

1 EXECUTIVE SUMMARY

Women form a significant part of our population and are considered a potent force for the economic development of the nation. Many studies have indicated, that majority of the women population is below poverty line. The Government of Karnataka has taken many initiatives to empower women socio-economically.

Towards this endeavour the StreeShakthi Programme was launched during 2000-01 with the following objectives

- To strengthen the process of economic development of rural women and create an environment conducive for social change.
- To form self help groups, based on thrift and credit principles, which builds self-reliance and enables women to have greater access and control over resources.
- To increase the income levels of rural women by engaging them in Income Generating Activities (IGA) and creating financial stability.
- To provide opportunities to the members of the groups to avail the benefits of other departmental schemes by converging the services of various departments and lending institutions to ensure women's access to credit financing.

During the initial launching of the programme the Department had targeted to promote one lakh StreeShakthi Groups (SSGs), which they surpassed and during 2011-12 they increased the number of SSGs from 1.30 lakh to 1.40 lakh.

The Evaluation study assesses the impact of the scheme being implemented for the period from 2009-10 to 2013-14. The study covered all the 175 Taluks in 30 districts of the state. The sample covered 918 SSGs, 30 Federations, and 14 StreeShakthi Bhavans. The Focus Group Discussions (FGD) were held in 10 districts.

The overall findings of the study has revealed that StreeShakthi Scheme has significantly improved the access to financial services of the rural poor and had considerable positive impact on the socio-economic conditions. It has also empowered women members substantially and contributed to increased self-confidence and positive behavioural changes. Many have acquired leadership and entrepreneurial qualities and have been elected to Grampanchayat/Local bodies.

MAJOR FINDINGS

- The average number of members per StreeShakthi group was 16 in the sample data.
- The field visit data of 918 groups covering 14683 members indicated that 91% of the members belong to BPL category and remaining 9% belong to non-BPL category.
- 52% of the groups were meeting every week and the savings were collected every week. While 10% groups were meeting at fortnightly intervals. The balance 38% were meeting at monthly intervals and the savings were also collected at monthly meetings.
- Out of the sample, 702 (76.4%) groups indicated 90% and above attendance at the group meetings. 173 (18.8%) groups reported attendance between 75 and 89% and only 43 groups reported less than 75% attendance.
- Out of sample, 71.7% groups were imposing penalty while 28.3% were not imposing any penalty. It was also observed that apart from penalty for not attending the meetings, they were also collecting penalty from members in case of not paying the savings amount, repayment of internal loan instalment and bank loan instalment.
- 75.4 % of sample SSGs were maintaining the books satisfactorily i.e. books were maintained upto date as on the date of visit. The maintenance of books was not in arrears for more than one meeting in respect of 154 (16.8 %) SSGs and the maintenance of books was not satisfactory in respect of 71 (7.8 %) SSGs.

- 652 (71%) groups in the sample had given internal loans to 10 or more members in their group and 82(9%) groups had given to 6-9 members. 184 groups (20%) reported to have given internal loans to less than 5 members.
- 701 (76.4%) groups were charging interest at the rates ranging between 19 and 24 % p.a, (mostly 24 %p.a.) followed by 149 groups (16.2 %) which were charging interest between 7 and 12 % p.a. (mostly 12 % p.a.). While 34 groups (3.7 %) were charging interest between 25 and 36 % p.a. 21 SSGs (2.3 %) were collecting interest between 13 and 18 % p.a. It is very interesting to note that a few SSGs viz. 1 in Bengaluru Rural, 3 in Dakshina Kannada and 2 in Udupi district were charging very low rate of interest of below 7 % p.a. This is because, they were availing bank loans from PACS / DCCB branches which were charging interest on bank loan at 4 % p.a.
- 617 (67.2%) groups have fixed the repayment period (internal loan) between 7 and 12 months followed by 148 (16.1%) groups which have fixed the repayment period at six months. While 138 (15.0 %) groups have fixed repayment period between 19 and 24 months, only 9(1.0 %) groups were having repayment period between 25 and 36 months.
- 790 (86%) groups reported to have availed bank loan at least once, of the remaining 83 groups had not availed loan. In respect of about 45 groups the information was not available. More than 478 groups indicated to have availed loan more than three times.
- Analysis of the purposes for which the loans were utilized by members indicate that 75% of the members utilized for income generating activities. It was reported that in the initial formation years the loans were utilized for domestic consumption and later after the groups have matured the share of IGA has increased. 97.7% groups (778) had cent percent recovery
- One of the major sectors where the bank loan has flowed is Animal Husbandry, consisting mainly dairy, sheep and goat. Another activity reported by the sample beneficiaries is crop husbandry followed by small business.
- As per the guidelines issued by RBI / NABARD, banks should not take any collateral security in respect of loans given to Self Help Groups. However, it was observed that 73 (8%) groups reported to have given collateral in the form of FD to avail the loan.
- 128 (13.9%) groups have reported that they have received SGSY subsidy. The maximum amount of subsidy under the scheme was ₹ 1.25 lakh per group.
- Interest subsidy given by the Department for good working SSG @ 6% p.a for loans upto Rupees one lakh was meagre. Some of the groups in the sample also indicated to have received interest subsidy @ 5.5% for loans upto ₹ 3 lakh under Sanjeevani Programme (NRLM). During 2013-14 only 1.3% of groups in the sample reported receipt of subsidy averaging ₹ 4736 per group.
- Being informal groups, generally the Streeshakthi groups are not required to be audited. However, as some of the SSGs have substantial financial transactions and turnover, they have got their books audited by third party (NGO) on their own. It is heartening to note that as many as 341(37%) groups have got their books audited.
- Training is an important component of group nurturing. It was observed that older groups formed during 2000-08 reported attending basic training while the new groups did not get the required training. 610 groups (66%) reported to have attended basic training while only 224 groups (24%) reported to have attended skill training.
- The SSG members have been actively participating in social activities such as, Anganwadi/school premises cleaning, Tree plantation, Pulse polio/Charitable works. About 40% of members have been socially active and have taken up other social issues viz., Drinking, Anti-dowry, Child labour etc.,

- Out of the sample, 130 (14.2%) groups were having members who have been elected to Grampanchayath. Maximum number of such SSGs were found in Uttara Kannada district (16) followed by Bengaluru Rural (11) and Chitradurga district (10).
- 98% of the sample members had Aadhar cards, 87% had individual savings bank account and 70% had mobile phones. Only 41% had insurance coverage and 23% had pucca RCC house.

Federations

The Department has issued Model Byelaws for formation of the Federations at Taluk level and as per data furnished, there are 175 Block level societies (Federations) registered under the Societies Registration Act. Major objective of forming Federations at Taluk level was to have a democratic body, formally registered to represent the Streeshakthi group members. The Federations are expected to be the link between the Department and Streeshakthi Groups.

Major findings

- The membership of Federation in majority of the districts comprises of Streeshakthi group as a whole and lifetime membership of ₹ 1000 is collected per group.
- In some of the districts viz., Dakshin Kannada, Bangalore (Rural), Tumkur and Hassan the membership fee is collected from the individual members of the Streeshakthi Group. Accordingly, they have collected higher corpus
- All the sample Federations (30) were having 11 Executive Members. About 16.6% of the Sample Federations indicated that they have ACDPO as Secretary, in the remaining federations the Supervisor was nominated as Secretary.
- Of the sample, only 43.3% reported election of President every year. In majority of the cases there was no rotation at regular intervals.
- Of the sample, 90% reported conducting meetings at monthly intervals
- Of the sample, only 13 Federations (43.3%) reported having more than 90% attendance at the meetings. Generally no fine is imposed for not attending the Executive Committee meeting. However, one Federation in Vijayapura indicated that they have the system to charge ₹ 10 as fine for not attending, though they have not collected any fine so far.
- Maintenance of books was generally satisfactory. The corpus of the Federations ranged from ₹ 1,12,000 (Kalburgi) to ₹ 39,03,770 (Tumkur). Some Federations were keeping huge balances in SB account which earns them low returns.
- Generally, all the Federations were organizing one day awareness programmes for their members in the taluk. Only few Federations were imparting Skill Development programme such as Tailoring, Packaging etc.,
- Of the Sample Federations, 25 have reported to have got their books audited by a Chartered Accountant.
- Of the 30 Sample Federations none has availed loan from the Bank. However, 4 Federations viz., Davanagere, Hassan, Haveri, Uttara Kannada have reported to have given loan to their members and the recovery performance was more than 90%.
- Of the Sample, 21 Federations reported to have their premises where they conduct the meetings/trainings/exhibition etc., the remaining 9 Federations reported they were yet to have their own premises.

Streeshakthi Bhavans

During the field study Six District level and eight Taluk level Streeshakthi Bhavans were visited and the observations are as under

- Site selection for construction was not proper in many of the cases. Many of the Streeshakthi Bhavans have been constructed in the outskirts of the city where the lady members find it difficult to visit the place.
- Some of the Bhavans have also constructed shops for the SSG members, however, the location was not very much suitable for commercial activity.
- In two districts viz., Bidar and Hassan, the District Streeshakthi Bhavan has been constructed on the ground floor and the Taluk Streeshakthi Bhavan is constructed on the first floor. The location of the building was in the outskirts of the city. Hence, they were not of any help to the Federations and its members.

Recommendations

Sthree Shakthi Groups

The Streeshakthi Scheme was the flagship programme of the Department during 2000-06, which has brought very good recognition to the Department. The Department was able to reach more than 20,16,783 families through its network which augured well for implementation of its other programmes.

- The Department may issue comprehensive compendium of instructions about the Scheme which would be helpful for all the field functionaries.
- The Department may restore the incentives given to the Anganwadi workers. The success of the scheme mainly hinges on their involvement. They are the link between SSGs and the Department.
- The Department may issue fresh instructions so that SSGs meet at Weekly intervals instead of monthly intervals. This would improve cohesion and bonding among members.
- The Department may involve Federations at Taluk level to impart capacity building Training of SSG members.
- Training may be imparted to members of SSGs on need basis after undertaking TNA (Training Need Analysis) exercise. The training should be more focused and build the skill level of the members. Focus should be given for Income Generating Activities suitable to the area of the members
- Training on Food processing, Packaging and Marketing may be arranged to SSG members after proper selection.
- There is a need to engage the SSGs in group activity mode which would further strengthen their economic status.
- E book keeping may be introduced, which besides improving the functioning of SSGs, rating, auditing etc would facilitate effective monitoring. This would strengthen the MIS.

Federation

- The Department may issue comprehensive guidelines about the the role and responsibility of Cluster.
- There is lack of clarity in the guidelines issued regarding the maintenance of Block level Societies. Considering that many field level staff get transferred/retired etc. the Department may issue compendium of instructions.
- The scope and activity of Federations at Taluk level may be expanded and they shall be made the focal point to promote/ nurture/guide the SSGs

- The Federations at Taluk level may be given financial autonomy and they may be made responsible for imparting training to the members of SSG.
- The Department may ensure that all Federations at Taluk level prepare an action plan at the beginning of the year. Necessary training may be imparted to the Federation members for preparation of action plan.
- The Department may impart training to the executive members of the Federation at Taluk level on leadership development, fund management etc.,
- Exposure programmes may be organized to visit successful Federations. Guidelines regarding fund management to be issued by the Department.
- The CDPO at Taluk level may review the performance of Taluk level Federation every quarter with reference to their action plan.
- The Dy Director may review the performance of all the Federations under his jurisdiction once in six months. This will give an opportunity for the Federation members to interact with other Federations in the District.
- The Department may also issue instructions each year about the purposes for which the Federations can incur expenditure.
- The Election to the Executive body of the Federation at Taluk level, may be revised to once in three years so that the elected body will have reasonable time to implement its action plan.
- The present instruction of incurring an expenditure of ₹15000 on one day awareness programme at taluk level once in a year may be enhanced
- The Department should give focused attention to skill development training in the areas of Food processing, Packaging and marketing.
- The Department may consider permitting payment of sitting fees to the Executive Members which would take care of their expenses in attending the Meetings. This expenditure shall be borne by the Federation.

Streeshakthi Bhavan

- The Department may ensure that the Streeshakthi Bhavans to be built in future are centrally located and design of the building to suit the convenience of the Streeshakthi members.
- While designing the Taluk Streeshakthi bhavans provision for shops may be made only when it is centrally located. Otherwise only the bhavans may be planned for the members of the SSG.
- The Department may consider taking on lease shops in commercial areas of the town and allotting to the Federations for maintenance. Organised marketing outlets in prominent few locations in a district would give good support to the SSGs for marketing of their products.
- The Federation should be empowered to use the premises for the benefit of members.

Convergence

- The Streeshakthi Scheme was the flagship programme of the Department during 2000-06, however, at present, staff of the Department is fully engaged in ICDS programme and very little time is spared for the SSGs, it is worthwhile considering

appointing dedicated staff at Taluk level attached to the Federation, who besides being the Secretary will oversee functioning of SSGs in the Taluk.

- The Deendayal NRLM/Sanjeevani Programme of the State has similar objectives as that of Streeshakthi scheme viz., Women SHGs, economic empowerment, livelihood engagement, convergence of efforts of Government Departments etc., The Sanjeevani Programme can be the Umbrella organization underwhich Streeshakthi scheme and other women SHGs of other government departments can be subsumed.

With the convergence of all Women SHGs under one umbrella and ensuring digitization of membership details with Aadhar card number, multiple membership and cornering of various government subsidies can be eliminated. The Federation at Gram Panchayath level may act as nodal point for routing of subsidies/incentives by all the Government Departments.

