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**"A Study on Role of Mahila Bachat Gat- Self Help Group for Financial support to the People of Mumbra during COVID-19 Crisis"**

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**Abstract**

Self Help Groups always played an important role in the financial inclusion and economic empowerment of the economically deprived people especially women. The Self-Help Groups operating at local level proved eminent force of support for many lower middle class and economically weak section groups. The People suffered unemployment, inflation, scarcity and many other problems during COVID19 Crisis which results into financial problems. People were not able to earn their livelihood due to LOCKDOWN in COVID19 period. The small semi urban area like Mumbra where major population belongs to poor section suffered the same. Mahila Bachat Gat – Self Help Group was the pillar of financial support for many needy people in Mumbra. This Study is related to the Role of Mahila Bachat Gat and the reasons for which people prefer Mahila Bachat Gats for help.

**Introduction:**

In India the microfinance movement initiated in 1974 with the establishment of SELF EMPLOYED WOMEN'S ASSOCIATION (SEWA) and it was successfully follow by National Bank of Agriculture and Rural Development (NABARD) and other financial institutions all over the Indian States. Self Help Groups Bank Linkage as the non-government organization- Micro finance institutions model, Bank Partnership model and many others came into existence.

SHGs are small informal associations of people in a localized context, created for the purpose of enabling members to reap economic benefit out of mutual help, solidarity, and joint responsibility (Anand, 2002). The members here come together to share common experiences and eventually create an opportunity to mobilize resources in the pursuit of needs and interests (Kurtz, 1981).

**MAHILA BACHAT GAT** which operates as Self-Help Group on local level helps in Economic Development of Rural, Semi Urban and Urban Women. It is group of Local Women's who come together for a common interest of Economic Welfare of them and their family. It usually operates on Local Level and it is connected to cooperative banks for their transactions. Women members of Mahila Bachat Gat get help in form of Loans at very lower interest rate, Savings and Returns on Investment. No Enhancement of Standard of Living is possible without Financial Support and Mahila Bachat Gat provides that support to the women of Economically Weaker Section.

The Self-Help Group like Mahila Bachat Gat is operating on the Local Level and also provides employment opportunities to the members of the Self-Help Group. The other people can also approach the Local Mahila Bachat Gats for the Financial assistance like loans at lower rate of interest rates. If the person is not the member of the Self Help Group then to, they can avail the loans from them with proper reference from any other existing- member of the Self-Help group.

The COVID19 crisis have affected the life of every person of the society. Every section of the society has been directly or indirectly affected by the COVID19 crisis. The economically weaker section of the society like Poor, Lower middle class and middle-class section have suffered the most due to the Crisis. The LOCKDOWN which was implemented to fight the problem of COVID crisis was actually brought many other crisis for all the section of society. Many lost their Jobs; the income was stop. People were not having any source of earning. The poor families were suffered to the level of Hunger problem.

In Mumbra which is a Semi Urban Area, the People suffered a lot. The Population of Mumbra consist of majority people who work on Daily wages and salaries. The Covid19 crisis have put many people in Economic Crisis. The daily wages workers, Auto Rickshaw Drivers, Vendors, People working in small shops and companies etc. were become jobless and there was no other way of generating the income.

In such cases people were forced to take the Financial Help for the time being. But taking loans from the commercial banks were not easy and that too in the time of Covid Crisis. In this scenario the Local Self Help Groups like Mahila Bachat Gats came to rescue of the People of Mumbra to some extent by providing them loans of small amounts at lower rate of interest with minimum formalities. This study explains how the weaker section of Mumbra preferred Local Mahila Bachat Gats over other source of Financial help and what are the advantages of Local self-help groups like Mahila Bachat Gat for the weaker section of the society.

#### **Objectives of Study:**

- To Study the role of MAHILA BACHAT GAT as a Self-Help Group in enhancement of standard of living of Women of Economically weaker section of Mumbra.
- To Study the Role of Mahila Bachat Gat in providing Financial help to the People of Mumbra during COVID19 Crisis.
- To Study the reasons of preference given by the people to Mahila Bachat Gats over others for getting Financial help in Mumbra.

#### **Hypothesis of Study:**

**H0:** People of Mumbra have not preferred Mahila Bachat Gats over other source for small Financial help during COVID19 Crisis.

**H1:** : People of Mumbra preferred Mahila Bachat Gats over other source for small Financial help during COVID19 Crisis.

#### **Collection of Data:**

The Data for the Research Study is collected through both Primary and Secondary methods. The information and the Growth of MAHILA BACHAT GAT, benefits enjoyed by the members, joining data of Women's, Number of people approaching for small amount of loans, Loans given to members and number of non-members who obtain loan from Mahila Bachat Gats is obtained from Local branch Office of Maharashtra Mahila Parishad which runs large number of MAHILA BACHAT GAT in Mumbra and also other parts of the Maharashtra state. The comparative Data of loan given in year 2019 & 2020 is also obtained to study the difference of urgency during COVID19 crisis. The Primary data is collected from the Respondents through Closed Ended Questionnaire in which the response is in form of YES or NO where respondents are asked questions about Problem they faced, sources they have for financial help, reason for preference of choosing the source, purpose of obtaining loan and purpose of expenses to in the time of COVID19 Crisis. The questions were also asked about the advantages and disadvantages of various sources of financial help as per the respondents. The data was recorded and Analysis is done on the basis of both Primary and Secondary data.

#### **Literature Review:**

**The National Bank for Agriculture and Rural Development (NABARD, 1999):** NABARD explains the concept of microfinance as small amounts of credit and other financial services to the poor in rural, urban & semi urban area to help poor to raise their income level and improve their living standards

**Anand, 2002:** Anand explains the concept of Self-Help Groups as informal association of Local people formed for the purpose of enjoying economic benefit, mutually helping and supporting each other and shouldering joint Responsibility.

#### **Discussion & finding of Study:**

The COVID19 crisis created many problems for the people of all section of the society. The economically weaker section which totally depend on the Wages and Salaries lost their Jobs and were in need of Financial help as their income was totally stopped. In such case people opted for many financial sources like Banks, Private lenders, Self Help group like Mahila Bachat Gats but it was found that people preferred Local Mahila Bachat Gats for Financial help due to many reasons. The people needed help for fulfilling the basic purpose and the amount required by most of them was in small fractions. So taking into consideration every aspect the People of Mumbra preferred Mahila Bachat Gats for obtaining the loans. The Loans obtained by members & non-members for various purpose in year 2019 and 2020 from Mahila Bachat Gats explains the change in the usage level too in the COVID19 crisis. The Loan from Mahila Bachat Gats can be obtained only when any Women member of the Mahila Bachat Gat give reference about the non-member. The Loan provided is an unofficial form of Loan and are transacted only

on the basis of mutual trust. The Mahila Bachat Gats do not provide loan to everyone who approaches them but only with the guarantee and reference of the Women member of the Gats. In case of default by the non-member person who obtained loan, the member can be held responsible who have provided reference. The Mahila Bachat Gats can obtain loans and funds through cooperative banks and use that money for profit of all members. The Mahila Bachat Gats of Mumbra is working in affiliation of Thane Cooperative Bank of Mumbra Branch.

**Data Analysis & Interpretation:**

The Mahila Bachat Gat is operating through it members but non-members also approach Mahila Bachat Gats for obtaining small amount of loans for some period of time like for month or months. The Loans obtain is for various basic purpose mainly for fulfilling the daily needs. The data of obtaining loan for various purpose in 2019 & 2020 shows the changes in needs. This data is obtained from Mahila Bachat Gats as per the purpose submitted to them by the people who obtain loans.

**Loans given to (members & non-members) in year 2019 & 2020.**

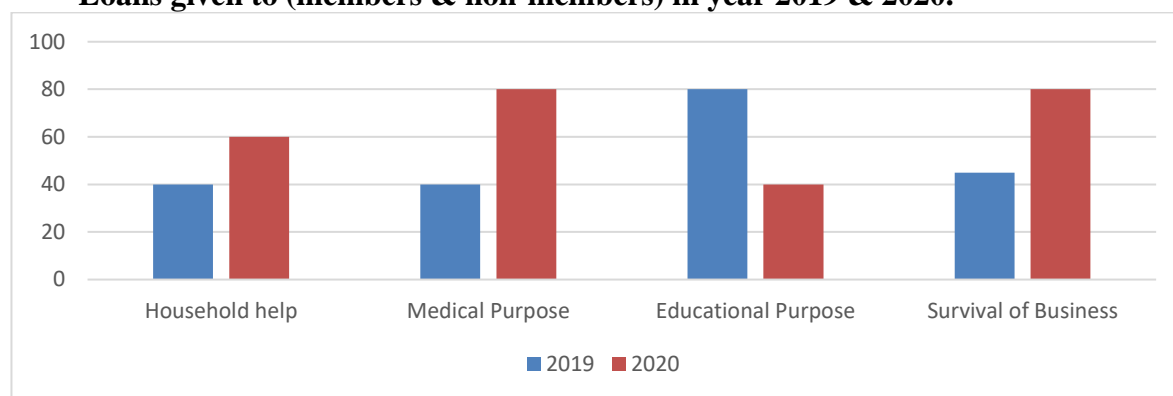


Figure no. 1

The Data presented through the chart shows the various purpose for which the members and non-members have obtained the loan. The basic purpose for which the people obtain loans from Mahila Bachat Gats have been changed from year 2019 to 2020. In the year 2019 the loan obtained for household help, medical and business survival was less than compare to 2020. All this purpose loan increased in year 2020. Only Education purpose have reverse trend. People spend less on Education in year 2020 than 2019 maybe due to other emergencies and shortage of money. The data clearly shows that the requirement for Financial help was more in year 2020 due to COVID19 crisis as people were suffering from problem of unemployment and Lockdown.

Further in the time of COVID19 crisis, people of Mumbra especially those of economically weaker class preferred Self Help Group like Mahila Bachat Gat for obtaining financial help over other sources. The data presented is obtained from 50 respondents in which 25 were the members and associated with Bachat Gats and 25 were the non-members. All 50 respondents have stated their preference between the different available sources.

**Preference of People Choice for Obtaining Financial help:**

Sources	Members (25)	Non-member (25)
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<b>Banks</b>	<b>05</b>	<b>12</b>
<b>Private Money Lenders</b>	<b>07</b>	<b>10</b>
<b>SHGs (Mahila Bachat Gats)</b>	<b>25</b>	<b>22</b>

Table no 1

As per the above data it is explained that majority of the members and non-members prefer SHGs i.e., Small Help Groups like Mahila Bachat Gats for obtaining loan. As Mahila Bachat Gats provide easy loans for small amount and for small period of time, people of Mumbra gave preference to Mahila Bachat Gats due to various reasons.

#### **Reasons for Preferring Mahila Bachat Gat as Financial Help Source by people of Mumbra:**

<b>Reasons</b>	<b>YES</b>	<b>NO</b>	<b>Don't Know</b>
<b>Easy Obtain of Loans</b>	<b>35</b>	<b>10</b>	<b>5</b>
<b>Rate of Interest</b>	<b>30</b>	<b>15</b>	<b>5</b>
<b>Immediate Obtain Money</b>	<b>40</b>	<b>7</b>	<b>3</b>
<b>Easy repayment of Loan</b>	<b>38</b>	<b>12</b>	<b>0</b>
<b>Availability of Small amount of money</b>	<b>30</b>	<b>15</b>	<b>5</b>

Table no 02

The above table shows the reasons for which people prefer Mahila Bachat Gats for their Financial help source. The response of 50 people was taken and more than 80% of people have agree with the reasons stated for preferring Mahila Bachat Gat. The loans are of small amount, easily available with very low interest rate and the mode of repayment is also easy. All these facilities are not easily available in banks as the formalities are lengthy, the rate of interest is high, and the small amount are not available so easily for short period of time.

The Analysis of the all above presented data clearly explains that the People of Mumbra prefers Self-help Group like Mahila Bachat Gats for obtaining loans during COVID19 Crisis. As per the findings and analysis, the hypothesis H1 is been proved correct that People of Mumbra preferred Mahila Bachat Gats over other source for small Financial help during COVID19 Crisis

#### **Suggestions:**

Though the People prefer Mahila Bachat Gats for the financial help due to many reasons explained in study, there is some more developments that can be implemented for better economic stability of people of Mumbra:

- There is need of more Self-Help Groups like Mahila Bachat Gats for economic empowerment of people.
- People need to form and join Self-help Groups at local level for economic stability.
- Like cooperative banks, commercial banks too should attach Self Help Groups
- People should be more aware of benefits of Self-Help Groups.

- Local administrative authorities can take help of Self-Help Groups to solve Local social and economic problems.

**Scope of Study:**

This Study can be helpful to the researchers and others to understand the working of the Self-Help Group like Mahila Bachat Gat. This study can be used by the local administration to understand the local problems on individual level. This study is also useful to those who wants to study the Economic problems and financial condition of the people of semi urban area. This study also gives information regarding the sources of the financial help available and purpose of loan.

**Limitation of Study:**

The Study conducted is informational and conducted through proper collection and analysis of data, though have some limitation which are follows:

- The Study is conducted with in geographical on Mumbra area only.
- The study contains only one form Self Help Group which is Mahila Bachat Gats.
- The Loans are not possible to obtain by non-members without reference of any existing member.
- The Study have limited respondents of limited area.

**Conclusion:**

Self Help Group like Mahila Bachat Gat plays very important role economically at local level. Mahila Bachat Gats not only empowers numbers of Women's economically and socially, but also provides direct and indirect help to many members and non-members through financial assistance. Mahila Bachat Gats are formal organisation providing informal loans to many members and non-members on mutual benefits. The number of advantageous reasons like very low interest rates, easy and small amounts availability, easy repayments etc. make Mahila Bachat Gats are the preferential choice of the People of Mumbra for obtaining loans. Hence the Hypothesis H1 have proven correct. The study implies on the concept that Self Help groups activities must be increased with increases in number of Self-Help Groups operating. Self Help group can change the Economic scenario to great extent especially in Rural areas and Semi Urban areas like Mumbra.

**References:**

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<https://brainly.in/question/2618830#:~:text=A%20Mahila%20Bachat%20Gat%20is,to%20undertake%20income%20generating%20activities.>
- Data of Respondents.