

A CRITICAL STUDY ON THE ROLE OF ICTS IN THE GROWTH AND FUNCTIONING OF WOMAN SELF HELP GROUPS UNDER NRLM SCHEME

by

Debjyoti Chanda

Assistant Professor

Department of Mass Communication

RabindraBharati University

Email: chanda_debjyoti@yahoo.com

Abstract: *Use of ICT and convergent media is playing an important role as tools of development communication across the world. India is no exception in this regard. National Rural Livelihood Mission (NRLM), the flagship programme of the Government of India for rural poverty elimination uses the SHG model for economic emancipation of women leading to empowerment. ICT and convergent media is being put to multifarious use under the scheme. This paper presents a critical introspection of the role being played by new media in NRLM.*

Keywords: *ICT, Convergent media, developing countries, NRLM*

Introduction

There has been concerted and continued efforts by development planners in India to create opportunities of employment and income generation for the large number of poverty-stricken masses since the fifth decade of the last century (Dutt, Sundaram, 2004). Attempt by successive governments both at federal and state levels to bridge the urban rural divide and create an enabling environment to ensure equitable distribution of wealth and income has met with a reasonable degree of success. However as per reports of the Planning Commission around 10 crore people in India continue to remain below the poverty line which is a sizeable number and a matter of concern. (Economic Survey, 11th Five Year Plan, Ministry of Finance).

In the circumstances the central government launched the National Rural Livelihood Mission (NRLM) in 2012 which is an upgraded and revised edition of the SwarnaJayanti Gram SwarajgarYojana (SGSY). The aim of this program is to promote Self Help Groups at the village level to organize women living below the poverty line, who as a group entity engage

in economic activities to augment their income and ensure their socio-economic well-being. Apart from SHGs functioning under NRLM scheme, there are other SHGs also set up and managed by different entities (Tankha, 2002).

The aim of this paper is to highlight how ICT and convergence technologies are being increasingly used by SHGs to make its functioning more viable and profitable in the long run.

Role of Information and Communication Technology in Development:

Information Communication Technologies (ICTs) are considered to be the most important tools required in present times for the development of any society. ICT consists of various segments as diverse as telecommunication, radio, mobile phones and computers. Added to this are a set of new technologies which are convergent in nature and have the potential to generate empowerment among the rural masses. ICTs today are being used in every aspect of human life. It has brought new opportunities and has become the harbinger of knowledge gathering and knowledge sharing. In developing countries like India, Self Help Groups are playing a crucial role in the empowerment of women in rural areas and they provide critical input in imparting requisite training in different activities to the member beneficiaries thereby improving their status both within the family and in the society. The National e-Governance Plan (NeGP) 2010 had envisaged developing ae-infrastructure which will reach the remotest village for which large-scale computerization projects are being implemented to make available public services over the internet. Studies have shown that such initiatives have borne fruit to a large extent and there is a steady progress in the digitization effort of the country (Gurumurthi, 2006). However, it has also been noted that women specially those domiciled in the rural countryside have not benefitted much from these projects and there is gender imbalance both in ownership and access of many of these technologies. ICTs can provide women employment opportunities, access to education and information and develop a grade of new women entrepreneurs and increase their access to government services and facilities (World Bank, 2008, FAO)

In this context it is important to note what Gurumurthy and Chami (2014) said regarding its use, 'ICTs bring about a qualitative, structural transformation in the economy effecting changes in the global supply chain of services. This opens up new opportunities for flexible work, self-employment, and entrepreneurship'.

Swarnajayanti Gram Swarozgar Yojana to National Rural Livelihood Mission:

It was in 1999 that the scheme SGSY was introduced as a flagship program of the Govt of India replacing the Integrated Rural Development Program (IRDP) which on introspection revealed that it had failed to a considerable extent to achieve its desired goals. After being in operation for 10 years the planning commission appointed a 'Committee on Credit Related Issues of SGSY' in 2008. This committee in its report suggested a number of measures to

upgrade the program as 4.5 crore households were still remaining to be organized into SHGs. The program as per the suggestions of the said committee was rechristened as National Rural Livelihood Mission. The basic objectives of NRLM are the following -

- To eradicate poverty and to uplift the socio-economic level of the people living below the poverty line specially the women section of the community.
- Encourage community feeling by formation of SHGs.
- Increase family savings and wealth.
- Increase self-employment.
- Promote the habit of engagement in income generating projects.
- Increase of skill development and competency.
- Promote social welfare (www.pib.nic.in/newsite/nrlm)

The changes from SGSY to NRLM as categorized in the chart below also desired an invigorating use of ICTs and convergent technologies.

Swarnajayanti Gram SwarajYojna – National Rural Livelihood Mission

SSGY vs NRLM

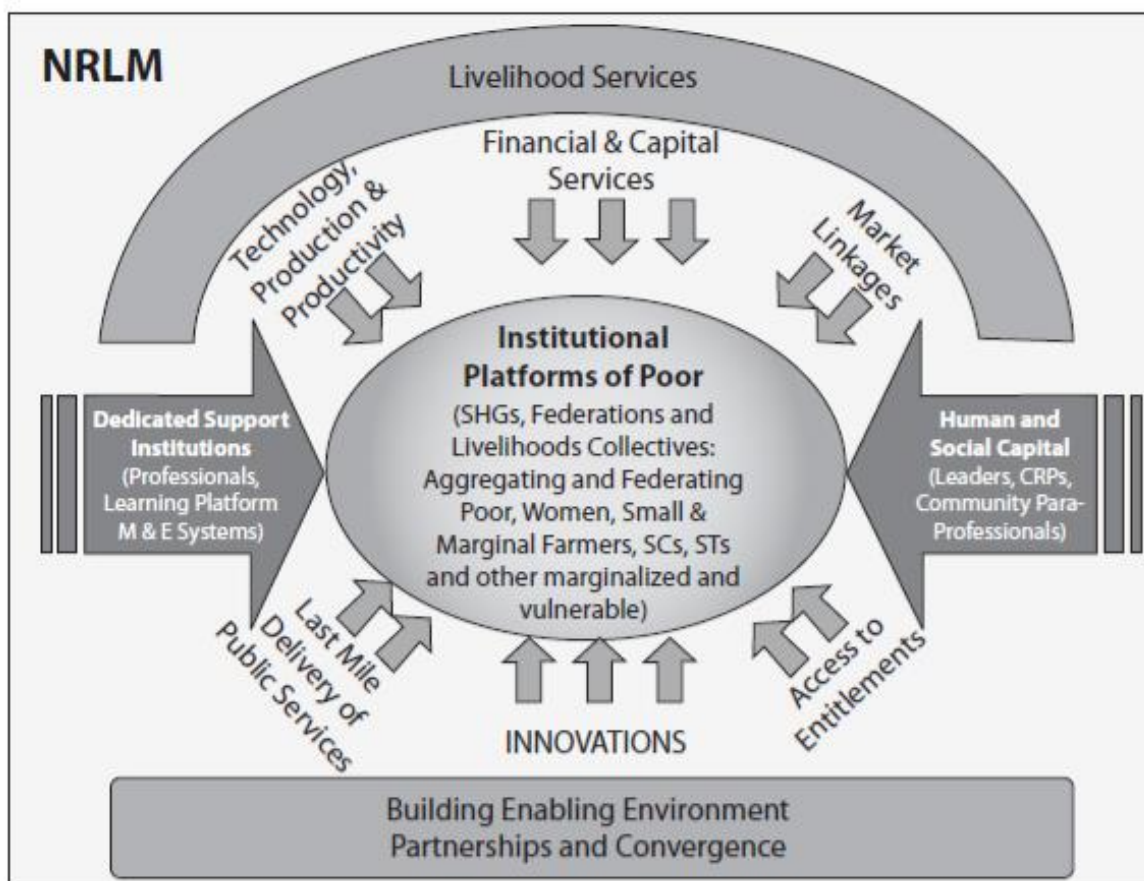
Issue	SSGY	NRLM
Target Groups	Women, Men & Mixed SHGs	Only Women SHGs
RF	Linked with CC	Directly credited to SB A/c, not Linked with CC
Capital Subsidy	Linked with TL (Project Loan)	No provision of Capital Subsidy
Nature of Bank Credit	<ul style="list-style-type: none">• After 1st Grading: RF-linked CC• After 2nd Grading: Subsidy-linked CC	<ul style="list-style-type: none">• After Initial Grading: CC (not linked with RF)• After Subsequent Grading: Enhancement of CC &/or TL (not linked with Subsidy)
Amount of Bank Credit	Up to 4 times of Group Corpus	Need-based, not linked with Group Corpus; 1 st time credit limit – minimum Rs.1 lakh
Repeat Financing	No specific provision	Repeat financing must so that after 5-7 years every member gets loan limit of minimum Rs.1 lakh
Interest Subsidy	No provision	Provision is there for loan provided to women SHGs up to Rs. 3 lakh not linked with capital subsidy under SGSY
Support of Community	Not specified	<ul style="list-style-type: none">• Engagement of “Bank Sakhi” at Bank Branches• Community-Based Recovery Mechanism (CBRM)

Source: West Bengal State Rural Livelihood Mission

Use of ICT: Varied Approach Under NRLM

NRLM as a mission involves a number of stakeholders who are at different levels of socio economic development. A structural plan of this scheme is given below.

The NRLM Structural Plan



Source: Ministry of Rural Development, Government of India

The use of ICT and convergent technologies is meant to create a communication strategy to synchronize and synergize the efforts being undertaken. The purpose is to ‘facilitate the Swarjagaries over a period of time to diversify from a narrow choice of local skill and trade like livestockrearing, petty trading, small cultivation to high risk commercial activities and production on a larger scale’ (Planning Commission 2007).

In order to achieve this goal a number of measures has been taken where ICTs are being used in numerous capacities.

Banking Related Activities:

Wider engagement of the banking sector as a prime facilitator is being envisaged in the program. The Lead Bank Manager (LDM) under the new dispensation will act as Information Hubs duely interconnected with the help of Information Technology. LDM maintains here a continuously updated website for knowledge of other banks,

SHGs and public at large and play a catalytic and dynamic role in providing necessary banking services. At present the banking sector is encouraging the use of ICT based smart cards, Rupay Cards and have introduced internet banking and core banking facility for SHGs. This is designed to ensure easy and quick fund transfer for direct payment to beneficiaries. Banking correspondents are also being appointed as intermediaries who are receiving online training by the Indian Institute of Banking Facility and Finance, Mumbai, which is also providing necessary study materials. Institute of Development Banking Research and Technologies (IDBRT) Hyderabad, a unit of the Reserve Bank of India has developed cost effective IT solutions for use of rural bank branches.

IT Kiosks for SHG Use:

In many states including Tamil Nadu, Kerala Andhra Pradesh and Maharashtra, Customer Service Points for SHGs and its clientele have been set up in the rural belt. National Institute of Rural Development (NIRD), Hyderabad which is equipped with state-of-the-art technology including Geographical Information System (GIS) has developed an interactive national portal for e learning for the benefit of SHGs. NIRD has also developed multimedia materials on successful innovations and has made them available online for SHGs for use. Meanwhile the Ministry of Rural Development (MoRD) and IGNOU have started online certificate courses on project planning, project monitoring and evaluation for SHGs. Rural Management Foundation has also introduced a National Level Program to enlist SHG members for Computer Application Courses to upgrade their skills.

The computerised touch points which have become operational in several states is provided with internet infrastructure and accounting software is being managed and maintained by the members of the SHGs themselves. Responsible persons with at least high school education have been chosen from amongst the SHG members to look over the tasks in the touch points. Basic training on Microsoft word, excel, PowerPoint, Internet and accountancy has been provided to the swarajgari, so that the SHGs become self-sustained in maintaining and monitoring their activities.

(Source: Report of Committee on the Credit Related Issues of SGSY, 2008)

Celebrated Rural Development Programs being implemented by agencies using ICT

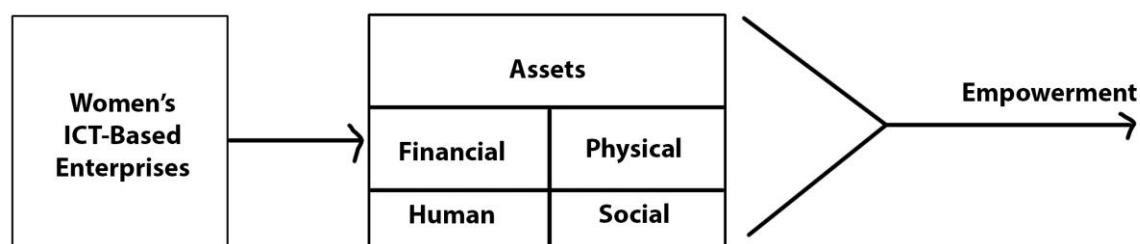
1. ITC's e-Choupal project.
2. Kerala Government's Kudumbashree Project and Akshaya Project.
3. Sanchar Shakti Scheme for SHGs being implemented by NABARD with support from TRAI.

In all these schemes, IT/Communication Technology is being widely used to reach services to the beneficiaries and to digitize the infrastructure to provide better services. Amongst those mentioned items 2 and 3 are related to the functioning of SHGs. A detailed look at these schemes will help us understand how convergent technologies are being used to implement such projects.

Use of ICT in KudumbashreeProject Commissioned by the Kerala Administration

Kudumbashree (www.kudumbashree.org) has under its many sub-schemes been implementing 100 ICT based enterprises (IBEs) units that employs around 1,000 women from BPL families. Each unit provides employment to 10 women who reside in neighboring areas plus others on a piece rate basis. The three main activities of IBE units are: data entry/digitization, IT training and hardware assembly. These women run IBEs have been financially beneficial to its members and also to the other agencies that support such IBEs. These enterprises have accrued major benefits to members as shown in the diagram below:

Categories of Livelihood/Gender Benefit for Women IBEs



Source: Duncombe, Heekset. al (2005) and Manoj (2005) However, there is a long way to go. Gurumurthy and Chami (2014) noted with concern that ‘another strategy that has been extensively explored in India is to help women set up ICT businesses, such as ICT kiosks in rural areas with intermediation by private sector companies and civil society organisations. However, the success of most of these initiatives can be traced to their successful cooptation of rural elite, rather than their ability to challenge any structural power inequalities, including household gender relations.’ The Kudumbashree website also uses ICT to keep connected thousands of women SHGs under its aegis. Moving images, photographs, animation, print, sound and interactive portals have been ingeniously used in the website. The website clearly displays professionalism and its content elucidates the wide variety of skills that has been passed on to women of Kerala under the program. Kudumbashree website has inspired many other state government NRLM subsidiaries as a best practice in this genre for image and identity construction.

NABARDe-BOOK KEEPING PROJECT

To ensure transparency and bring a qualitative change in Self Help Groups and Bank Linkage Programmes efforts to leverage technology has begun. To encourage digitization of book keeping, incentive is being provided by NABARD to selected SHGs via a pilot project in Tamil Nadu.

Many SHGs have begun switching over to mobile base e-book keeping. A web SMS based book keeping product which has mobile phone at the front end for SHGs and personal computer as back end for NGO's/Federations/Government and Banks. This application enables SHGs to maintain financial transactions electronically. This process allows easy monitoring of progress with separate IDs uploaded in the websites. This allows the daily attendance register, passbook and loan ledger to be printed easily. It also has the option to store data in the tablet to be pushed up to a centralized server when internet connection is available. NABARD has presently extended this facility to 10000 SHGs and has plans to implement the programme throughout the country (NABARD, Annual Report 2014).

Sanchar Shakti Scheme for Women SHGs being jointly implemented by NABARD and TRAI

In 2011 the Telecom Regulatory Authority of India (TRAI) launched a pilot scheme across five states providing 'mobile connectivity and ICT related livelihood skills for women SHGs titled Sanchar Shakti.

Providing financial services, knowledge and skills via better connectivity and greater access to markets for SHGs is the goal of this scheme.

The scheme is providing invaluable support to SHGs by providing information regarding employment opportunities, banking and government services, health and safety and new markets where SHGs can sell their products and services.

The principle stakeholders in this scheme are: NABARD, NGO, Mobile Service Providers, Handset/Modem manufacturers and application service providers.

The responsibilities of stakeholders are as follows

- **NABARD:** It plays a principle role in providing funds for the purchase of infrastructure and also shortlisting the NGOs who will participate in the program.
- **Mobile Service Providers:** The SHGs under the program are provided special discounted prepaid tariff plan to implement the scheme. It also links up with the Value Added Service providers (VAS).
- **NGOs:** NGOs play the handholding role in awareness generation about the scheme and also help in providing training to the selected NGOs.

- **Handset/Modem Manufacturers:** Handsets and modems are supplied to the SHGs at a discounted rate. The SHGs are given training and necessary help to set up repair centres for handsets and modems.
- **Application Service Providers:** As per SHG requirements and functioning, applications are developed and subscriptions at discounted rates are provided. The Department of Telecommunication (DOT) facilitates and co-ordinates the inputs from different agencies and collects feedback to analyse the scheme for future course correction and necessary up gradation. A subsidy on the tariff plan is provided by the USOF.

The scheme has four stages of operation.

Stage One: A handset along with a prepaid tariff plan and Value Added Services (VAS) subscription

Stage Two: SHG maintained repair centers for mobile handsets

Stage Three: SHG run modem repair centres

Stage Four: SHG operated solar-based mobile CDMA FWT charging centres.

It is possible for all the stages to operate simultaneously once the project becomes fully operational.

Sub schemes under this pilot project:

VANI: Women entrepreneurs are given market linkage data via mobile VAS.

V-Stri-IT: A bouquet of mobile value added services are provided which are participative and need based in nature resulting in positive change in the personal and entrepreneurial life of rural women.

Digitization of SHGs has had a salutary effect and has helped the banking sector in the following ways -

Implementation of these scheme has enabled banks prepare grading reports of SHGs with data auto-generated by the system. #This report help banks judge the status of the SHG before granting linkage. #Leads to increased credit linkage. #Banks become more aware of SHG functioning.

Transparency in transaction can be ensured as SMS alerts are received on real-time basis.

#The decision process is expedited enabling banks take informed decisions on real-time basis on successful implementation of Sanchar Shakti Scheme.

Source: NABARD Annual Report 2015-16 and Telecom Regulatory Authority of India (TRAI)

Conclusion

It is therefore evident that ICTs can play a crucial role in generating awareness, transfer of information and technology and providing market information crucial to the success of any business enterprise specially that of SHGs. The government has put in place a number of plans for the digitization of rural India. E-governance programming in India includes building shared public access infrastructure and ICT enabled public service delivery and ensuring e-learning, ICT skill development and development of rural connectivity infrastructure including local language content. However, it is a long-drawn process, keeping in mind India's large and diverse population and level of income and education in the rural belt.

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