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Analysis Of Women Economic Development Through SHG

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Abstract -

Self Help Group means a group of 15-20 members which have become a common vehicle of development covering various development programmers. Financial intermediation is not the only objective but the purpose behind this is to combine the access to low cost financial services with a process of self management and development. SHGs are usually formed and supported by NGOs or Government agencies. SHGs are small, informal and homogenous groups of not more than20 members each. His concept of Self Help Group has its roots in rural areas and it has been mooted along the rural and semi urban women to improve their living conditions. Though it is applicable to men in our country, but it has been more successful only among women and they can start economic activities through SHG movement.In India, this scheme is implemented with the help ofNABARD as a main nodal agency in rural development. It is self employment generation scheme for especially rural women.The empowerment of women not just a goal in itself, but key to all global development goals. Empowerment is an active multidimensional process to enable women to realize their identity of life. It was inferred that micro financing through women self help groups had brought a positive change in the lives of the members. Women if join the groups, can come out of poverty. Any group larger than the size of 20 members has to be registered under Indian legal system. So it is recommended to be informal to keep them away from bureaucracy, corruption, unnecessary administrative expenditure and profit motive. Groups are also expected to be homogenous so that members can participate freely without any fear as well as conflicting interest. SHGs have also emerged as a powerful device and an effective medium for delivering credit to the poor in the rural economy. It helps in poverty alleviation and women empowerment. Self-help groups (SHGs) movement has triggered off a silent revolution in the rural credit delivery system in India.

KEYWORDS -SGSY's Empowerment, Poverty, Progress, SHG. NABARDs, SHBL, NGOs

Introduction–

The Self-Help Group (SHG) movement originated in Bangladesh under the Leadership of Noble Laureate Mohamed Yunus. It is a noble mission- an innovative concept that has its roots in Bangladesh and has touched every part of the globe. In order to achieve the mission of reaching those families who did not access to credit by any formal financial institution and, therefore, were dependent on informal sources and moneylenders, the National Bank for Agriculture and Rural Development (NABARD) introduced the "SHG - Bank Linkage Program me" as a pilot project in 1992. Thereafter, RBI had advised commercial banks to participate actively in this program me. Subsequently, this program I was further extended to all Regional Rural Banks (RRBs) and

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cooperative banks. SHGs through the network of commercial banks, RRBs cooperative banks, NABARD and NGOs has been largely supply driven as well as a recent approach in the provision of financial services to the poor. This paper is an attempt to analysis the SHGs movement in India as these are helpful in order to alleviate poverty and women empowerment. The present study is analytical and based upon secondary data which has been collected from different published reports, journals and existing available literature. This paper examines the women empowerment through empowerment in India.

Object –

1- An economically poor individual gains strength as part of a group.

2- The economic betterment and development of rural women in India.

3- Woman empowerment

Self Help Group formed under SGSY-

In an effort to remove deficiencies in earlier schemes and create sustainable income generation assets to the poor, a new scheme was devised in 1999, by merging all these schemes under one umbrella. The Swarnajayanti Gram SwarozgarYojana (SGSY) was started with a target of bringing 30% of the rural poor above the poverty line in five years.SGSY is applicable only to rural people who are under the poverty line. The objective of the SGSY is to lift the poor families under the scheme above poverty line by ensuring certain sustained level of income over a period of time. This objective is to be achieved by organizing the rural poor into Self-Help Groups (SHGs) through the process of social mobilization, their training and capacity building and provision ofincomegenerating assets. The SHG approach helps the poor to build their self-confidence through community action, periodic interactions in group meetings and collective decision making, enable them to identify and prioritize their needs and resources. This process would ultimately lead to the strengthening and socio-economic empowerment of the rural poor and also improve their collective bargaining power. The Scheme focuses mainly on forming SHGs and development of micro enterprise through financial assistance as a group activity.

"SGSY is implemented by District Rural Development Agencies (DRDAs) through Panchayat Samitis and, with the active involvement of other Panchayati Raj Institutions, banks, variousdepartments and NGOs.SGSY's focus is on social mobilization through formation of SHGs and development of micro-enterprises as a group activity or any individual activity under the umbrella of SHG. As the main focus of SGSY is to provide help to SHGs, the formation, stabilization and up gradation of SHGs is very important.

SHG Bank Linkage Programme –

The Self-Help Group Bank Linkage Programme (SHBL) which started as a pilot programme in 1992 has developed at a very fast rate with time. SHG-Bank Linkage Programme was started on the basis of the recommendation of S K Kalia Committee. While the SHG-bank linkage Programme has experienced exponential growth over the past decade, there remain large regional disparities in the growth of the SHG movement with limited progress in certain regions. Though the SHG-Bank Linkage Program I contributed to

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improve economic conditions, social change was not as apparent, and there are concerns of sustainability and further development of self reliance of the institutions. The SHG-Bank Linkage Program me has the following objectives –

1. To develop mutual faith and confidence between the rural poor and bankers
2. To combine sensitivity, flexibility and responses of the informal credit system with the strength of administration capabilities, technical strength and the financial resources of the formal financial institutions.
3. To expand credit flow/ financial services to the rural poor with less transaction costs.
4. To alleviate poverty and empower the women.

Models of SHG-Bank Linkage Programme -

The SHG-bank linkage program has proved to be the major supplementary credit delivery system with a wide acceptance by banks, NGOs and various government departments. There are three models of SHG-bank linkages that have evolved over time, especially in India

MODELs -

SGHs formed and finance by banks	NGOs and formal organization but directly financed by the banks	SHGs financed by banks using NGOs and other agencies as financial intermediaries

MODEL -I–

In this model, banks themselves take up the work of forming and nurturing the groups, opening their bank accounts and providing them with bank loans after satisfying themselves as to their maturity to absorb credit. About 20% of the total number of SHGs financed was from this category.

MODEL - II-

In this model, groups are formed by NGOs (in most cases) or by the government agencies. The groups are nurtured and trained by the agencies. The bank then provides credit directly to the SHGs after observing their operations and maturity to absorb credit. While the bank provides loans to the groups directly, the facilitating agencies continue their interactions with the SHGs. This model has also been popular with and more acceptable to banks. About 70 percent of the total number of SHGs is financed under this model.

MODEL - III–

Bankispromoting the groups, nature and trains them they approach banks for bulk loans for further lending to SHGs. In other words,Bank takes the sole responsibility for promoting,developing financing SHGs. About 10 percent of the total number of SHGs is financed under this model.

Micro Finance (Bank Linkage Programme) -

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Micro finance is defined as provision of thrift, credit and other financial services and products of very small amounts to the poor in rural, semi-urban or urban areas for enabling them to raise their income levels and improve living standards. Micro finance has gained a lot of importance in financial sector of India through Self help groups-Bank linkage programme (SBLP) covering more than 9.7 corer poor households. The SBLP is the largest and fastest growing in the world with 47.86 lakh Self help groups, of which 39.83 lakh are women groups (NABARD Report, 2011). In India, two broad approaches prevail in case of micro financing viz. self help group –bank linkage and micro finance institutions. NABARD has been supporting the SHG-Bank linkage programme since 1992. In the context of growing demand for micro finance by self help groups, RBI made linkage of self help groups with banks as a priority sector activity in 1996. The government of India has been supporting the programme by making special budgetary provision for promotion of self help groups since 1999. The bank credit flow towards self help groups amounted to Rs.31, 221 corers registering the growth of 11.35 per cent over the preceding year's figure. However, it constituted just 6.99 per cent of the aggregate rural credit flow which needs to go up at least 20 per cent (NABARD Reports, 2011).

Respectively Supported by the Groups

Table - 1

(In the base of marital status of woman)

S.N.	PARICULAR	RESPONDENTS IN %
1	Married	84.71
2	Un Married	05.50
3	Divorcees	05.20
4	Widows	04.59

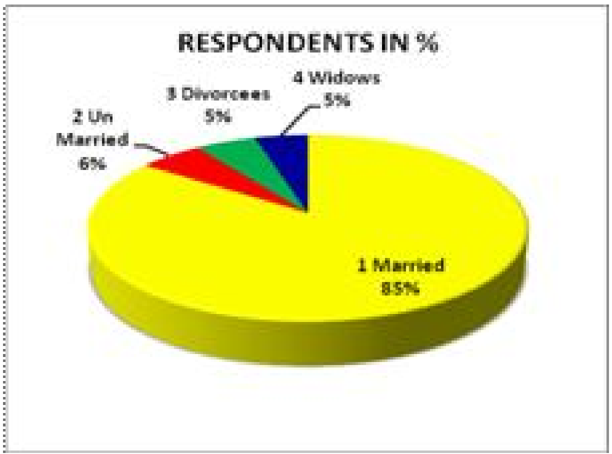

Table - 2(In the base of Literacy status of woman)

S.N.	PARICULAR	RESPONDENTS IN %
1	Literate	85.47
2	Illiterate	14.53

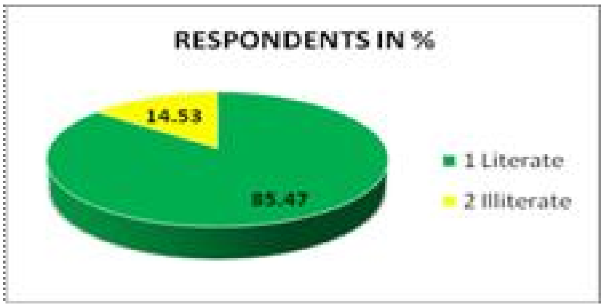

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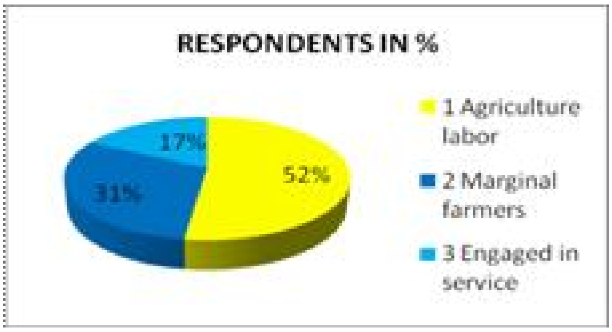
Table - 3

(In the Base of Occupational status of woman)

S.N.	PARICULAR	RESPONDENTS IN %
1	Agriculture labor	52.17
2	Marginal farmers	30.43
3	Engaged in service	17.40



It was noticed that the earnings of these respondents were uncertain and irregular.

Book keeping and account of the SHG–

Membership register, minutes register etc. are not be kept up to date by the group by making the entries regularly. The SHG has to maintained followingbooksand registers

1. **Minutes Book:**The proceedings of meetings, the rules of the group, names of the members etc. are recorded in this book.
2. **Savings and Loan Register:**The Savings and loan register shows the savings of members separately and of the group as a whole. The details of individual loans, repayment, interest collected, balance etc. are entered here.

WOMEN EMPOWERMENT –

The word empowerment is defined as the process by which women take control and ownershipof their choices. Empowerment is a process of awareness and capacity building leading to greaterparticipation, to greater decision making power and control and transformative action.Empowerment of women signifies harnessing women power by conscientising their tremendouspotential and encouraging them to work towards attaining a dignified and satisfying way of lifethrough confidence and competence as person with self-respect, rights and responsibilities. The year 2001had been declared by the Government of India as "Women" Empowerment Year"to focus on a vision where women are equal partners like men". Becausethe Constitution ofIndia grants equality to women in various fields of life. In the past, the position of women wasmiserable in the society and even women were not ready to undertake any assignment or job dueto many reasons like fear, shyness, male dominance in the society and purda system but time hasbeen changed now. Women of today are not like the early days. Now, they are always ready tocome forward and want more economic independence, their own identity, achievements, equalstatus in the society and greater freedom. And Government of India has provided for Self HelpGroups (SHGs) to them so that proper attention should be given to their economic independencethrough self employment, entrepreneurial development and well being that ultimately leads to itscontribution. SHGs have been emerged as a powerful instrument in order to alleviate poverty andfor the empowerment of women in the rural economy. SHGs through the network of commercialbanks, co-operative

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banks, regional rural banks, NABARD and NGO's has been largely supplydriven and a recent approach in the provision of financial services to the poor and furtherupgrading their status in the society. In this way, SHGs are important not only to reduce ruralpoverty, to promote rural savings but also to increase gainful employment. Keeping this in mind,the present study is to study the growth of SHGs and to analysis the current position of womenempowerment and study the economic improvement of women after their joining SHGs.

Conclusion-

Self-help groups are started by non-governmental organizations (NGOs) that generally have broad anti-poverty agendas. Self-help groups are seen as instruments for a variety of goals including empowering women, developing leadership abilities among poor people, increasing school enrollments, and improving nutrition and the use of birth control.Financial intermediation is generally seen more as an entry point to these other goals, rather than as a primary objective. This can hinder their development as sources of village capital, as well as their efforts to aggregate locally controlled pools of capital through federation, as was historically accomplished by credit unions.

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