asymmetry and high transaction costs associated with small borrowal accounts. Again, other formal financial institutions have low penetration due to poor infrastructure, low profitability and higher degree of risk. Micro finance has emerged as a viable alternative to the solution for the maximum outreach and alleviation of poverty in the rural poor especially disadvantages section of the society namely women, small and marginal farmer, lenders farmers. Micro finance involves provision of thrift, credit and other financial services and

products of very small amounts to the poor for enabling them to raise their income levels and thereby improving standards of living. India ranks fourth with 135 million people remaining excluded from access to the formal financial services in terms of financial exclusions. NABARD launched a scheme to organize poor people into a group of 10-20 persons and linking that group with banks. This scheme is basically related to 'Garmin Bank' model, developed originally in Bangladesh and replicated in various parts of the world. Under the schemes poor, preferably the women are organized in self-help groups with bank, non-government organization (NGOs), panchayat members and bank financing this self-help groups were made eligible concessional refinance by NABARD.

Different micro finance schemes in India have emerged as major avenues to bring the poor within the umbrella of organized financial sector. Self-help groups are considered to be the vehicle for women empowerment and poverty alleviation. SHG is self-governed, peer controlled, small and informal association of the poor, from socio- economically homogeneous families who are organized around savings and credit activities (planning commission). Members of SHGs meet weekly or monthly and discuss common problems and share information to come at a solution. Group members make effort to change their economic and social problems through mutual assistance. Though the concept of SHGs was piloted by NGOs namely MYRADA in India, in mid-eighties but the progress remained low until NABARD took over these projects in 1992. What started as a pilot Programme has now become a movement for social empowerment particularly for poor rural women. The numbers of SHG linked to banks has increased from about 500 hundred in the early 1990s to 74.62 lakhs in 2011 and have maintained savings accounts with banks with total savings of rupees 7,016 crores. As on march 31st 2011, 47.87 lakhs SHGs had outstanding (cumulative) bank loans of Rs. 31,221 crore of overall government policy framing to alleviate poverty and minimization of unemployment problems.

Objectives of the study:

This paper endeavours to examine the efficacy to SHGs in bringing socio economic changes in rural areas of our country. It will also try to trace the growth of SHGs, problems confronted by self-help groups and the present status of SHGs in India.

Scope of the Study:

As the study is made depending on purely secondary source hence evaluation of the effectiveness of self-help group is restricted to the members of the group only.

Methodology:

The study is based on secondary sources collected from sources like NABARD, different govt. and non-govt. publications, websites, various books and articles.

Related Literature Reviewed:

The purpose of reviewing related literature is to summarize perspectives that might have a direct or indirect bearing on the conceptual design dealt with in this study and to prepare a framework through which one could find a better understanding of topic concerned. The components of various frameworks covered by the review and the analysis are subsequently used for supplementing the findings of the study. The following literature reviews can give a bird eye's view on the effectiveness of SHGs in our country.

K Ritu, R.K. Kushwaha and A.K. Srivastava (2013) in the study "Social Economic Impact through self help groups" examined the functioning of SHG, depending upon primary data collected. They have found out that there exists a definite relationship between SHGs and socio-economic status of women.

Das and Rimjhim Mausuni (2004) concluded that micro credit is an important tool for the poor living in rural areas to fight against poverty. Even though so many institutions are participating in this regard but still they have a long way to go.

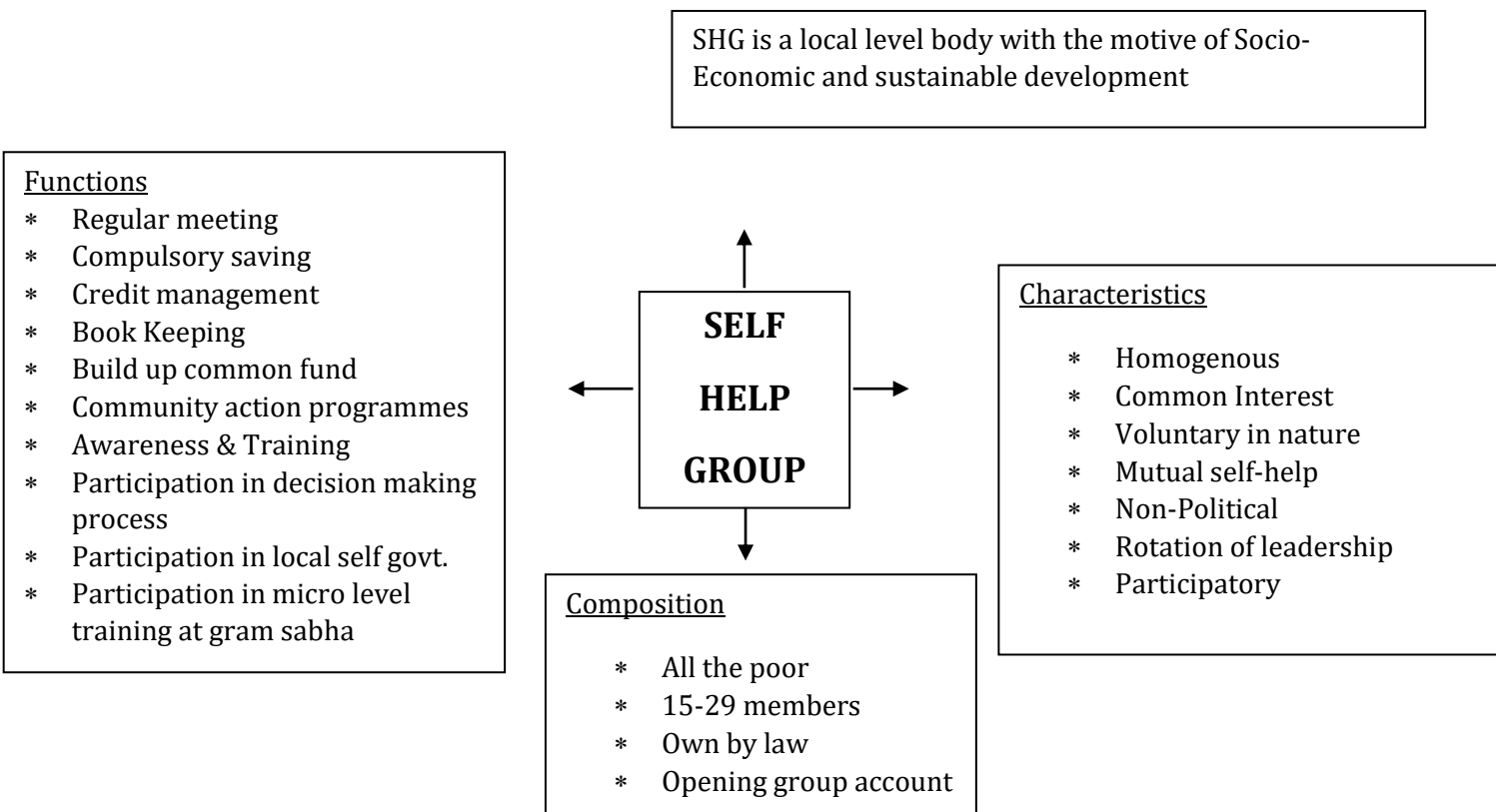
Sundaram Dr. A (2012) in his study of "Impact of SHG in socio-economic development of India", has found out that different programmes in various blocks undertaken by SHGs have become successful in reaching the poor people. He mentioned that it could be seen from the increased income of the individual households. So, study reveals that SHG via microfinance lays a significant role in alleviating poverty and rural development.

Rahul Sarania (2015) in the study "Impact of SHG an Economic Empowerment of women in Assam" points out there are several constraint in the process of women empowerment in our country like social norms and family bindings etc. Also it is said the SHGs have emerged as powerful instrument for eradication of poverty and empowerment of the poor in the modern era.

Diganta Kr. Das and Dipul Baruah in their study, "Micro Finance through SHGs,' A tool for socio-economic development of rural Assam, (A case study of Lakhimpur & Dhemaji District) have found out that membership of SHGs can increase the income of the women and accordingly the standard of living gets better. The study reveals that SHGs have been playing an important role in socio-economic development of the rural poor of Assam with the rest of the country.

Most these studies have expressed that self-help groups do have an impact on the socio-economic structure of the poor people, especially the women, living in the rural India. There are also few studies, which have not covered in reviewed literature, mentioning that there is disparity in the outreach of the microfinance facilities. Having being studied all these findings, this paper tries to evaluate the efficiency of the self-help groups in true sense.

Development of SHG in our country:



The origin of SHG is from the brain child of Gramin Bank of Bangladesh, which was found by the economist, Prof. Mohammed Yunus of Chittagong University in the Year 1975, to provide micro-finance to rural women. In Bangladesh, micro-finance has been established as a most powerful instrument to tackle poverty. The SHGs in India were formed by Mysore Resettlement and Development Agency (MYRADA), a NGO in 1985 due to breakdown of the large cooperatives organized by MYRADA. By 1986–87, there were nearly 300 SHGs in MYRADA’s projects. MYRADA then approached NABARD for an action research project on self-help groups which funded the research. Within the same timeline, Asian and Pacific Regional Agricultural Credit Association (APRACA) weighed options and agreed on further action for effectively increasing credit access for the poor. In India, NABARD and a member of APRACA, carried out an elaborate study which gave useful insights into the dynamics of group organization, saving potential and repayment ethics of the poor. Encouraged by the results of the study and action research project of MYRADA, NABARD, in consultation with the Reserve Bank of India (RBI), Commercial Banks and NGOs, launched a pilot project in 1991–92 for linking of SHGs with banks. Thus, the micro finance activity is the result of NABARD’S work that started in February 1992 through an initial pilot project promoting 500 SHGs. RBI had advised Commercial Banks in July 1991 to extend finance to SHGs as per NABARD guidelines. Subsequently, the linkage project was extended to RRBs and Cooperatives. 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. It has been documented that nearly 53 developing countries including India, have taken up this on a large scale. The Government of India is supporting the SHG movement. The main object of National Policy for Empowerment of Women (NPEW), 2001 is economic empowerment of women. The policy aims at enhancing supply of credit to the women through SHGs.

Growth of SHGs in India:

During the last decade, India had recorded a tremendous growth of SHGs. Growth of SHGs in India during the last decade is shown in the following table. As per the reports of the NABARD, about 97 million families have covered under SHGs up to 31st March 2010. Total number of SHGs savings linked with banks is 69.53 lakh, out of which 53.10 lakh are exclusive women SHGs and 16.94 lakh are SGSY SHGs. During 2009-2010, 15.87 lakhs are credit linked SHGs, of which 12.94 lakh are exclusive women SHGs and 2.67 lakh are SGSY SHGs. Total number of credit linked SHGs having loans outstanding as on 31 March 2010 are 48.51 lakh, of which 38.98 lakh are exclusive Women SHGs and 12.45 lakh are SGSY SHGs. Regarding savings amount of SHGs, it is reported that total savings amount of SHGs with banks as on 31 March 2010 are Rs.6198.71 crores, out of which Rs.4498.66 crores are savings of exclusive Women SHGs and Rs.1292.62 crores are savings of SGSY SHGs. As regards loans disbursed to and outstanding against SHGs, it is mentioned that total amount of loans disbursed to SHGs during 2009-10 are Rs.14453.30 crore, out of total loans disbursed to Women SHGs are Rs.12429.37 crore and to SGSY SHGs are Rs.2198.00 crore. Total amount of loans outstanding against SHGs as on 31 March 2010 are Rs.28038.28 crore, out which loans of Women SHGs are Rs.23030.36 crore and out of total loans outstanding against SGSY SHGs are Rs.6251.08 crore. Average loan amount outstanding per SHG as on March 2010 is Rs.57795 and average loan amount outstanding per member as on 31 March 2010 is Rs.4128.

Table: Growth of SHGs in India

Year	2001	2004	2007	2010
No.of SHGs in India	2,63,825	10,79,019	33,44,314	69,53,250

Source: NABARD, Mumbai

Present Status of Self-Help Groups:

Even after more than 63 years of planning, various poverty alleviation programmes, official estimates shows that around 25.7 percent of people in rural areas, 13.7 percent in urban areas, now of total population still live in below poverty line in India (planning commission) therefore, the financial requirement is one of the basic needs of the poor rural people of the society for their socio-economic upliftment. Amongst the poor the most disadvantageous group are the women and they constitutes almost half of the population of India. According to new data, 29.8 per cent or 360 million Indians were poor in 2009-10 as compared to 37.2 per cent or 400 million in 2004-05. However, the decline is based on a poverty line calculated at Rs.22.43 per Impact of Self-help Group in Socio-economic development of India person per day in rural areas, and Rs.28.65 per person per day in urban areas, which is lower than the earlier Rs.32 a day mark. In rural areas, Scheduled Tribes exhibit the highest level of poverty (47.4%), followed by Scheduled Castes (SCs), (42.3%), and Other Backward Castes (OBC), 31.9%), against 33.8% for all classes. In urban areas, SCs have HCR of 34.1% followed by STs (30.4%) and OBC (24.3%) against 20.9% for all classes. Nearly 50% of agricultural labourers and 40% of other labourers

are the poverty line in rural areas, whereas in urban areas, the poverty ratio for casual labourers is 47.1%. Monthly per capita incomes of Rs. 859.60 in urban regions and Rs 672.80 in rustic regions, respectively, have been determined as the novel poverty line.

The unemployment rate in India was last reported at 12.90 percent in 2013 fiscal year from 18.10% in 2012. Historically, from 1983 until 2010, India Unemployment Rate averaged 8.11Percent reaching an all-time high of 9.4 Percent in December of 2009 and a record low of 5.9 Percent in December of 1994. The unemployment rate can be defined as the number of people actively looking for a job as a percentage of the labour force.

While India's unemployment rate has dropped from 8.2% in 2004-05 to 6.6% in 2009-10, the number of jobless is still huge in absolute terms. The country added some 11.7 million people to the workforce between

2004-05 and 2009-10, and the labour pool, based on the 2009-10 national sample survey, and is estimated at 428.9 million. Over half the country's workforce is self-employed and women receive less pay than men for similar jobs, latest government data shows. While 51% of the country's total workforce is self-employed, only 15.5% are regular wagers or salaried employees and 33.5% casual labourers, according to a survey by the National Sample Survey Office (NSSO). The proportion of the self-employed (vulnerable workers) has declined significantly in the development process. The proportion of self-employment in the total employment is as low as 8% and 10% for women and men respectively in developed regions and as high as 64% and 57% for women and men in developing regions. In India the overwhelming proportion of workers is in the self-employment category. About 64% of the rural and 46% of the urban workforce is engaged in self-employment. In India 20.51% of the workforce are living below the poverty level. The proportion is highest (31.9%) among casual labour and second highest (17.17%) among the self-employed. However, in terms of absolute number, the self-employment category has the highest number of poor – 45.28 million, followed by casual labour – 41.45 million. As per 2001 census 48.2 percent (49.60 crores) of total population are women, while the 2011 census provisional figures released on 31 March 2011 reveals that the female population has risen by 18.12 percent to reach 586.5 million (58 crores).Microfinance to Self Help Groups (SHGs) may be considered as a vital tool for meeting the Women constitute around fifty percent of the total human resources in our economy. The only way to lower the risk that the rural poor face would be to reduce their vulnerability through the use of microfinance to engage positively in capacity building.

Progress of microfinance in India:

Poverty alleviation has been one of the guiding principles of the planning process in India. Government has considerably enhanced allocation for the provision of education, health, sanitation and other facilities which promote capacity building and well-being of the poor. The Indian government puts emphasis on providing financial services to the poor and under-privileged since independence. The commercial banks were nationalized in 1969 and were directed to lend 40% of their loan at concessional rate to priority sector. The priority sector included agriculture and other rural activities and weaker section of society in general. The aim was to provide resources to help the poor to start their micro enterprise to attain self-sufficiency. The government of India had also launched various poverty alleviation programs like Small Farmers Development Scheme (SFDS) 1974-75, Twenty Point Programme(TPP) 1975, National Rural Development Programme (NRDP)1980, Integrated Rural Development

Programme(IRDP)1980,Rural Landless Employment Guarantee Programme(RLEGP)1983, Jawahar Rozgar Yojana(JRY)1989, Swarnajayanti Gram Swarajgar Yojana(SGSY)1999 and many other programs. But none of these programs achieved their desired goal due to poor execution and mal - practices on the part of government officials. Public funds meant for poverty alleviation are being misappropriated or diverted through manipulation by the locally powerful or corrupt (Mehta, 1996). To supplement the efforts of micro credit government of India had started a very good scheme viz. Integrated Rural Development Programme (IRDP) in 1980. But these supply side programs (ignoring demand side of economy) achieved little. It involved the commercial banks in giving loan of less than Rs 15000/- to socially weaker section. In a period of nearly 20 years the total investment was around Rs 250 billion to roughly 55 million families. But it was far from realizing its desired goal. The problem with IRDP was that its design incorporated a substantial element of subsidies (25-50% of each family's project cost) and this resulted in extensive malpractice and mis-utilisation of funds. This situation led bankers to view the IRDP loan as motivated handout and they largely failed to follow up with borrowers. The net result is that estimates of repayment rates in IRDP ranged from 25-33%.The two decades of IRDP experience in the 1980s and 1990s affected the credibility of micro borrowers in the view of bankers and ultimately, hindered access of the less literate poor to banking services. This act of government had a serious long term impact on development of micro entrepreneurship among the underprivileged of the society. Thus a very good and potential program which once claimed to be "the world's largest microfinance programme" failed due to poor execution and political interference. The mid- term appraisal of the ninth plan had indicated that these programmes presented a matrix of multiple programmes without desired linkages. The programmes suffered from critical investments, lack of bank credit, over-crowding in certain projects and lack of market linkages. The programmes were basically subsidy driven and ignored the process of social intermediation necessary for success of self-employment programmes. A one-time provision of credit without follow up action and lack of a continuing relationship between borrowers and lenders also contributed to the failure of the programmes. The planning commission constituted a committee in 1997 to review the effectiveness of self-employment and wage employment programmes. The committee recommended the merger of all self-employment programmes. It also recommended a shift of importance from individual beneficiary approach to a group based approach. It emphasized the identification of activity clusters in specific areas and strong training and marketing linkages. The government of India accepted the recommendations of the committee. On 1st April 1999 a new programme called Swarnajayanti Gram SwarajgarYojana(SGSY) was launched by amalgamating programmes like IRDP(Integrated Rural Development Programme) and a number of allied programmes such as TRYSEM(Training of Rural Youth for Self Employment), DWCRA(Development of Women and Children in Rural Areas),SITRA(Supply of Improved Toolkits to Rural Artisans), GKY(Ganga Kalyan Yojana) and MWS(Million Wells Schemes). This is a holistic programme covering all aspects of self-employment such as formation of Self Help Groups (SHGs), training, credit, technology, infrastructure and marketing. The programme aims at establishing a large number of micro-enterprises in rural areas. SGSY is a credit-cum- subsidy programme. It lays emphasis on activity clusters. This programme has got tremendous response from the beneficiaries. The number of SHGs under this program is about 2.25million with an investment of Rs 14,403 crore, profiting over 6,697million people (Wikipedia).Similarly, the entire network of primary cooperatives and RRBs, established to meet the need of the rural sector in general and poor in particular, has proved a colossal failure. Saddled with burden of directed credit and a restrictive interest regime, the position of the RRBs deteriorated quickly while cooperatives suffered from the malaise of mismanagement, privileged leadership and corruption born of

excessive state patronage. The microfinance initiative in the private sector in India can be traced back to initiative undertaken by Shri Mahila SEWA (Self Employed Women’s Association) Sahakari Bank in 1974 for providing banking services to the poor women employed in the unorganized sector in Ahmadabad in Gujarat. This Bank was established at the initiative of 4000 self-employed women workers who contributed a share of Rs10 each with a specific objective of providing credit to these women so as to empower them and free them from vicious circle of debt. Currently SEWA Bank has over 318,594 account holders with total working capital of Rs 1291.89 million(Mar’09).MYRADA(Mysore Rehabilitation and Development Agency) of Karnataka was another NGO to start in 1968 to foster a process of ongoing change in favour of the rural poor. While the objective is to help the poor help themselves, MYRADA achieves this by forming Self Help Affinity Groups (SHGs) and through partnership with NGOs and other organization in 1984-85. At present it is managing 18 projects in 20 backward districts of Karnataka, Tamil Nadu and Andhra Pradesh. These initial initiatives had a much localized operation and were limited to their members only. Hence it failed to take the shape of a mass movement. In India, initially many NGO microfinance institutions (MFIs) were funded by donor support in the form of revolving funds and operating grants. But it is only after intervention of National Bank for Agriculture and Rural Development (NABARD) in 1992 in the field of microcredit, the movement of microfinance got a boost in India. In India around 70% of landless and marginal farmers did not have a bank account and 87% of poor had no access to credit from a formal source (NCAER Rural Financial Access Survey 2003).The share of formal financial sector in total rural credit was 56.6% compared to informal finance at 39.6% and unspecified source at 3.8%(RBI Report 1992). There is a huge potential of microcredit in rural India. The Reserve Bank of India has advocated for financial inclusion of majority of population for economic development of our country. Access to affordable financial services specially credit and insurance enlarges livelihood opportunities of poor. Apart from social and political empowerment, financial inclusion imparts formal identity and provides access to the payment system and to saving safety net like deposit insurance. Hence financial inclusion is considered to be critical for achieving inclusive growth. The RBI Governor, Y.V.Reddy (2007) gave a simple definition of financial inclusion as “Ensuring bank account to all families that want it”. He said it would be the first step towards reaching the goal of bank credit as a human right as advocated by Nobel laureate Professor Mohammed Yunus.

Now the microfinance service providers include apex institutions like National Bank for Agriculture and Rural Development (NABARD), Small Industries Development Bank of India (SIDBI) and Rashtriya Mahila Kosh (RMK). At the lower level we have commercial Banks, Regional Rural Banks and cooperatives to provide microfinance services. The private institutions that undertake microfinance services as their main activity are generally referred to as Micro

Finance Institutions (MFIs) in Indian context. There are also some NGOs which lend credit to SELF HELP GROUP (SHGs). The NGOs that support the SHGs include MYRADA in Bangalore, Self Help Women’s Association (SEHWA) in Ahmadabad, PRADAN IN Tamilnadu and Bihar, ADITHI in Patna, SPARC in Mumbai. The NGOs that are directly providing credit to the borrowers include SHARE in Hyderabad, ASA in Tricky, RDO LOYALAM Bank in Manipur.

Table: Growth of microfinance in India

Years	No of SHGs	Bank loans	NABARD refinance
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			(Rs.in crores)
1992-93	255	0.289	0.268
1993-94	620	0.650	0.459
1994-95	2112	2.440	2.303
1995-96	4757	6.058	5.661
1996-97	8598	11.840	10.650
1997-98	14317	23.760	21.380
1998-99	32995	57.0	52.060
1999-2000	114775	192.870	150.130
2000-2001	26385	480.87	250.620
2001-2002	461478	545.46	345.7

Source: Kurukshetra, April 2005

Problem of SHGs:

The main problem SHGs is basically the middleman who help members of SHG to take loans and take some percentage share due to which SHGs get less amount but have to repay the actual amount which they had applied for secondly, if any SHGs has achieved its goal then after that they don't know what to do to participate in the developmental process of the country.

The problems faced by the SHGs are:-

1. Limited financial strength hence limited borrowing capacity
2. Lack of professionalism because the members are less qualified
3. Marketing of production poses a major challenge for the SHGs
4. Consumers reluctant to buy the products when the products produced by the MNCs are available in the market

Suggestions:

1. Selecting right products
2. Include qualified persons in the management
3. Undergoing proper training in the business management
4. Integrating all the SHGs
5. Information on banking and marketing aspects should be given
6. Problem faced by SHGs member should be regularly attended to and given solution
7. Adequate insurance coverage should be provided to the business units promoted by SHGs against the financial losses to safeguard the interest of the entrepreneurs

8. Training programme relating to management of finance, maintaining accounts, production and marketing activities etc. should be given
9. There should be continuous flow of funds to SHGs
10. Loan amount should be increased

Efficacy of SHGs in our country:

It has been observed that SHGs are running successfully in race of socio economic enrichment of the rural masses in our country. The SHGs is a small body formed by the people for meeting their specific objective, most importantly credit needs. SHGs are initially formed on the foundation of accumulated endowment of bonding social capital already existing in the community. The social capital produced by SHGs as it matures through creation of new ties and linkages, strengthens the community's cooperatives capacity to the achievement of group government. When the SHGs grow they begin to articulate the community demands as they became aware of their rights and therefore attitude of the government bureaucratic officials changes as they become more responsive to the community i.e. with maturity of SHGs the state society relationship begins to change at local levels towards the better.

So it can be said that SHGs, have become an associational framework for collaborative action that produce public goods even through such groups were originally established to produce economic benefits for the members only. As a result a range of other community-level organization emerges where often members of the SHGs are engaged. Role of SHGs in strengthening local governance and political democracy can be witnessed by the fact that a number of SHGs member are being elected in the panchayat election in India which is the lowest tier of local democratic governance.

In this context, it would be interesting to see what the working group of RBI, 1996 had said.

Firstly, SHGs helped to generate and collect small thrift amounts from a cross section of people which are otherwise considered incapable of savings. The essential difference between thrift and savings was that thrift was generated out of deferred consumption, the saving were generated out of surplus

Secondly, SHGs have facilitated the rural poor in fulfilling their credit requirements, both for emergent consumption needs as well as for small production requirements.

Thirdly, SHGs have been able to meet successfully the credit requirement of the rural poor as per their choice, unlike in the case of borrowing under other Programme of formal credit institutions.

Fourthly, the high recovery rates of the SHGs are in the sharp contrast to the poor recovery performance of banks in respect of various activities under rural credit. Since credit/ finance were seen as management of the participants own funds and enterprises, a feeling of ownership and responsibility was generated.

Fifthly, the entire cycle of assessing need, disbursements recovery, monitoring and supervision shifted closer to the scene of action under SHGs and therefore, the transaction cost of loans was relatively less.

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In the SHGs it's assumed that all poor households need to save and have the inherent capacity to save small amount regularly. In fact, this is the primary benefit of being member of a SHG is the opportunity to save to regularly, assessing formal savings institution , and most significantly participations in the management of their Saving. The member has their own bank accounts and makes deposits into this account at a regular basis.

Another important benefit of memberships of SHGs is the improvement in women's access to credit. As most of the members are women, the financial mobility has led to an improvement in the quality of life of this women which otherwise may have not been possible. Overall, many families have been able to address their basic needs better than before. Actually, the record of repayment of loans by women's seen better than that of men. It is also seen that women now can spend their income on healthy and nutritious food.

The formation of SHG has been able to generate employment opportunity to a number of poor people in our country. There are more than 35.7 lakh SHG, assisting about 7.24 crore swarozgaris in setting up their own business. The govt. of India released Rs. 11.486 crore under such programme and credit mobilization is about Rs. 19,017. Total subsidy provided is Rs. 9.318 crore. The programme helped many participants in improving their economic conditions. The National Bank for Agriculture and Rural Development (NABARD) will create a Rs. 15 billion fund to cater to women's SHG in economically weaker districts in India. SO, the rural masses especially the poor women have been able to enrich their lives both economically and socially after joining the SHG.

Another significant improvement in social life of these poor people is that of increased involvement of woman in the decision-making process of their families. Earlier the male people used to take every decision regarding plans and programs, agriculture, business, education etc. Now a day, after formation of SHG women have started to influence issues relating to health and marriage, business, education, agriculture, savings etc. There has been a change in the attitude of the male members of different families. Now, they seem too carried about the role of woman in the economic and social life of them. Even in some cases, male themselves encourage woman to participate in this all things, to take decision regarding child education. The sanitation in member's households has improved which has led to live a healthy life. These days women are taking better treatment from well-qualified doctor, even if they have to travel a long distance for that, group members are also very much aware to raise their social status.

The formation of SHG has also been able to find out the hidden talent and leadership qualities from the rural poor people. Thus, the members have now become confident enough to take part in the decision making process of their families and even in some time their neighbor family also. Most of the members feel that they get more response not only in their own areas but also in the neighboring areas. They are being invited to attend different social and community functions. Now a day, these people get respected in the society and have a definite identity. The members feel confident about these happenings.

Another great change occurs in the family life of the members after being member of SHG is that there has been about 25 percent reduction in domestic violence. This is because of the fall in economic hardship which is again due to SHG.

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Before the formation of SHG, people did enjoy lesser opportunity to interact with bankers, other govt. officials. But after being associated with SHG about 91 percent members have started to interact with the officials and some of them have interacted even more than four (4) times.

Members of different SHG have started to undertake a lot of community activities also. They distribute school uniforms to poor students, have undertaken plantation drive, have distributed different amenities to poor students and even have helped some students financially also. Member from different SHG, have participated in 'Swatch Bharat Abhiyan' initiated by our dynamic Prime Minister Mr. Modiji. They also organize 'Independence Day', 'Republic Day' functions on 15th August and 26th January respectively. One more noticeable thing is that number of women voters have increased these days. Women who do not have school education, who could not step out earlier, now are stepping out and caring for themselves and their communities with high degree of confidence. Men are also encouraging them to walk and participate in social and community events. This development may be because they can now earn income for their families and have ready access to credit as well. However such facility is sometimes exploited by alcoholic persons. In this regard, women have become alert and aware and membership of SHG has boosted their strength. Now they can stop any man from abusing his wife, women can meet each other and discuss their problems at the platform of SHG. They try to understand each other's view points and problems. Such interaction has resulted in building congenial relationships and has ensured safe and peaceful life to them. It also has multiplier effect in spreading SHG movement.

There have been various research studies and policy frameworks regarding the close relationship between poverty and environmental degradation where it can be seen that poor people are both victims and agents of environmental degradations. They are victims in that they are more likely to live in ecologically vulnerable areas and agents in that they may have no option but to deplete environmental resources, thus contributing to environmental degradation. SHGs have a greater role to play in giving safeguard to these poor people in this regard. It can make them aware and conscious about their misdeeds and accordingly can prevent them from creating environmental havoc.

Conclusion:

The study reveals that group association and access to various financial services definitely have brought in significant changes at least among the group members which has led to their socio-economic upliftment. However, there is need of employing long-term policy measures to make it successful in proper sense. Some basic things like training, awareness and viability of the group activities need to be undertaken seriously to strengthen the movement of empowering the poor, especially the women, via micro financing. It can be concluded that underprivileged, discriminated and victimized poor if they form such group can help themselves in coming out of prolonged poverty. Here needful support from government's part is also awaited.

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