

SELF HELP GROUP Programme

Introduction:

A Self Help Group is a group of **10-20** women or men who work for the capacity building of themselves.

The goal of Self help groups (SHG) is to become effective agents of change. They serve as a platform to establish the banking with the poor which is reliable, accountable and a profitable business. SHG also enables livelihood opportunities for village women through micro-credit with the existing banks in the area.



Objective:

- To enable the poor and marginalized to have access to micro-credit with bank linkages via enterprising Self Help Groups.
- To promote the concept of SHGs by sensitizing bankers, the Government and NGOs
- And generally raising awareness.

In year 1994, Lead and Resource centre CORD Sidhbari initiated the concept of the Self Help Group. The basic philosophy of CORD was responsible for the formation and strengthening of Self Help Groups. CORD believes that “if the women have money in their hands” it “leads to better and [more] dignified lives”. SHG promotes self reliance by generating its own funds, rather than remaining in the vicious cycle of debt.

In 1999 NABARD (National Bank for Agriculture and Rural Development) designated CORD as the “Mother NGO” for the Self Help Group and assigned tasks to help provide training at all levels for Northern States such as Himachal Pradesh, Punjab, Hariyana and Jammu & Kashmir.



Currently CORD Sidhbari has formed and strengthened 1,470 Self Help Groups in 562 villages of District Kangra of Himachal Pradesh, which consists of more than 22,000 women members from poor and marginalized communities.. Of the total SHG savings and bank loan Rupees 23 crores in circulation (ie. approximately US \$ 4.5 million) and Rs. 94,50,807 had been

invested by more than 13,000 members in different kinds of income generating activities through Community Based Livelihood programme in Non-Farm & Service Sector and Farm & Allied Sector. Rest of the loan has been utilized in



home consumption, social investments like education, marriage, infrastructure building like toilets or house, etc.

CORD has also initiated Self Help Groups in Orissa & Tamilnadu with its comprehensive integrated rural development centres. In Orissa, CORD Deuladiha has 43 SHGs and CORD Lathikata has 81 SHGs and CORD Gajpati has recently started forming a few SHGs. In Tamilnadu, CORD

Swami Kevalananda with SHG members and CORD at Siruvani has 4 SHGs.

Major activities at the Centre Level:

- The Centre conducts training on SHG for bankers, government functionaries, SHG members and NGOs.
- SHGs are extremely important for the conducting of training programmes for Self Help Groups and also the formation of SHGs' working procedures, rules & regulations, etc.
- Group dynamics are enhanced as well as the operational management of SHGs.
- Workers' skills are upgraded through intra-departmental meetings and different training programmes
- On Field Reporting Day there is monitoring and evaluation of the new and old groups' bank linkages, group loans, personal loans, and CBL loans. There are also discussions about defaulters' cases. (
- At the Centre networking is done connecting banks, blocks, state departments) (BLBC), and district level meetings.
- Organizing phase-wise quiz programmes and competitions between SHGs on health, disability, livelihood, the Panchayat, Participatory Natural Resources Management, and micro-credit in order to motivate workers and achieve more positive results.
- CBL (Community Based Livelihood) gives input to SHG trainees at the Resource Centre from within and outside the states.



- There is a monthly SHG Day for upgrading and capacity building of SHG leaders and members in various fields.

Activities at the Field Level:

- Monthly meetings of SHGs
- Formation of new Self Helps Groups
- Motivation for saving and credit
- Nurturing Self Help Groups
- Providing guidance, support and instruction for better book keeping and bank linkages
- Distribution of all types of loans under the guidance and leadership of CORD field workers
- Mobilizing and networking with community groups, especially those that involve the youth and Panchayats, to strengthen and enhance participation and also inter-linkages
- Motivating SHG members to participate in Community Based Livelihood (CBL) and facilitating loans through banks
- Networking with village level groups, such as Mahila Mandals, the Panchayat, Yuva Mandals, etc.
- Visits of various stakeholders to groups to share about the knowledge and potential of Self Help Groups and therefore to encourage future participation with the SHGs and to raise awareness
- Assisting stakeholders in order to build the dynamic and democratic process of SHGs
- Upgrading SHGs from a micro-credit accessibility to a social responsibility by encouraging active participation in other larger village organizations such as the Mahila Mandals

Process in SHG Programme:

- There must be awareness building in the community about the importance and role of Self Help Groups
- Formation of Self Help Groups and imparting of training to group members and leaders
- Fixing the savings amount with members' participation
- Formation of rules and regulations by facilitating the participation of all of the members
- Motivating groups for inter-lending
- Fixing an amount for the rate of interest as per the general consensus of the SHG members
- Motivating members to take



loans for essential needs and then for CBL activities

- There should be regular monitoring and evaluation of the groups. After six months to one year the SHG will be prepared for bank linkage. There should also be an assessment of the group's maturity.
- Formation of BPL groups and linking them with different government schemes and programs
- Making the SHGs self-reliant in book-keeping and banking work.
- Regular interaction of group members with bankers, NABARD officials, and other stakeholders through visits to groups.
- Participation of group members in different workshops and melas organized by NGOs and banks.
- Motivating the group's members in different workshops and melas organized by NGOs and banks.
- Motivating the group's members to use loans for community based livelihood (CBL) activities.
- Assisting the groups to ensure 100% repayment of loans, within the group and to the banks.
- Helping individuals within groups requiring larger loans after the initial bank linkages to access individual loans through SHGs and CORD sponsorship.
- Mobilizing the capacity of group members to take responsibility for the various issues affecting their lives.
- Ensuring SHG's members' linkage and membership with the nodal body of women in the village- the Mahila Mandals.

We regularly Monitor and Evaluate the SHG's in participatory process with the SHG members on following major parameters:

1. *Record Keeping Capacity.*
2. *Group's Internal Democracy.*
3. *Group Saving and Loan Return*
4. *Member's Loan Taking Capacity.*
5. *Income Generation activities and Group*
6. *Demand for training & their participations*

Achievement:

- In collaboration with NABARD and DRDA (District Rural Development Agency), CORD has successfully trained more than 24,000 government officials, bankers, SHG members and NGO functionaries from the five Northern Indian States (Himachal Pradesh, Punjab, Haryana, Jammu & Kashmir and Uttarakhand) in the field and centre.
- CORD Sidhbari's SHGs are linked & associated with more than 111 branches of 13 commercial, regional and cooperative banks.
- **2002 – 'Technology Adoption Award 2002'** by Institute of Himalayan Bio-Resource Technology to team members of Self Help Group, for their

commendable contribution in establishing **Tissue Culture Unit** for orchids.

- **2001** - Felicitation by **NABARD** and Chief Minister of Jammu & Kashmir for SHG promotion in Jammu & Kashmir.
- **2001** - Neeraj Sharma from CORD Sidhbari nominated by **NABARD** to study visit of Micro – Banking in Bangladesh.
- **2001** – Presentation of Voices & Choices from Micro to Macro level at **Canadian International Development Agency** (CIDA) in Ottawa, Canada.
- Taken out 5 edition of Self Help Group manual with NABARD (3 by NABARD and 2 by us).