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## MICRO- CREDIT (SELF-HELP GROUP) AND TRIBAL WOMEN IN NANDED DISTRICT: AN APPRAISAL

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**Abstract:**—Since the early fifties, many developing countries are making concerted efforts to eliminate the colonial legacy of underdevelopment and social backwardness. Various measures have been undertaken to reshape the economy, social structure and cultural life of the masses. For the purpose, India since independence has implemented various developmental programs through five-year plans to bring socio-economic transformation of the society. The induction of commercial bank, co-operative bank, regional gramin bank and others since late sixties is one among many developmental programs operating in augmenting the living standard of poor, eliminating poverty, inequality and unemployment of the rural segments including tribes. Under the measures of Rural Development and Tribal Development Programs, these institutional credit agencies are called upon to play their role of the alleviation of poor. In fact, over the years experience shows that due to rigid formal procedure rural poor and tribal are not able to avail many benefits from these credit institutions.

**Keywords:** socio-economic, social structure, poverty.

### INTRODUCTION

Large numbers of them are still under the trap of local money lenders and other formal and informal credit agencies. There is growing concern that the banking system is not catering enough to the needs of disadvantage groups especially tribal and more particularly women. The latter are the most underprivileged and disadvantaged group, though, they contribute substantially to the household economy by wage work in agriculture and construction site, collection of forest products, looking after cattle and others. Their labors have hardly been rewarded over the times. They neither own asset nor have access to the income that has been generated by them. On this backdrop inspired by the success of famous Gramin Bank and the programs of the Bangladesh Rural Advance committee (BRAC), the Maharashtra Rural Credit Projects (MRCP) has been conceived a decade ago to meet the credit needs of the rural poor and tribal especially women through Self-Help Groups (SHGs). The project has been supported by International fund for Agriculture Development (IFAD) in collaboration with Government of India for a period of seven years. The project targets at the people below poverty line particularly small and marginal farmers, landless laborers, artisans, tribal's and women headed households. The total cost of the project is US \$ million. The project has financed 3620 SHGs in Maharashtra and 300 SHGs in Nanded district with the objectives to improve the provision of credit services to rural poor by the commercial bank; to organize self-help groups and to mobilize savings as the basis for lending to the poor; to promote participation by developing formal credit services; encouraging informal saving and credit and ensuring

institutional support.

### NANDED DISTRICT AND SHG: A PROFILE

The Nanded district has geographical spread of 10,528 sq.kms and a population of 23,00,000 (1991 census). It is located in eastern part of the backward Marathwada region of Maharashtra state. It is surrounded on the north by Yeotmal District, on the west by Parbhani, Latur and Osmanabad district, on the south by Bidar district of Karnataka State and on the east by Nizamabad and Adilabad district of Andhra Pradesh. Nanded District is predominantly rural as is evident from its rural-urban configuration. Rural area covers a large tract of 10,236.3 sq.kms with population of 18,24,000 (80 percent) in the district. The district has nine blocks (Tahasil). The Kinwat, Bhokar, Mudkhed, Hadgaon and Biloli blocks have sizeable ST population (2,76,000). The Nanded district is reckoned as backward district of Marathwada region of Maharashtra state. The backwardness of the district is attributed to the several years of rapacious feudal and exploitative role of the district is attributed to the several years of rapacious feudal and exploitative role of the Nizam of Hyderabad. Implementation of development programmes like ITDP, IRDP, DWCRA, SFDA, etc since last five decades, has very little impact on raising living standard of weaker section. The district is still under the trap of feudal impact, illiteracy; unemployment, child labor, bonded labor, frequent natural disaster of drought, etc. are common phenomenon. Hence, for removing backwardness of common people a greater reliance is placed on capital formation through savings and investment of households. For this purpose, SHGs are called upon by MRCP to play a

significant role of the upliftment of disadvantaged group especially women. As of now, 300 SHGs have been formed in 72 villages in the Nanded district According to the available data from Mahila Arthik Vikas Mahamandal (the agency implementing the programmers in the district) 4054 women are members of SHGs, As such, since five years, SHGs are operating as an alternative micro credit system to cater immediate requirements of vulnerable sections in the district. The basic feature of SHG operating in the district is that all the members encourage and motivate their fellow members to save money. The minimum deposit is made daily, weekly, fortnightly or monthly according to the decision of the group to cater immediate requirements of vulnerable sections in the district. However, the decisions differ from one SHG to another; all groups maintain certain rules that discourage saving valance have reached a certain size. This ensures that the groups always have some members have provision to get advances. The members decide as to whom in what circumstances and for what purpose the advance is to be sanctioned or provided to its needy members. Similarly, the rate of interest is fixed according to the decision taken by agriculture needs, expenditure on festival purposes and urgent loans like sickness, accident, etc. All groups have strategies for making recoveries. The decision varies according to the decisions of the group. However, almost all the groups have agreed in common to recover the money on installment basis with same interest rate of any kind of enterprise. In case of defaulters, the fine is charged and collected. Whatever be the mechanism, the strategy is to keep up group pressure in members to repay. All the groups maintain flexibility to help members to cope with crisis; contribution of fund to SHG comes through savings, interest of loans, and income from group, income generation programs, fine collected from defaulter and in some cases membership fee contributes to the common fund; and all the groups in addition to individual savings emphasize community development activities

Every group has an executive body consisting of President, Secretary, Treasurer and sizeable members (20 Nos.) The executive body is linked with certain other liaison stake holder agencies like NAGARD (NABARD), Nationalized, banks, co-operative Banks, Gramin Banks and voluntary Agencies. The role of executive body is to look after the effective management of the group as well as keeping alliance with the stakeholder institution of guidance, receiving improvement, maintaining savings norms and procedure, thrift and credit policy formulation, maintenance of records like cash book ledger, saving card monthly financial statement, interest calculation on deposits and loans, maintaining balance sheet, holding meeting, writing resolution, providing logistic arrangements, etc. This apart managerial aspect of SHG acts as a forum to handle other social problems in the community. Thus, SHG act as a process which brings people together to fulfill crucial needs and to resolve issues in the community.

#### **METHODOLOGY**

Over the years it has been viewed that when women posses and control over the resources, there by are able to manage the same in a more efficient and beneficial ways.

This act have been brought out enormously in a number of studies carried out with a gender sensitive perspectives ( Acharya, 1987; Kumaran,1977). Against this backdrop, a study is made herewith on tribal women participation in Self-Help Group and their financial inclusive growth in Nanded district. This study was carried out on then SHGs comprising 20 members each belonging to Kolam, Dhangar, Wangani and Golla tribal community in Kinwat block. The following objectives are addressed in the study.

- 1) To examine the effectiveness of SHGs in promotion of thrift and savings among tribal women,
- 2)To understand the dynamics of SHGs in the process of improving quality of life of tribal women.
- 3)To assess the implication of women participation in SHGs on their over all socio- economic status,
- 4)To what extent SHGs have facilitated to bring about consciousness and empowerment, etc.

A purposive sampling method was use in selection of SHG. Qualitive and quantitative information collected through an interview guideline, group discussion, observation, etc. Secondary, information gathered from records maintain for management and operation of SHG.

#### **SHG members: General Background**

Since last five years, the covered then SHGs with two hundred members (each 20 members) are acting as micro credit institution improvising short term loans amounting up to Rs. 1000/- for self-employment and other necessities in the village. The general background of members indicates that out of 85 percent of them are below poverty line (BPL) and rest above poverty line (APL) as per IRDP Manual of Government of Maharashtra.

Occupational status of tribal women members shows that more than half of them are engaged in wage labors in various sectors like agriculture, construction of roads, collection of forest product, stone cutting etc. As found, since formation of SHG some of them are pursing self-employment in goat keeping, small poultry farm, preparing pickle, maintaining livestock, keeping bee, handicraft of bamboo, etc.

Their annual income reveals that majority of them are under income group of Rs 10,000/- per annum. Their excruciating labors do not pay much for a minimum standard of living. Real wages are incredible low ranges twenty to thirty rupees only per day, sign of rampant exploitation in employment and payment. One elderly women member sighed "In the old days even a single women's we go hungry. Massive environment degradation, decimation of surrounding forest, low availability of forest based economic activities, etc. are some of the factors contributes to their low income. This leads frequent migration of their men folk ot Nagpur, Hyderabad, Pune and Mumbai for livelihood.

Age is a determining factor for the membership in SHG. All members are within the age group of 20-40 years. They are enthusiastic in participation but depend upon external agencies in decision making process for leaping forward the SHG activities. All of them are married and living mostly in joint family. As is well known, education

plays very pivotal role in human resources development, it enables to development, it enables to develop inner potential and strength for better and purposeful life and act as instrument for socio-economic change. Many of the key problems crops up due to the absence of education. In light of this fact the data shows that educational standard of women members are not encouraging.

Majority of them are illiterate and least learned to read, write and do elementary numeric under National Literacy program. This has, in fact, stands as bottle neck to run SHG as required.

### **Participation**

Effective participation is an essential component for sustainability of SHG program and empowerment of members of marginalized section. For the purpose, necessity is training, motivation, awareness, etc. Most of them (87%) have participated periodical training programmer organized by the Mahila Arthik Vikas Mahamandal. The training programs wear basically designed to develop their capacity building on line of handling finance in maintaining saving norm and procedure, thrift and credit policy formulation maintenance of records, etc. In fact, they are not yet competent enough to receive these orientations duly. Even then, a trend of learning inclination is emerging gradually among them. Every month, two meeting are organized to discuss on financial transaction of SHGs. The high attendance in register shows their consciousness and commitments to the causes of SHG. Virtually fixing timings and meeting duration was seasonal and based on suitability of members. As found, SHG meetings are other used as platform for discussion on various issues like denial of approved wage, bonded labor exploitation of local traders. Though landmark solution has not come on issues discussed, yet a sense of awareness is generated among them for future action.

### **Loan and Empowerment**

SHG members are impoverished and commonly belonged to vulnerable section. Their livelihood primarily based on subsistence level. All developmental measures to improve their living conditions appear paradox owing to the non cognizance of their opinion in policy formulation and implementation. The stringent rules of formal banks have so far alienated them availing benefit from these institutions. In fact, currently, SHG as micro credit institution acting as an alternative for these sections. Prior to SHG, the idea of saving was distant dream but now enabling them to save and utilize whatever amount it may be for future eventuality.

As regards to savings, loan availability and utilization, though the amounts are insignificant by the standards of conventional banking but for poor tribal women these some are quite vital. Borrowers have used the income generated from their loan to move from one and two meals a day to three meals a day, and from one set of clothing to two or three sets. These loans have also enabled them to build better houses, to purchase medicine, to invest and reinvest in small entrepreneurs like goat keeping, poultry trading, to pay their children education, marriage, to meet consumption needs and to survive natural disaster. A special significance

of SHG state that there is no defaulter in repayment which indicates the spirit of program and commitment of the tribal women members. Even then receiving loan other than SHG like Gramin Bank, NGO ICICI Bank, local money lender etc. have pressed them into debt trap; leading to the exclusion of normal life. Despite the fact, SHG enabled them to have greater access to knowledge, recourses, autonomy in decision making process and relieve from the age old shackle of subordination. As such, some to them have started working as sanghatika and shasanghtika which shows their leadership qualities, improvement in communication skill and building self-confidence.

### **CONCLUSION**

Some successful events of women's empowerment and utilization of loan of financial inclusive growth is not sufficient enough to reckon their capacity as a force in fulfilling the lofty expectation of common masses and bringing social transformation. The harsh reality is denial of state on their right in land entitlement, forest resources, marketing minor forest products, etc. on which they are in possession of long. So far, states implementation of various development programs has only favored the affluent sections to usurp much of tribal forest based resources, thereby jeopardizing their life subsistence. Such camouflage has serious implication on the very purpose of SHG. So far, SHG programs are perceived as sect oral in approach and not encompass the entire fabric of human development system within which they live and survive. However, on the whole, the dynamics of SHG program acting as beginning of self-consolidation of tribal women members for emancipation of age old discrimination and exploitation.

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