



IMPACT OF SELF HELP MODELS ON SOCIO ECONOMIC DEVELOPMENT – A COMPARATIVE STUDY OF SC AND NON SC WOMEN

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Abstract: Material and financial deprivation of the poor trap them into the vicious circle of poverty and hinders development. In the recent years, in order to boost the rural economy, self-help approach has been introduced. Before NRLM credit access to assetless rural poor was a challenge in India, due to various procedural obstacles especially in the formal institutional sources. The last two and half decades of continuous interventions by the centre and state governments achieved remarkable improvement in forming and nurturing of Self Help Groups in India. Self-Help Groups (SHGs) in India are community-based groups, primarily of rural women, that pool savings for microfinance, providing access to credit, fostering economic empowerment, and improving livelihoods, with major government promotion through DAY-NRLM and a vast SHG Bank Linkage Program, forming the world's largest microfinance initiative for poverty reduction. These groups offer a platform for social solidarity and financial inclusion, enabling women to take on economic activities and improve their overall quality of life. DAY-NRLM is being implemented across the country in a mission mode since 2011 with the aim to bring at least one-woman member from each rural poor household, as per the Socio-Economic Caste Census (SECC) 2011 data and process of Participatory Identification of Poor (PIP), into the fold of Self-Help Groups (SHGs) and to support them to take up economic activities. As on 31st January, 2025 about 10.05 crore Women households have been mobilized into 90.90 lakh Self Help Groups (SHGs). These groups do a tremendous lot for rural communities, including improving the quality of life and generating

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employment through microcredit. Economic empowerment (financial stability) and social empowerment. This article is an outcome of a research study undertaken in three states namely Karnataka, Kerala and Tamil Nadu.

Keywords: Empowerment, Mahalir Thittam, Kudumbashree, Bank Linkage.

1. BACKGROUND OF THE STUDY

The development efforts have not made much significant improvement on the life style of 30 per cent of rural population. This deprived community has become the victims of all socio-economic, political and natural problems aroused in the country. Material and financial deprivation of the poor trap them into the vicious circle of poverty and hinders development. In the recent years, in order to boost the rural economy, self-help approach has been introduced; and financial institutions are encouraged to take part in the process of poverty alleviation. Various studies evident that majority of the rural poor still do not have access to credit from the formal sources. Before NRLM credit access to assetless rural poor was a challenge in India, due to various procedural obstacles especially in the formal institutional sources. In order to meet the rural poor credit requirements and empower women in the country government of India started SGSY and provided micro credit. The name of the programme has changed as National Rural Livelihood Mission (NRLM). Many state governments also followed similar approach by separately or amalgamating with the NRLM. Kerala, Tamil Nadu and Karnataka have been implementing women empowerment initiatives vigorously from last three decades. In this backdrop, this study was conducted to analyse the inputs, process and results of three different models on women socio-economic development in the respective states with special focus on SC women beneficiaries with comparison with Non-SC women beneficiaries of the SHGs. Brief about three models are given under.

- (a) **Kudumbashree (Kerala)** Launched by the Government of Kerala in 1998 for wiping out absolute poverty from the State through concerted community action under the leadership of Local Self Governments, Kudumbashree is today one of the largest women-empowering projects in the country. The programme has recent figures highlighting over 4.6 million members in 300,000 neighbourhood groups (SHGs) focused on microfinance, entrepreneurship, and

empowerment, It is built around three critical components, micro credit, entrepreneurship and empowerment, the Kudumbashree initiative has today succeeded in addressing the basic needs of the less privileged women, thus providing them a more dignified life and a better future.

- (b) **Stree Shakthi (Karnataka)** : It was launched throughout in the State during 2000, by the Directorate of Women and Child Development in Karnataka. The programme is designed to provide special impetus to the empowerment of rural women in the State through formation of self help groups (SHGs). The aim of the project is to empower women economically and socially by organizing them in self help groups. At present There are total 243961 SHG's with total 3099421 members in all 30 districts in the state under KSRLM which come under Rural Development and Panchayat Raj Department. In the year 2016-2017 out of 243961 SHG's 7850 are newly formed under NRLM concept and 1635 were renewed and 234476 are pre NRLM.
- (c) **Mahalir Thittam-Tamil Nadu** : This Project, more popularly known as Mahalir Thittam, is implemented by the Tamil Nadu Corporation for Development of Women with the support of Non Governmental Organisations (NGOs) and Banks and is functioning through a network of Women Self Help Groups (SHGs), established and monitored with the assistance of NGOs, initiated in the year 1997-98. As of 2025, there are approximately 10.05 crore women households mobilized into 90.90 lakh Self Help Groups (SHGs) in Tamil Nadu under the Deendayal Antyodaya Yojana - National Rural Livelihoods Mission (DAYNRLM). This initiative aims to empower rural women and enhance their economic well-being through self-help group formation. The project also plans for the growth of SHG movement with a view to promote sustainability combined with the deepening of coverage at habitations and ward and slums in urban areas.

All the above three models are having more or less similar goal, objectives, approach and strategy for women's empowerment through self-help with group formation, skill building and initiating income generating activities.

Implementation with partnership of NGOs and CBOs, internal saving and bank credit linkage are the common characteristics of the different models aimed to study.

2. OBJECTIVES

The objectives of the study are 1.To study the development interventions of three different models on women empowerment. 2.Impact of development intervention on social and economic status of women in the study area. 3.To make comparative analysis of benefits of different models on SC and Non-SC women development.

3. STUDY INDICATORS

The issues focused in the study are Change in Women's Participation in Public Events, Change in Employment Pattern, Participation in Political Decision making, Participation in Electoral Roles, Changing role in Household Responsibilities, Household Decision making, Preference of expenditure, Change in Education, Change in income Status, Change in Poverty status, Change in household Assets, Change in internal and external Mobility, Community recognition on women, Change in household utility, Change in knowledge, attitude and skills, etc

4. SAMPLING PROCEDURES

The study was conducted in three states namely Kerala, Karnataka and Tamil Nadu. To study the special efforts and significant features of different models, the three states mentioned above were purposely selected. Two districts from each state were selected namely Kottayam and Idukki districts in Kerala, Dindigul and Ramanathapuram districts in Tamil Nadu, Kolar and Mandya districts in Karnataka. The districts were selected on the basis of few indicators development (one backward and one moderately developed district), Concentration of SC population (More SC populated Districts) and SHG performance (availability of group based economic activities). Two blocks from each district were selected with similar parameters used for selection of the districts. In the third stage two GPs were grouped in to three categories namely having only Non-SC villages, only SC villages and combined populated villages. One SHG each from Non-SC and SC alone

Gram Panchayats, and two SHGs (one SC group and one Non-SC group) from combined GPs were selected. From each group 2 office bearers with purposive sampling and 8 women members with random sampling were selected. In total, 10 members from each group arriving 40 women from each block were identified. From each state 16 groups covering 160 women were covered. Suitable semi-structured interview schedule was prepared and pre-tested in Tamil Nadu. The interview schedule covered all aspects related social, economic and political empowerment with the adequate coverage of various indicators listed in this chapter. In addition Focus Group Discussions (FGD), observation and participatory techniques were also used.

5. FINDINGS AND SUGGESTIONS

5.1. Personal Particulars of Sample Population

Majority of respondents i.e., 41.4 % were in the age group of 36-45 years, followed by 27.5 % were in the age group of 26-35. Middle age group people are volunteer in more numbers join the SHG movement and function actively.

Around 61% belong to Hindu religion, 29.4% belong to Christianity and 9.8 % belong to Islam. Regarding the marital status of the respondents 82% are married. Only married women are encouraged to join in the SHGs,

5.2. Family Particulars of the Respondents

The study found 63.7 % of families are headed by the husband, only 25.0 % of families are headed by woman, it is also due to various compelled circumstances like absence or non-existence of husband.

Around 45 % families send their children to schools, 22 % families put their children in work as child labour. Inability and lack of adequate income to bear the educational expenses, and to supplement family income or to look after domestic animals, children are compelled to work.

Overall educational attainment shows better achievement among all the three states as reported by 62.4% as literates. But analysis on the state wise and category wise education attainment is very poor except for the state of Kerala. Especially, among SC community in Karnataka around 71 % are illiterates, in the case of Tamilnadu 61 % are illiterates. Education level is far better among Non-SC women SHG members. Among literates around 20% studied only primary schooling, followed by 17 % middle school, 12 % upto high school.

Among 37.6 % illiterates, SC women constitutes 24.4 % which shows very big gap among SC and Non-SC women.

5.3. Particulars of Employment and Income of the Respondents

Among the sample population 79.4 % are engaged in self -employment and remaining 20.6% are working as labourer in their groups. Previous status of employment reveals 22.3 % respondents engaged in agriculture activities (SC 5.2 % Non-SC 17.1 %) as farmers, followed 38.5 % (SC 16.7 %, Non-SC 21.9 %) in animal husbandry and 39.2% respondents worked as agriculture labourers. Majority women's income before joining SHG was in the range of Rs. 8,000 – 13,000 only. Status of income after joining SHG rose to the range of Rs. 10,000 – 30,000.

Interestingly after joining in the SHGs around 31% of women equal representation from both SC and Non-SC earn Rs. 15,001-20,000, another significant 22.1% of people earn an appreciable income of Rs. 21,000 – 30,000. It is to be concluded that economic avenues created under different models of all the three states made very good positive change in terms of access to employment opportunities and assurance to regular flow of income.

Landholding particulars reveals, around 77.7 % respondents are landless. Among the land-holding families, only few are having wet lands but majority have dry lands.

5.4. Particulars of the Household Decision Making

Among the study population more than 57 % said that husband is the sole decision maker in the family. Self decision making among SC women shows better position in Karnataka, worse in other two states. Non-SC women have opportunity to share with men for joint decision making.

5.5. Particulars of Household Facilities

Around 81 % are living in own house. Ninety one percent of the households are electrified. More than 65 % households do not have toilets. The houses provided with toilets under government schemes are not used by the majority of SC families, toilets are converted into store rooms or agri-implements godowns. More than half of the respondents reported that their husband spend the family income while about 18.3 % reported that they themselves spend it.

5.6. Respondents Attitudes Towards Social Issues

Responses on the attitudes towards certain social issues reveal, 31.5 % (SC 14.2%, Non-SC 16.0%) accepted for give and take of dowry for marriage. Inter-caste marriage was encouraged by 48.7 %, for inter-religion marriage also accepted by majority in Kerala, 51 % (SC 21.5%, Non-SC 29.6%) agreed to encourage love marriage and 42.7 % (SC 16.9% Non-SC 25.8%) would like to encourage for widow re-marriage, 38.3 % (SC 11.0%, Non-SC 27.3%) reported acceptability to appreciate divorces on unavoidable circumstances. There are around 83% respondents reported positively for family planning, followed 94.4 % towards job reservation for women and 61.9 % supported to punish the wicked husband.

5.7. SHG Functioning and Impact

Most of the groups comprise 11-15 members 61.5%, while about 30% SHG's were reported to comprise of 15-18 members. Drop out noticed very high in SC groups reported by 81.5% in Karnataka and 75% in Tamilnadu and more drop outs even among non-SC groups in Kerala. Around 46% women, representing equal number from SC and Non-SC category joined in SHG before 3-4 years, around 44% joined before 5-6 years, only around 8% are being member of SHG for 1-2 years.

Forty three percent said that local NGOs motivated them to join SHGs and facilitated to avail financial assistance from government and loan from bank.

About the schedule of periodical group meetings, 45.8% reported they conduct weekly meetings, followed by 42.5% reported they conduct meetings once in a month. Fifty one percent of respondents replied all the members attend the meetings. Around 33 % said majority members take part in the meetings. In the case of SC groups, pressure or facilitation is needed from outside by like NGOs 75.0% in Tamilnadu and by the project implementation units in Kerala 87.5 %, in Karnataka 81.5 % by both institutions.

The agenda of the group meetings are decided by group members and link worker from the PIU jointly as reported by 35.8 % respondents, 29 % said majority members of the group decide the agenda. It was reported by 44.3% that the decisions are taken jointly with all the members consensus. Decisions with consent of all the members prevails more among non-SC groups in Karnataka

51.25% and in Kerala 85.0 but less in Tamilnadu 36.25%. Link worker or NGO facilitator take leading role in taking important decisions particularly in SC groups, it was agreed by 39% in Karnataka, 45.0% in Tamilnadu.

Among the SC and Non-SC groups, more than 50 % are having knowledge and awareness about the various process related to group functioning. Majority members having awareness about group meeting calendar (58.2%), group rules and regulations (60.2%), information about group records (56.6%). Group's financial transactions are known to more than 50 % of the members like cash available in the hand 57.6%, cash balance at bank 52.4%, outstanding loan 58.4%, total capital of the group 60.2%, savings and disbursed loans 57.8% and 56.2% respectively.

Number of members taken internal loans was known to 62.6%. Around 60% were agreed that they know about the total income of the groups from different sources. Awareness about other aspects also known to majority of the group members.

Main purpose of savings for 34.8% majority from SC group 28.1 % save money for their future food security, followed by 21.4 %, majority from Non-SC groups save money to meet the educational expenditures of their children, 16.4 %, again majority 14.8 % from Non-SC category expressed for the purpose of social security.

5.8. Types and Impact of Training

Only around 55.6% reported that they have attended training. The training gave confidence building for 47.2% (SC 16.2%, non-SC 31.0%), skill development for 43.4% (SC 17.0%, non-SC 26.4). Regarding banking relationship 51% (SC 20.0%, non-SC 31.0%) said that the training motivated to open personal savings accounts. Interaction with government officials during training helped to build good rapport, it is reported by around 50.0% (SC 21.4%, non-SC 28.4%). Training curriculum also includes awareness building on various RD programmes and their benefits. For 43.6% (SC 17.6%, non-SC 26.0%), training helped to gain knowledge on the beneficiaries rights and their entitlements. Other outcomes like managerial skills 44.0% (SC 18.0%, non-SC 26.0%), enhanced income and opportunities for 52.4% (SC 21.4%, non-SC 31.0%).

Evidence shows that, the trainee's decision making skills have increased enormously as it was reported positively by 54.4% (SC 21.0%, non-SC 29.4%)

in participation in family decisions, improved participation in planning and implementation of development programmes said by 33% (SC 13.4%, non-SC 19.6%). After joining into SHG movement majority respondents have got benefits under various RD programmes like IAY, TSC, NREGS and other state government programmes. It was reported by 47.0% (SC 24.2%, non-SC 22.8%).

Majority group members i.e. 77.4% (SC 40.8%, non-SC 36.6%) engaged in individual economic activities. The selected groups are involved in 8 different economic activities namely agriculture and allied sectors 30.4%, followed spices powder production by 18.7%, animal husbandry 16.7%, hotel business 9.2%, 6.2% women in each activity of brick making and confectionery and others like grocery shop 8.3% and handicrafts 4.2%.

5.9. Social Impact of SHG

It was reported by majority of the respondents (59.4%) that they have very good mobility within the district on various purposes after joining in SHGs. As per the version of 68.1%, women are well respected in the family as well as in the community 39.4%. Recognition in the family is better for SC members too but society recognition is very poor. Around 70.6% responded that they have freedom to interact with outsiders on business related activities.

Participation in SHGs improved educational attention of 63.7% families in the study region. Importantly, awareness level has increased to significant level on various issues especially health care and prevention of deceases. It was agreed by 60.4% on access to health services, 30.2% towards access to immunization, 67.1% access to sanitation and 91.2% on access to institutional credit.

Economic improvement of respondents' family through SHGs were examined and noticed a positive change on various aspects. It can be also understood through consent by 86.2% on asset building, increase in family income 84.2% and improvement in nutritious food intake. Skill development was one among the major tangible impact of the SHG movement which created livelihoods for the respondents was agreed by 53.3%.

SHG helped members to control over family savings (48.7%), development of self confidence (58.3%), increase in awareness level (64.0%). The level of feeling among SC members about society's perception is very low in all the models of SHGs.

Majority member in Karnataka and Kerala involved in Shramadhan (62.3%) and public awareness generation (76.9%) programmes. Majority groups are also participating in RD programmes. Around 45% are also involved in the campaigns against social issues at their village level.

Major problems in functioning of SHGs as revealed by the respondents are listed, among them inadequate finance and lack of internal co-ordination becoming prominent in all the states as reported by 85.2% and 60.0% respectively. Lack of market network both within and outside the service regions hurdles the progress of micro enterprises as reported by 36% respondents. Dominant behavior of the group leaders is a major problem for majority groups in Karnataka and Tamilnadu. Existences of all the above problems are severe among SC groups comparing to Non-SC groups.

6. SUGGESTIONS

Repetitive memberships have to be verified among different groups and schemes. It is identified one member of SHG is being member in many groups. Such people dilute the group's interest of unity and growth. Efforts must be made at the time of group formation to organize women who have real zeal to work together for economic prosperity. Adequate ground work has to put to organize women having equal economic and social status. It helps to avoid few people's domination or suppression in the group.

Duplication of schemes with similar objectives and clientals allow women to disintegrate the groups of existing to other schemes. Integration of similar programmers and convergence will enable the mission to strengthened and concentrated delivery towards achievement of targeted objectives.

Seriousness on appraisal of business proposals to suggest merits and demerits of such activities by analyzing future prospect is the need of the hour in all the regions of the study area. Priority has to be given to agro-based like agri-input on agro-processing activities may have more success in the rural areas being majority beneficiaries are farmers or agriculture labourers. Success and sustainability possibility is very high only for group based activity, therefore strengthening of group activities and discourage of individual activities are essential.

6.1. Training

Training need assessment is vital before conducting suitable training to the beneficiaries more number of training programmes in different aspects of

group functioning and management of business activities to be ascertained. Continued and periodical business trade and marketing related training will boost the group member for further growth.

Majority of the groups in all three states engaged in individual oriented economic activities by dividing the total fund or bank loan by all the members which becomes meager amount insufficient to invest on new economic activities. It hurdle the sustainability of activities and ultimately become defunct or disintegration of groups. Insistence is required to adhere to the guidelines of the scheme especially to organize group based economic activity.

Majority of the group members spend the money meant for economic activity on unproductive activities like meeting expenses on festivals, family ceremonies and other rituals. Hence, proper monitoring and follow up by the facilitating agency is needed to insist the members to spend the money on earmarked purpose.

Many production oriented economic activities of the SHGs face a number of problems of recurring of raw materials, stocking, quality control and marketing. Inability or lack of field experience and knowledge compelled to become sick unit lead to dormant. Proper and timely guidance, required capacity building will improve the functioning of the units.

Survey of defunct groups and dormant economic activities has to be done for finding ways and means to revive and restore. Proper facilitation is required on periodical conduct of weekly meetings not only just to disburse and collect of loans or subscriptions but enable them to discuss personal and social issues to enlarge the awareness level and achieve empowerment. Rotation of leadership of the groups has to be ensured.

6.2. Suggestions Specific to SC Groups

Poor SC women in rural areas live with acute poverty facing many problems like illiteracy, ignorance, lack of awareness, lack of capital, lack of skills etc. suitable package of counseling and motivation are required to convince them to organize as groups and to do further activities.

Imparting of functional literacy is essential for SC women to handle the group in problem situation. Adequate dosages of financial inputs are required to run the business without fail. Longer duration of training from development of entrepreneurial abilities and trade related skills to be conducted. Refresher

training also required for SC to update the knowledge and skills according to the need the society. Orientation on futuristic plan and thinking to be imported for planned efforts of economic development.

Continuous hand holding support is required to facilitate SC groups to transact with outside agencies till empowerment is achieved. Adequate care and follow up is required to avoid deviations of utilization of scheme fund and encourage them to organize group based activities and arrangements have to be made for regular source of income.

Creation of tangible assets under the schemes like rearing of milch and meat animals, establishment of provisions shop will prolong the survival period of economic activity which motivate them to have better care and improvement of the activities. The bankers also should put eye watch on the functioning of SHGs, if necessary facilitate needed help in the areas of guidance, technical inputs, finance and accounts etc.

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