**CHAPTER – I**

**EXECUTIVE SUMMARY**

The SHGs (Self Help Groups) are the major resource of inspiration for women‟s welfare. In an attempt to uplifting the women, the government has initiated Women Welfare Programmes through development centers, rural agencies, banks, NABARD etc. In India, most of the SHGs are lead by woman with benefits of socio-economic homogeneity smaller size, functionality, participation, voluntary operating mode and non political women. The SHGs in India operating from April 1999, have entered into various fields like dairy farms, fisheries, ration shops, handlooms, farm cultivation, rain water harvesting etc. Women are an integral part of every economy. All round development and harmonious growth of a nation would be possible only when women are considered as equal partners in progress with men. However, in most of the developing countries, women have a low socio and economic status. In such countries effective empowerment of women is essential to harness the women labour in the main stream of economic development.

Empowerment is the process of enabling or authorizing an individual to think, behave, and take action and central work in an autonomous way. It is the process by which one can gain control over one‟s destiny and the circumstances of their lives. Empowerment can be viewed as means of creating a social environment in which one can make decisions and make choices either individually or collectively for social transformation. Women empowerment enables autonomy and control over their lives. The empowered women become agents of their own development, able to exercise choices to set their own agenda and be strong enough to challenge their subordinate position in the society. Although women constitute half of world‟s population yet they are the largest group.

This is excluded from the benefits of social and economic development. Women constitute a strong labour force which needs to be mobilized and encouraged to make an effective contribution to the development process. In India, the work participation rate for women is less than half that of men. Despite efforts made towards economic empowerment of women, majority of the active female population continue to be confined to micro, small scale enterprises and the informal sector. The Tenth Five-year Plan (2002-2007) adopted the strategy of Women‟s Component Plan under which not less than 30 per cent of funds/benefits were earmarked for all the women-related sector‟s and women specific programmes. The Eleventh Five-year Plan (2007-2012) also undertook steps to further strengthening of Self-Help Groups and community based organizations for the empowerment of women. Special attention needs to be given to increasing employment opportunities and productive resources of women through special financial intermediaries, building women‟s competitiveness and increasing economic exchanges among women entrepreneurs.

Empowerment is the phenomenon of the nineties and the term became popular in the field of development, especially with reference to women. The empowerment has become a key solution to many social problems like high population growth, environmental degradation and low status of women. “ Empowerment is defined as „giving power to creating power within‟ and „enabling‟. It is a multi-dimensional process, which enables individuals and groups to realize their full identity and powers in all spheres of life” 22 women empowerment refers to increasing the spiritual, political, social or economic strength of Women. Without economic empowerment, the development of women would be to its lowest level and the women empowerment is the stepping-stone for societal equality. The contribution of women towards betterment of humanity is symptomatic of contentment of life. On this basis, empowering women becomes inevitable and it is evident through entrepreneurial development that women play multiple roles in the family, community and in the economy. According to AmartyaSen, in India two social failures are found; one concerning genders inequality and the other illiteracy. Women have been deprived of many things, which their counterparts enjoy. It is applicable to every walk of Indian day to day life.

Thus, enhancing women‟s economic productivity is an important strategic necessity for improving the welfare of the estimated 60 million Indian households, which is still below the poverty line. Firstly, women‟s earnings increase the aggregate income level of these poor household. Secondly, Indian women contribute a much larger share of their earnings to the basic family maintenances than men. Increase in the income of women would translate more directly into better health and nutrition for the children. In a short period the earnings of women have an immediate effect on the incidence of adversity of poverty at the household level, where as in the long term, important integration effects are expected to be on the quality of human capital. In India, the financial institutions have not been able to reach the poor households particularly women in the unorganized sector. Structural rigidities and overheads led to high cost in advancing small loans. Experience in implementing different antipoverty and other welfare programmes has shown that the key to success lies in starting appropriate community-based organizations with participation at the grassroot level. Moreover, the group approach may be one of the effective ways to reduce the difficulties of small businessmen and agriculturists.

The distinguishing feature of the SHGs is creating social and economic awareness among the members. The social awareness enables the members to lead their lives in a sound hygienic environment and pursue a better living. The woman members involve themselves more in taking decisions regarding the education of their children, the investment of the family, managing the economic assets of the family and bringing up cohesion among the members of the family and others for a better living. From the economic point of view both men and women work shoulder to shoulder to increase the income of the family. Every member of the SHGs has felt the need for more involvement in economic activities. The spirit for social and economic upliftment of members is the significant contribution of each and every Self Help Groups.

**CHAPTER – II**

**PROBLEM STATEMENT**

**PROBLEM STATEMENT**

Empowerment of women has emerged as an important issue in recent times not only in India but also in several developed and developing countries. In this research we have gained vital insights into empowerment, the process of which is still evolving. The question whether the empowerment of a section of people necessarily involves deprivation of the existing power of another section/class of people was examined. It was seen that the thinkers in the area of empowerment recognize that such a narrow approach was fraught with the danger of generating social discontent and resistance to change. The economic empowerment of women is being regarded these days as important and none of progress for a country could be possible without the presence of women development and hence, the issue of economic empowerment of women is of paramount importance to political thinkers, social scientists and reformers. The Self Help Groups (SHGs) have paved the way for economic independence of rural women. The members of SHGs are involved in Micro– Entrepreneurships. Through that, they are becoming economically independent and providing employment opportunities to others.

**SIGNIFICANCE OF THE STUDY**

Self Help Groups (SHG) or thrifty and credit groups are mostly informal groups whose members pool savings and re-lend within the group on rotational or need basis. These groups have a common perception of need and impulse towards collective action. Many of these groups got formed around specific production activity, promoted savings among members, including consumption needs. Women self-help groups, formed exclusively by poor women, being an effective medium for community involvement in developmental activities, can be powerful tool for alleviating poverty through the empowerment of women, by freeing themselves from the clutches of furious moneylenders.

**OBJECTIVES OF THE STUDY**

* To examine the operations and the profile of self-help groups in Maruthonkara Grama Panchayath.
* To study the empowerment level of members
* To identify the impact of SHGs on social, economic empowerment of the group members.
* To advocate suitable policy measures based on findings of the study.

**METHODOLOGY**

The study is empirical in nature and is based on both primary and secondary data. The primary data had been collected from 50 respondents in Maruthonkara Grama panchayath through a well structured interview schedule. Some of the questions asked to the respondents were about their family structure, basic amenities, ownership of assets, individual and household income, financial vulnerability, days of employment etc.

**DATA SOURCES Sources of Data**

Survey method is employed to collect the data from the SHG members. The data used for the present study are primary in nature. So an interview schedule is prepared and applied on the basis of the objectives of the study. Secondary data were also collected for the study.

**Primary Data**

The required primary data are collected from the selected respondents with the help of a comprehensive, pre-tested questionnaire through personal interview method were selected from MaruthonkaraGramaPanchayath. The data are collected over a period of 1 months. Care has been taken to avoid bias and necessary cross checks that are applied to ensure the accuracy of data.

**Secondary Data**

Secondary data were collected from the various sources like published thesis, journals, websites etc.

**SAMPLING DESIGN**

The Maruthonkara GramaPanchayath has been selected as the universes for study for two reasons. First, the district has a large number of Self Help Groups. Secondly, the researcher is familiar with the area and so it is possible to get the co-operation of the officials and also respondents.

**TOOLS FOR DATA COLLECTION**

The data were collected through a structured questionnaire.

**TOOLS FOR ANALYSIS**

Simple statistical tool like percentages and averages were used for analyzing the collected data to derive conclusion. Collected data were tabulated and diagrams and charts were used to represent the data.

**LIMITATIONS OF THE STUDY**

* The sample size limited to MaruthonkaraGramaPanchayath. So generalization is not possible.
* The information given by the respondent may be based some of them might not be interested to given correct information
* Time constraints
* Cost constraints.

**REVIEW OF LITERATURE**

Manimekalai and Rajeswari (2001) studied the socio-economic background of self-help group women in rural micro-enterprises in Tamil Nadu and examined the factors which had motivated the women to become SHG members and eventually as entrepreneurs. The study found that women SHGs earned the highest profit from agriculture, followed by trade related activities and catering services. A majority of sample units did not market their products outside the districts but sold these directly to the customers. The income of the SHG women almost doubled after taking up micro-enterprises. Majority of the respondents faced serious problems like non-availability of raw materials, lack of infrastructure facilities including marketing, lack of support from family members in running the enterprises etc. The provision of microfinance by the NGO to the women SHGs had helped the groups to achieve a measure of economic and social empowerment. It had developed a sense of leadership, organisational skill, management of various activities of a business, identifying raw materials, market and suitable diversification and modernization.

Dasgupta (2001) acknowledged that the NGOs and SHPIs played the major role satisfactory growth of SHGs. He noted that, to form a group, five to six visits to a village in a span of three to four months were necessary by field workers who were generally women. During this period these workers faced many problems such as initial general resistance (to the concept of self help group), inadequacy in training, attracting unhealthy attention from males, necessity to work late into nights, traveling through isolated areas in infrastructural backward villages. He noted that sustained support of the field workers by their NGOs was necessary to succeed. The costs of establishment and linkage included (i) salary of field workers (ii) travel cost of field workers from village to village (iv) training cost for field workers and SHG members and (v) costs of monitoring, controlling and supervision. He noted that for the village level framework, only the first item was necessary. Training cost was necessary for long term growth. Travel cost was important for the operation in a cluster of villages. Supervision costs became significant when operational area is spread far and wide. Subsequent establishment of SHGs in the same village took much less time if the earlier groups were successful.

Todd (2001) studied the impact of SHARE Microfinance Ltd. on its clients in Andhra Pradesh, India. The study compared 125 SHARE clients to 104 new clients who had yet to receive any exposure to the programme. All the SHARE clients had participated in the programme for at least three years. Todd created a poverty index composed of four elements: sources of income, productive assets, housing quality, and household dependency burden (the number of household members divided by the number of income earners). This index score helped Todd to document the extent to which clients had moved out of poverty. The results of the study showed that 76.8 per cent of the total clients had experienced a reduction in poverty including 38.4 per cent that shifted from very poor to moderate poor category and 17.6 per cent that had left poverty entirely. As compared to the incoming clients, mature clients were more likely to send their children to school and spend money for health purposes.

Kabeer and Noponen (2005) in their paper set out the findings of a socio- economic impact study of PRADAN‟s microfinance programme carried out in Jharkhand, one of the poorest states in India. The major objective of the study was to find out the impact of microfinance on the capacity of the participants to meet basic needs, livelihood base, asset position, saving and debt position and women‟s choice and agency. The findings of the study showed that as far as basic needs were concerned, the members had reported a more favourable overall food situation in terms of adequacy and diversity of diet as compared to non-members. They had better access to clean drinking water, improved housing with more rooms and doors. Members were sending greater number of children to school along with greater gender equity. Members were engaged in own cultivation and livestock rearing and less dependent on unskilled wage labour activities. Members had higher levels of savings and lower incidence of indebtedness to high interest of moneylenders as compared to non-members. As regards women‟s skills, knowledge and agency, members had acquired more practical skills and demonstrated greater awareness of government programme for the welfare of poor. However, there was less difference regarding participation in household decision-making. In both the groups, women made sole decisions in one-fifth of the households and a joint decision was made in about half of the households. Overall, the study showed that members were in a better position than non-members and the process of women empowerment had been initiated through the microfinance programme.

S.V.Halakatti, VijayalakshminKamaraddi and D.S.M. Gowda (2007)38 examined the adoption behavior of the rural household and income generation process in Swaranajayanthi Gram SwarojagarYojana(SGSY) for rural women. The data was collected through 200 SGSY women beneficiaries following random sampling procedure through structured interview schedule in an informational atmosphere. Majority of the respondents belonged to medium adopter category. It was observed that out of 13 selected independent variables, except impersonal cosmopolite all have exhibited significant relation with adoption. Further, high adopters, medium adopters and low adopters of dairy innovations differed significantly among themselves with respect to their milk production, consumption, and income and employment generation in the same line it was also found that In the process of income generation of resource poor dairy farm women, adoption of technologies played a crucial role. It helped not only to specify casual mechanisms and to evolve a technology of income generating behaviour amongthe resource poor, but also enhancing the efficiency and output of the interventions made in the development programme.

Borbora and Mahanta (2008) in their case study of RashtriyaGrameenVikasNidhi‟s (RGVN) credit and saving programme (CSP) in Assam examined the role of credit in generation of employment opportunities for the poor. They also assessed the role of SHGs in promoting the saving habits among the poor and the contribution of the programme in social and economic empowerment of the poor in general and of women in particular. The analysis of survey data revealed that 80 per cent of the members in the selected SHGs were from poor families. The members of the groups were engaged in gainful economic activities. It was found that the programme had succeeded in inculcating the habit of saving among the members. As many as 57.8 per cent of the members saved Rs. 200 to Rs. 500 and 42.2 per cent saved Rs. 501 to Rs. 1000 each. It also helped them to free themselves from the clutches of non-formal sources of credit. Forty-three per cent of the sample beneficiaries expanded their income generating activities. The SHGs had helped to set up a number of micro-enterprises for income generation. The focus of CSP was exclusively on rural poor and it adopted a credit delivery system designed especially for them with the support of specially trained staff and a supportive policy with no political intervention at any stage in the implementation of the programme. So, the CSP in Assam was found to be successful.

Deepika M G and Sigi M D (2011) examined this model of microfinance institution and the role of the state in implementation of microfinance activities and examine its impact on poverty alleviation in the state of Kerala in India. The microenterprise model of Kudumbashree provides a classic example of a tripartite linkage model. The functioning of enterprises is made effective due to the strong linkages created in the Kudumbashree network of state, community and financial organizations facilitated through the state. The success of Kudumbashree‟s thrift and credit operations proved that the poor could save money and were trustworthy in banking operations. The microenterprises of the program have created sufficient evidence of enhancing the financial viability of the microfinance institutions created through the SHG model under the Kudumbashree network. The model can therefore be seen as a strong alternative to the commercial MFIs who are now criticized to be functioning strongly under a profit motive deviating from the intended objective of serving the poor and making them self sustainable.

MadhusudanGhosh (2011) reviewed the progress of SHG-Bank linkage programme at the national and regional levels, and examines its impact on the socio- economic conditions of SHG member households. The programme has grown at a tremendous pace during last two decades and emerged as the most prominent means of delivering micro-finance services in India. Though the regional spread of the programme is highly skewed with highest concentration in the southern region, it has started picking up pace in other regions. The average annual net income, assets and savings of SHG member households increased significantly in the post-SHG situation. The average amount of loans and the regularity in repayment of loans increased, and the dependence on moneylenders decreased remarkably. The percentage of loans used for productive purposes and employment per household increased, the incidence of poverty among SHG members declined, and the social empowerment of women improved significantly. The study offers important policy suggestions.

**CHAPTER – III**

**THE STUDY**

**SELF-HELP GROUPS – A CONCEPTUAL NOTE**

Self-Help Group (SHG) is an informal social movement, which otherwise called as thrift and credit groups is the self-managed group of poor people. It is an association of people belonging to similar socio-economic characteristics residing in the same locality. The SHG is a small economically homogeneous and affinity group of rural poor which voluntarily agrees to contribute to a common fund to be lent to its own members as per group decision, which works for group solidarity, self and group awareness, social and economic empowerment in the way of democratic functioning. The group members use collective wisdom and peer pressure to ensure proper end-use of credit and timely repayment thereof. „All for all‟5 is the principle behind SHGs Concept. It is mainly concerned with the poor and it is for the people, by the people and of the people and Gandhi Sarvodaya is found within this. “Though the term selfhelp refers to the provision of aid to self, it emphasizes on self-determination, selfsufficiency, self-reliance, self- assertion, self-respect, self-governance, selfemployment and self-empowerment by mobilizing internal resources of the members of the group. The SHG is a small, economically homogeneous group of poor women drawn-from BPL families”

**CONCEPT OF SELF HELP GROUPS AND ITS HISTORICAL DEVELOPMENT**

A Self-Help Group (SHG) is a registered or unregistered group of micro entrepreneurs having homogenous social and economic background voluntarily, coming together to save small amounts regularly, to mutually agree to contribute to a common fund and to meet their emergency needs on mutual help basis. The group members use collective wisdom and peer pressure to ensure proper end-use of credit and timely repayment thereof. In fact, peer pressure has been recognized as an effective substitute for collaterals. A Self-Help Group is defined as a voluntary group valuing personal interaction and mutual aid as means of altering or ameliorating problems perceived as alterable, pressing and personal by most of its participants.

A Self-Help Group is a group of poor people having a common goal of socioeconomic sustainable, development discussing their problems and resolving it through appropriate participatory decision making process. Self-Help Groups are not looked at as service delivery institutions but as a self-motivated, self-managed people’s institutions at the grass roots. Though the Self Help Groups underlying fulcrum on which they function is financial management both internal and external, they are the big players in social transformation and empowerment of women. Sustainability of these institutions rest on two major linkages: the forward linkages with other appropriate institution like the banks and sideways linkages to strengthen them as a movement through federations.

**The Origins of SHGs**

The habit of savings is the inherited quality of people. The habit and desire to possess and wear golden ornaments is an offshoot of the habit of savings. Pawning the golden ornaments for getting ready cash for emergent needs in the family is a common practice among people. This is done most to meet the need for agricultural inputs, medical assistance and educational fees. Very often a small circle of close relatives helps one another this way. Self-Help Group attitude has been encouraged by the ancestors. The same has been encouraged in the modern times by governments and non-governmental organizations.

**EVOLUTION OF SELF-HELP GROUPS IN INDIA**

 In India, soon after independence, there has been an aggressive effort on the part of the government, which was concerned with improving the access of the rural poor to formal credit system. Some of these measures have been institutional, while some others were through implementation of focused programmes for removal of rural poverty. Reaching out of the far flung rural areas to provide credit and other banking services to the neglected sections of the society is an unparalleled achievement of the Indian banking system. The main emphasis is the spread of the banking network and introductions of new instruments and credit packages and programmes were to make the financial system responsive to the credit the weaker sections in the society. comprising small and marginal farmers, rural artisans, landless agricultural and non-agricultural labourers and other small borrowers falling below poverty line. With the implementation of the various policies, government of India in its developmental planning emphasized the promotion of agriculture and other allied economic activities through credit intervention for ensuring integrated rural development and securing the prosperity of the rural areas. In pursuance of this, formal credit institutions have been guided by the principle of growthwith equity and a large share of the credit disbursed for various activities was channelized towards the weaker sections of the society. Consequently, by the implementation of several poverty alleviation programmes, the number of people below the poverty line has declined from 272.7 million in 1984-85 to 210.8 million in 1989-90, in 1991-2000, which constitutes over 21 percent of the population. The number of operational holdings is expected to have crossed the 100 million mark with more than 80 percent being small and marginal holdings. The institutional credit system needs to meet the challenges of delivering credit to an ever increasing number of rural people who need greater access to formal credit. It may have to reinforce its own structure at the grass root level and also have to devise new ways of reaching out of the rural poor.

 As a result, the experience of implementation of the poverty alleviation programmes lead to the introduction of the Integrated Rural Development Programme (IRDP) on 2nd October, 1980 with the specific objective of raising the poor rural families above the poverty line. Such families considered credit support from banks as an important input in taking up economic and gainful activities.

 In spite of these impressive achievements in the expansion of the credit delivery system and special programmes, nearly half the indebted rural households are still outside the ambit of the institutional system. They approach the moneylenders for meeting their consumption and production in the absence of institutional support. Some of the poor who have not been reached even by the vast network of the institutional credit delivery system, have organized themselves into Self-help groups (SHGs) and many such groups have come into existence either spontaneously or with the active involvement of the voluntary agencies which motivated the rural poor to pool their meager financial resources for meeting their small and frequent consumption and production credit needs.

**SHG IN KERALA**

Kerala’s land reform which intended to place agricultural land in the hands of the tillers and ensure a dwelling place for the hutment dwellers was expected to usher in, a more equitable society and accelerate agricultural production. The bulk of the former tenants who benefited from the land reforms were people who did not have any direct dependence on land for their livelihood. The agricultural laborers who directly worked on land for their livelihood did not benefit much from land redistribution since they got only hutment dwellings and very little cultivable lands. The organizations like the cooperative movement or the self help groups emerged from the rural society in its efforts to institutionalize its mechanisms to respond to the environmental stimuli that challenge the rural agrarian livelihood options. The evolution of the self help groups has to be viewed in the backdrop of the dynamics of rural innovation, micro-level management and creation of collective bargaining power. The tendency to stay together and act together for common livelihood concerns were innate in human nature. A common cause often led to the creation of a common platform to stay together.

The second scenario pictured planning for the future of the rural and urban populations, depending on ways that make rural life more productive and attractive. It is through such initiatives that the rural economies benefit from their perseverance to find solutions to their survival problems. A critical factor in the success of such efforts is creating organizational capabilities at local levels that can mobilize and manage resources more effectively for the benefit of many.

Readings through the instructive examples suggest that some such efforts had external donor assistance while others had none. Some were conceived and nurtured by remarkable individuals while others were the products of team efforts or institutional initiatives. However, success depended on the set of persons who saw acutely both the needs and the solutions and those who innovated as they persevered bringing into being major programs that benefited large number of their fellow human beings.

In Kerala the mass political activism was radical in nature. Several economists have highlighted the fact that the so-called Kerala Experience cannot be elevated to the status of a model worth replicating. The failure was the low growth of the economy itself. With the advent of democratic decentralization and people’s planning, the scope of democratic growth and development has been redefined.

**GUIDING PRINCIPLES**

* Effort is built on mutual trust and mutual support
* Every individual is equal and responsible
* Every individual is committed to the cause of the group
* Decision is based on the principles of consensus
* The belief and commitment by an individual that through the group their standard of living will improve
* Savings is the foundation on which to build the group for collective action

**NEED OF SHG**

The very existence of SHGs is highly relevant to make the people of below poverty line hopeful and self-reliant. SHGs enable them to Increase their income, improve their standard of living and status in society. It acts as a catalyst for bringing this section of society to the main stream. Ultimately, the nation reaps the advantages of socialism. The Government of India and various state Governments have been implementing various programmes for rural upliftment. However, rural poverty and unemployment still persist in the country. This problem is becoming severe and acute. The available latest statistics relating to the Indian Economy indicates that about 26% of the total population in the country belongs to the rural poor.

Considering the gravity and intensity of the problem, many Voluntary Development Organisations (VDOs) have come forward with different programmes for the rural poor in the country. These agencies undertake various innovative programmes and schemes to address the issues of poverty and unemployment prevailing in our country. Among the various programmes “SwarnaJayantiGramaSwarojgarYojana” (SGSY) is an important one. This programme was launched on 1st April, 1999, at 75: 25 costs sharing between Central and State Governments. The main objective of this programme is to bring the beneficiaries above the poverty line by providing income generating assets to them through bank credit and government subsidy. The Self-Help Groups (SHGs) are the major component of this scheme.

Women are a vital part of the Indian Economy, both at the national and the household levels. They make one-third of the national labour force. Compared with their men folk, Indian women contribute a much larger share of their earnings to basic family maintenance with the result that women’s earnings positively and immediately affect the incidence and the security of poverty. Despite all this, social conventions and gender ideology deprive them of the access to, and control over, the resources which would enable them to increase their productivity. Women form the backbone of agricultural operations and majority of agricultural labourers are woman. Seventy to eighty percent of the field work is done by women.

Most post-harvest and processing tasks are their sole responsibility. They are heavily involved in animal husbandry, particularly small livestock. About 85 percent of persons engaged in dairy production are women. Since independence, government’s policy on women’s development has taken varying types of emphasis: from the initial welfare oriented approach to the current focus on development and empowerment.

The planning commission, with the aim of converging the benefits in the social and economic development sectors for women in the Ninth plan, envisaged “inclusion of an identifiable women component plan in the programmes of the respective ministries right from the planning process, and to monitoring and implementation of programmes to ensure the reach of benefits to women”. The Ninth Plan Document (1997-2000) also laid emphasis on the participation of people in the planning process, and the promotion of self-help groups. Self-Help Group (SHG) is a homogeneous group of poor, women. This group is a voluntary one formed on areas of common interest so that they can think, organise and operate for their development.

SHGs function on the basis of co-operative principles and provide a forum for members to extent support to each other. It is considered is a means of empowerment. SHGs organise very poor people who do not have access to financial system in the organised sector. In groups, normally transparency and accountability are lacking.

However, in a group like SHG, they are ensured through collective action of the members. This scheme mobilises the poor rural people especially women to form groups for mutual benefits. SHGs play a crucial role in improving the savings and credit and also in reducing poverty and social inequalities.

**OBJECTIVES OF SHG**

1. To inculcate the savings and banking habits among members.
2. To secure them from financial, technical and moral strengths.
3. To enable availing of loan for productive purposes.
4. To gain economic prosperity through loan/credit.
5. To gain from collective wisdom in organising and managing their own finance and distributing the benefits among themselves.
6. To sensitize women of target area for the need of SHG and its relevance in their empowerment.
7. To create group feeling among women.
8. To enhance the confidence and capabilities of women.
9. To develop collective decision making among women.
10. To encourage habit of saving among women and facilitate the accumulation of their own capital resource base.
11. To motivate women taking up social responsibilities particularly related to women development.
12. To acts as the forum for members to provide space and support to each other.

SHGs are considered as one of the most significant tools to adopt participatory approach for the economic empowerment of women, SHG is a group of people that meets regularly to discuss issues of interest to them and to look at solutions of commonly experienced problems. The group may or may not be promoted by Government or non-Government institutions.

The SHG is group of rural poor who have volunteered to organise themselves into a group for eradication of poverty of the members. They agree to save regularly and convert their savings into a common fund known as Group Corpus. The members of the group agree to use this common fund and such other funds that they may receive as a group through a common management.

Generally, all members of the group should belong to families below the poverty line (BPL). However, if necessary, a maximum of 20% and in exceptional cases, where essentially required, up to a maximum of 30% of the members in a group may be taken from families marginally above the poverty line (APL) living continuously with BPL families and if they are acceptable to the BPL members of the group.

This will help the families of occupation groups like agricultural labourers, marginal farmers, and artisans marginally above the poverty line, or who may have been excluded from the BPL list to become members of the SHG. However, the APL member will not be eligible for the subsidy under the scheme.

The group shall not consist of more than one member from the same family; a person should not be a member of more than one group. The BPL families must actively participate in the management and decision making, which should not ordinarily be entirely in the hands of AIM, families. Further, APL members of the SHG shall not become office bearers (Group Leader, Assistance Group leader or Treasurer) of the group.

The group should devise a code of conduct (Group management norms) to bind itself. This should be in the form of regular meetings (weekly or fortnightly) functioning in a democratic manner allowing free exchange of views, participation by the members in the decision making process. The group should be able to draw up an agenda for each meeting and take up discussions as per the agenda.

The members should build their corpus through regular savings. The group should be able to collect the minimum voluntary saving amount from all the members regularly in the group meetings. Tiu- savings so collected will be the group corpus fund. The Group Corpus Fund should be used to advance loans to the members. The group should develop financial management norms covering the loan sanction procedure, repayment schedule and interest rates.

The members in the group meetings should take all the loaning decisions through a participatory decision making process. The group should be able to prioritise the loan applications, fix repayment schedules, fix appropriate rate of interest for the loans advanced and closely monitor the repayment of the loan instalments from the loanee.

The group should operate a group account preferably in their service area bank branch, so as to deposit the balance amounts left with the groups after disbursing loans to its members. The group should maintain simple basic records such as minute’s book, attendance register, loan ledger, general ledger, cash book, Bank pass book and Individual pass books. 50% of the groups formed in each block should be exclusively for the women. In the case of disabled persons, the groups formed should ideally be disability-specific wherever possible, however, in case sufficient number of people for formation of disability-specific groups are not available, a group may comprise of persons with diverse disabilities or a group may comprise of both disabled and non-disabled persons below the poverty line.

**FORMATION OF SELF-HELP GROUPS**

There are three stages in SHG evolution.

1. Group formation

2. Capital formation through revolving fund and skill development.

4. Income generating activities.

1. Group Formation: - Group formation is not a spontaneous process. External agencies, individual working with communities can act as a facilitator in the formation of groups and its development. Self-help Group Institution (SHGI) plays a vital role in the initial stages of group formation. The external facilitators are generally Non-Government Organization, social workers, village level worker, informal associations of local people, community based organizations, government departments, banks, farmer clubs etc. They interact with the poor families especially women to identify the small homogenous groups. The members regularly meet on a fixed time and date in a month to collect savings from members under the supervision of SHGs. Thus SHGs will inculcate the habit of thrift and credit among the members, who generally belong to the families of BPL.

2. Capital formation through revolving fund and skill development: - Self-help groups are taught simple principles of accounting and facilitated to receive external funds in multiples of their savings. SHPIs, bankers or donors are the sources of funding for SHGs. The corpus consists of own savings and other external funds (Revolving fund, grants, loans). Small loan from corpus fund are given to needy members. The loans are given to members on a participatory method during the regular meeting etc. The loans have a definite repayment schedule, which is usually of short duration. The funds thus are rotated among themselves. Thegroups shall have a bank account to deposit the savings, revolving funds etc. The group shall maintain certain basic records as well

4. Income Generating Activities (IGA): - SHG members take up different income generating activities. SHPIs play an important role in taking up the suitable IGAs by the members based on the skills.

Income Generation Activities of SHG

 Agriculture

 Chicken shops

 Animal husbandry

 Mess

 Hosiery

 Mid-day meals

 Candle preparation

 Embroidery

 Cane items

 School uniform stitching units

 Carpets

 Brick making

 Khadi, leather items

 Pot making

 Spinning and weaving

 Saree business

 Basket weaving

 Candle making

 Woolen blankets weaving

 Sale of fruits and seeds

 Pickle making

 Vegetable vending

**FEATURES**The features of SHG’s may be categorized in the following manner:

* Group’s members usually create a common fund by contributing their small savings on a regular basis; groups manage pooled resources in a democratic way; considers loan requests; and loans are disbursed by purposes. The rates of interest vary from group to group and the purpose of loan, interest rates are higher than that of banks but lower than moneylenders.
* The average deposit and loan size of SHG account is larger than individual accounts under the priority sector, bank transaction cost of dealing with SHG’s is obviously lower than that of individual borrowers; the rate of growth of credit absorption of SHG’s is much higher than individual borrowers under the priority sector.
* Banks can reduce the operating costs of forming and financing of SHG’s, involving NGO’s or youths for forming and nurturing SHG’s.
* The innovative forms of financing is imperative to supplement credit strategies for meeting the needs of the poor by combining the flexibility, sensitivity and responsiveness of the informal credit system with the technical and administrative capabilities and financial resources of formal financial institutions and also to build material trust and confidence between bankers and the rural poor and to encourage banking in a segment of population that formal financial institutions usually find difficult to reach.
* The entire process of internal savings and credit is backed by financial and management counseling, promotion of new avenues of employment and motivation for enhancement of earnings from the ongoing activities.
* The groups develop their own management system and accountability for handling the resources generated. The interaction among the members is based on participatory mechanism in terms of decision-making.
* Small savings of rural women can generate the required resources, which can wean the people away from the exploitation of moneylenders. Thus, the voluntary savings constitute the key for economic progress. Promotion of SHG’s can bring women into the mainstream of economic development.
* Credit through SHG’s is being regarded more suitable by banks and NGO’s since creditability of SHG’s regarding utilization and recovery is praise worthy.
* Credit accessibility through SHG’s is cost effective and group approach can ensure wider coverage of poor families through bank credit, even the members of the group learn interdisciplinary approach the 5 banks for advance lead to direct interaction and guidance from the bank officials.

SHG’s can create a unique, alternative need based credit-delivery-mechanism by pooling their meager resources for catering to their consumption and production requirements.

**ACTIVITIES OF SELF- HELP GROUPS.**

Self-Help Groups are formed in the socio, economic, political and educational sphere of the society at large and in the rural society in particular. It is hard to distinguish whether a particular activity falls into any one of the spheres exclusively. They intermingle with one another. An economic activity that enables women to earn a handsome amount gives her a new role in the decision-making in the family. The training programmes most of the time aimed at skill development also enables the women to become confident to contest in the election for the local bodies. Any one shall standing that the results of a particular activity can always lead women to enter into other spheres of public life.

* Economic Activities of the SHGs
* Production of Artifacts
* Managerial Activities

 **CHARACTERISTICS OF SHGs**

* Each group should contain 15 to 20 members.
* The members of this group should live below the poverty line.
* Every group member should have a clear conception of the vision and mission of their group.
* They should have good faith in themselves with similar ideology and common interest.
* They should have a better understanding and inter-member cohesiveness among group members.
* Every member should meet with each other at least once a week at a common place to discuss their common concerns so as to ventilate their narrow feelings.
* Leadership in each group is confined for a period of three years and the members should make change of leadership as the term is over.
* Every group has an identity by its name and place of operation.
* One-family, one-member norm is followed during registration of the members for a group.
* Members will be entitled for having credit facility after practicing regular weekly savingsfor a period of more than six months.
* Only the group members are entitled for savings and credit from group.
* Registration of new members or cancellation of membership should be made within oneyear from the date of formation of group.

**NORMS OF SHGS**

Any self-help group will have certain norms: help to function properly for sustainability of SHGs. It is mandatory for any SHG to have certain byelaws pertaining to -

1. Objectives of the group

2. Meetings - time, periodicity

4. Savings - amount, periodicity, rate of interest.

4. Credit - procedure for sanction, ceiling amount, purposes, rate of interest to be charged, repayment period.

5. Fines - defaulters in attending meetings, savings and credit repayment

6. Leadership - election or nomination of leaders, rotation of leaders etc.

7. Personal / Social improvement - minimum literacy to be achieved, social work to be done, convergence of facilities etc.

The norms are further elaborated as follows.

**Meetings: -**

 The group decides the periodicity of the meetings and regular monitoring, attendance of the meeting, punctuality of the members, disciplinary action on errant members etc. Generally, each group meets at least once in a month at a fixed time, some groups meet twice a month to transact their business. The meeting place may be the house of a leader, a common place, a temple, panchayat building etc. Absentee member is liable for fine, which becomes the part of corpus funds of the group.

**Maintenance of registers: -**

Each SHG maintain certain basic register for effective monitoring, accountability and transparency. The register of SHGs includes minute book, attendance register, ledger book, cash book, bank pass book etc. These registers are suggested by promoter (banker, NGO), which may vary from place to place. The details of meetings, proceedings, attendance, member wise savings and credit, bank transactions etc. are verifiable from these registers. The registers are maintained by a book keeper (President / treasurer / literate members), who is paid monthly honorarium for maintaining these registers.

**Pattern of leadership: -**

 Each group shall have leaders, who represent the group matters in various platforms. The nomenclature of leaders varies =from region to region and state to state. The leaders are elected from the members on rotation. Leaders aid to democratic function of the group. The purpose of rotation is to see that the leadership qualities are developed among the members of the group. However, the experience in Andhra Pradesh indicates that the rotation of leadership apparently take place on the prescribed manner. The same leaders continue to hold the office and or influence the leadership.

**Awareness of group: -**

The group will create an awareness among the members and empowerment of members take place. The members will have to know the purpose of group formation, activities and operations, savings, credits etc. The members are expected to participate actively in the group discussion and decision making process. SHG helps to work as a cohesive group and will have transparency in the transactions.

**Group activities: -**

 Savings and credit are the two important dimensions of SHG movement. Regularity in savings and method of dealing with defaulters are the important features of savings. The credit function of SHGs is judged by decision making process adopted credit requirement and quantum of loans sanctioned, system of monitoring credit repayment pattern etc. The group has to monitor their performance regularly.

**Revolving of fund: -**

The SHGs to become eligible for sanction of revolving fund, community investment fund etc. they need to pass through certain stages.

Stage - 1 (Grading of SHG): - The formation stage lasts for 6 months. It is necessary to test whether it has evolved into a good group or not. This helps to understand the weakness of the group and to overcome such deficiencies. Members also evaluate their own performance through a participatory approach.

Stage - 2 (Capacity Building of SHG): - It is a crucial stage to enhance the capacity of groups and enables to receive the revolving fund, which become a part of corpus fund of the group. The external fund received enhances the group capacity to extend loans to the maximum.

**GROWTH OF SHG IN INDIA**

 In early 1990’s the emergence of SHGs has brought in major conceptual changes in assistance to the excluded sectors of economy, such as empowerment, habit of thrift, small loan that brought them out of the clutches of local money lenders, and aided the promotion of micro enterprises. They gained the confidence of bankers through SHG-Bank Linkage Programme, which was initiated by NABARD. The bank also extends Micro Enterprises Development Programme (MEDP) to members of SHG in various areas ranging from preparation of pickles, jam, squash, sweets, fruits and vegetable process. Agro based industries like mushroom cultivation, floriculture, milk products, organic farming, ornamental pisciculture, vermin cultivation, herbal shampoo, manufacturing of products such as bakery, detergent powder, washing and cleaning powder etc. These types of training help them to venture in to economic activity and for a sustained development. In India, within a span of 10 to 15 years, SHGs have produced good results. At the inception stage, there were only 255 SHGs in India. During the last 15 years this number has crossed a mark of one million

S**ELF-HELP GROUPS, POVERTY ALLEVIATION AND WOMEN EMPOWERMENT**

Self-help groups emerge as an important strategy for empowering women and alleviating poverty. SHG is a „people‟s scheme‟7 and its organization is a significant step towards empowering women. A Self – Help Group is a voluntary group, formed to attain some common goals, most of its members have similar social identity, heritage, caste or traditional occupations and come together for a common cause and manage resources for the benefit of the group members. The process of organizing women into SHGs started during the Ninth Plan to provide them permanent for articulating their needs and contributing their perspectives to development, has made tremendous progress as it brought into action more than a million SHGs all over the country. Participation of people in credit delivery and recovery and linking of the formal credit institutions to borrowers through the SHGs have been recognized as a supplementary mechanism for providing credit support to the rural poor. The SHGs are informal groups formed on a voluntary basis, for providing the necessary support to their members for their social and economic emancipation. These groups are distinct from the co-operative societies, mainly in terms of their size, homogeneity and functions. The Non-Governmental Organizations play a vital role in preparing the members by changing their attitude to participate in-group activities. The NABARD is a pioneer in conceptualizing and implementing the concept of the SHGs through the pilot project of linking the SHGs with the banks. Efforts were also made by the NABARD to popularize the project among bankers and the NGOs by organizing a series of workshops and seminars at different levels. The response from banks and the NGOs was encouraging and positive. Women SHGs play a vital role in enhancing the knowledge, skill and good attitude of their members. The distinguishing feature of the SHGs is creating social and economic awareness among the members. The social awareness enables the members to lead their lives in a sound hygienic environment and pursue a better living. The woman members involve themselves more in taking decisions regarding the education of their children, the investment of the family, managing the economic assets of the family and bringing up cohesion among the members of the family and others for a better living. Every member of the SHGs has felt the need for more involvement in economic activities. The spirit for social and economic up-liftment of members is the significant contribution of each and every Self Help Groups.

**ECONOMIC SIGNIFICANCE OF WOMEN’S ROLE**

Women play a key role in the family. The biological division of roles in the family assumes that generally men engage themselves in productive economic activities outside the household and women are to be engaged in caring the hearth and home. Usually, any economic value is not attached to the multifarious jobs women perform in the family. In some of the families, women are the breadwinners who sustain the family by toiling whole day inside and outside the household8 . The history of rural women‟s relationship to nature‟s resources has been marked by a struggle to provide for family subsistence. Women are noted to have been the first farmers, potters and weavers. In hunting gathering societies, childe notes: “to accomplish the Neolithic revolution… womankind had not only to discover suitable plants and appropriate methods for their cultivation but also devise special implements for tilling the soil, reaping and storing the crop and converting it into foods. Technologies such as the digging stick (used to dig out tubers and wild plants, and precursor to the plough), hoe, the saucer shaped stone for grinding grain, baskets and vessels for grain storage, jars, jugs, strainers and beakers for holding water and fermented liquor, the over for baking bread and the loom, are all attributed to women, as are techniques such as hoeing, winnowing, making bread, spinning and weaving, and the chemistry of pot making. “Food gathering itself demanded and elaborated knowledge of food and medicinal properties of plants, fruits and trees-including wild „reserve‟ knowledge of edible plants not normally used but critical to tide over prolonged shortage of other foods during climatic disasters.” Women collected edible seeds of wild grass ancestral to our wheat and barley and to them are attributed the decisive step of deliberately sowing such seeds on suitable soil and cultivating the sown land by weeding and other measure.

**EMPOWERING WOMEN THROUGH SHGs (ROLE)**

A Self-Help Group (SHG) is a village-based financial intermediary comprising of ten to twenty local women. There are over 1,95,585 self-help groups (SHGs) in Karnataka under various departmental programmes, majority of which are WSHGs or women’s self-help groups. In the recent times, the woman has contributed to a great extent towards the development of the economy but not many are aware of this that they have the potential. The recent development has been in the entrepreneurial activities undertaken by them. In the light of the above observation, the study focuses on the awareness of functioning of registered Self-Help Groups among women in rural areas of Karnataka and such programmes being Stree Shakti and SwashaktiProgramme funded by the State Government of Karnataka The SHG program emerged in the early 1990s with the Reserve Bank of India guidelines encouraging the nationalised commercial banks to lend to informal SHG groups. It has since been actively promoted by the National Bank for Agriculture and Rural Development (NABARD). SHGs fall under the category of village banking, which includes 10 to 20 (primarily female) members. In the initial months the group members save and lend amongst themselves and thus building group discipline. Once the group demonstrates stability and financial discipline for six months, it receives loans of up to four times the amount it has saved. The bank then disburses the loan and the group decides how to manage the loan. As savings increase through the group’s life, the group accesses a greater amount of loans.

The SHG program links with the poor through Self-Help Group Promoting Institutions (SHPIs), which primarily include NGOs, but also banks, and government officials. The typical program features of small loan size, regular meetings, frequent repayment instalments and savings supplemented by training from SHGs. These may include primary healthcare, basic literacy, family planning, marketing and occupational skills (Bali Swain and Varghese 2010) It is, however, important to note that empowerment is multi-location, exists in multiple domains and is multi-dimensional. Thus, women’s control over a single dimension – for instance, economic decision making – does not necessarily imply the ability to make reproductive or non-financial domestic decisions (Malhotra and Mather 1997). This is why alternative development initiatives, such as political quotas, awareness generation and property rights, and so on, are as essential for empowering women (Aghion and Morduch 2005; Kabeer 2005; Deshmukh-Ranadive 2003). It is also critical to note that due to the cultural and social constraints imposed on women in developing countries, women’s autonomy or personal accumulation of resources may not necessarily result in empowering women on their own. Based on a survey of 15 different programs in Africa, Mayoux (1999) finds that the degree of women’s empowerment depends on the inflexible social norms and traditions. Evidence from Bangladesh reveals that credit taken by women might be used by the male household head, with women having limited control over their own investments (Goetz and Gupta 1996). Finally, women’s empowerment is not just an outcome, but a process (Johnson 2005; Kabeer 1999). Moreover, factors such as legal and regulatory framework and social norms and culture also have a significant impact on the empowerment process (Beteta 2006).

A planned economic system has been adopted by the Indian economy for its growth and development. So far, India has completed 10 Five Year Plans with some annual plans. In the 11th Five Year Plan from April 1, 2007 has no doubt, tremendous developments have been made in all sectors of the Indian economy. However, India still remains a developing economy with low per capita income, chronic unemployment, low capital formation, increasing trade deficit, considerable population below the poverty line, etc. Economic progress of a country in general and family in particular, depends on the working ability of all members of the family. Since, women constitute 48.15 per cent of the total population as per census 2001, it is very essential to make them productive by involving them in productive activities instead of confining them within the four walls of the kitchen. Of late, the role of women has changed considerably due to changing socio-cultural environment.

 The Self-HelpGroup (SHG) movement in India has been working in the right direction in empowering women and eradicating poverty in the rural and urban areas. However, women are still not empowered as per the expectation. Empowerment is an active multidimensional process to enable women to realize their identity and power in all spheres of life. Empowerment provides a greater access to knowledge and resources, more autonomy in decision making, greater ability to plan lives, more control over the circumstances which influence lives, and freedom from customs, beliefs and practices. Empowerment demands a drastic and basic change in the system of marriage and family, husband and wife relationship and attitude towards socialization and remarriage. Empowerment is a process that gives a person freedom in decision making. Self-Help Group (SHG) is a homogenous group formed by 10-20 members of poor households having similar objectives, aims and aspirations. The SHGs are formed under the principle of self-help to promote individuals through collective actions in areas of augmenting income, gaining easier access to credit and other resources and increasing their bargaining power. The SHGs may be formed either by male members or by female members or both. The SHG is a voluntary association of the poor who come together to improve their socioeconomic conditions.

Training is an essential component for producing an able corpus of entrepreneurs who not only survive but thrive and contribute to the local and ultimately, the global economy. Promoting entrepreneurship for women will require an even greater reversal of traditional attitudes than the mere creation of jobs for women would. Realizing the need for training, the government has introduced several programs. Critical evaluation of the existing governmental and non–governmental efforts indicate that training and technical assistance offered are not geared to suit the individual needs. They are only ‘capsule’ inputs focusing on the vested interests of individual trainers and consider the training as an ‘end’ in itself. After centuries of colonial rule, we started to think about ourselves as a Nation. We had made up our minds that India needs the goodness of both capitalism and socialism. Hence, we adopted a middle path called mixed economy. It was a partnership of private and government enterprises. Government concentrated on basic infrastructure, core industries and others were left to the private sector. The father of the nation, Mahatma Gandhi said that ―India lives in villages‖. Following the vision of Ramarajya, first five-year plan was dedicated to agriculture.

From there onwards, we have not looked back. However, the pace of development was so slow up to 1980, that the Westerners termed it as the ―Hindu rate of growth‖. Promoting entrepreneurship is viewed as part of a formula that will reconcile economic success with social cohesion (Organization for Economic Co-operation and Development, 1998). Raising employment levels and encouragement of new entrepreneurs were recognized as some of the main objectives of the Bank Nationalization in 1969. History has shown that societies where people had shown qualities of initiative, courage and a forward looking attitude have always been ahead of other societies. Jagadeesan and Santana Krishnan (2008), is of the view that ―the development in rural India can only be supported by the growth of rural entrepreneurship. Women have contributed significantly to the economic development of the nation at large. However, there are impediments to the growth of microenterprises owned by women.

**Microcredit programs and economic development**

Microcredit programs in the economic development context refer to the extension of banking financial services to the poor, who otherwise would be unlikely to have access to services such as small loans and taking deposits (Economist, 2004). When traditional banks are involved, microcredit is typically provided in a conventional manner, with the poor becoming customers of the bank. When governments have subsidized credit programs with the goal of reaching the poor, there is evidence that such programs have been subverted, with the wealthy in the society reaping the benefits from the subsidies (Dutt, 1991). There are also some examples of foreign companies using microcredit programs for local entrepreneurs to gain access to rural markets by extending credit to small distributors of their products, which are sometimes either sold in smaller units or in simpler forms in order to increase their usefulness to poor, rural customers (Prystay, 2005; Kripalani and Engardio, 2002). When NGOs (non-governmental organizations) are involved, the poor may participate in a revolving loan fund, where the NGO may put up the initial seed money for the loan fund, and the clients repay loans that are then re-loaned to other small entrepreneurs so that the community is essentially acting as its own bank. This has been referred to as “village banking” (Woodworth, 2000).

**CHAPTER IV**

**DATA ANALYSIS AND INTERPRETATION**

**TABLE NO. 4.1**

**AGE WISE CLASSIFICATION**

|  |  |  |
| --- | --- | --- |
| **Particulars** | **No. of respondents** | **Percentage** |
| Below 25 | 5 | 10 |
| 25-35 | 12 | 24 |
| 35-45 | 18 | 36 |
| Above 45 | 15 | 30 |
| **Total** | **50** | **100** |

 **Source: Primary Data**

**INTERPRETATION**

Table no.4.1 shows that 36% of them are belonging to the age group of 35 to 45 years. 30% are from the age group of above 45 years. 24% of the respondents are from the age group of 25 to 35 years and rest of them is from the age group of below 25 years.

**TABLE NO. 4.2**

**RELIGION**

|  |  |  |
| --- | --- | --- |
| **Particulars** | **No. of respondents** | **Percentage** |
| Hindu  | 30 | 60 |
| Muslim  | 10 | 20 |
| Christian  | 8 | 16 |
| Others  | 2 | 4 |
| **Total** | **50** | **100** |

**Source: Primary Data**

**INTERPRETATION**

Table no.4.2 shows that 60% of the respondents are Hindu. 20% of the respondents are Muslim. 16% of them are Christian and 4% of the respondents belong to the other category.

**TABLE NO. 4.3**

**MARITAL STATUS**

|  |  |  |
| --- | --- | --- |
| **Particulars** | **No. of respondents** | **Percentage** |
| Married  | 30 | 60 |
| Unmarried  | 20 | 40 |
| **Total** | **50** | **100** |

**Source: Primary Data**

**INTERPRETATION**

Table no.4.3 shows that 60% of the respondents are married and 40% of the respondents are unmarried.

**TABLE NO. 4.3**

**WHETHER YOU ARE IN THE HABIT OF SAVING PRIOR JOINING SHGs**

|  |  |  |
| --- | --- | --- |
| **Particulars** | **No. of respondents** | **Percentage** |
| Yes | 50 | 100 |
| No | 0 | 0 |
| **Total** | **50** | **100** |

**Source: Primary Data**

**INTERPRETATION**

The entire respondents agreed that they are in the habit of saving prior joining SHGs.

**TABLE NO. 4.5**

**KNOWLEDGE ABOUT SHGS**

|  |  |  |
| --- | --- | --- |
| **Particulars** | **No. of respondents** | **Percentage** |
| Friends  | 1 | 2 |
| Neighbors  | 42 | 84 |
| Relatives  | 5 | 10 |
| Media  | 2 | 4 |
| **Total** | **50** | **100** |

**Source: Primary Data**

**INTERPRETATION**

Table no.4.5 shows that 84% of the respondents came to know about SHGs from their neighbors. 10% of them from relatives, 4% from media and 2% of the respondents came to know about SHG’s from friends.

**TABLE NO. 4.6**

**WHAT MOTIVATES YOU TO JOIN SHGs**

|  |  |  |
| --- | --- | --- |
| **Particulars** | **No. of respondents** | **Percentage** |
| A desire to come out of poverty  | 12 | 24 |
| Due to awareness camps  | 23 | 46 |
| By circumstances  | 15 | 30 |
| **Total** | **30** | **100** |

**Source: Primary Data**

**CHART NO. 4.6**

**WHAT MOTIVATES YOU TO JOIN SHGs**

**INTERPRETATION**

Table no.4.6 shows that 46% of the respondents said that due to awareness camps they joined SHGs. 30% of the respondents are motivated by circumstances and 24% of them join SHGs as a desire to come out of poverty.

**TABLE NO. 4.7**

**ARE YOU HOLDING ANY OFFICIAL POST IN THE GROUP**

|  |  |  |
| --- | --- | --- |
| **Particulars** | **No. of respondents** | **Percentage** |
| Animator  | 3 | 6 |
| Secretary  | 42 | 84 |
| Member  | 5 | 10 |
| **Total** | **50** | **100** |

**Source: Primary Data**

**CHART NO. 4.7**

**ARE YOU HOLDING ANY OFFICIAL POST IN THE GROUP**

**INTERPRETATION**

Table no.4.7 shows that 84% of the respondents are secretary. 10% of them are member and 6% of the respondents are animators.

**TABLE NO. 4.8**

**TYPE OF BENEFICIARY**

|  |  |  |
| --- | --- | --- |
| **Particulars** | **No. of respondents** | **Percentage** |
| Individual  | 37 | 74 |
| Group  | 9 | 18 |
| Both  | 4 | 8 |
| **Total** | **50** | **100** |

**Source: Primary Data**

**CHART NO. 4.8**

**TYPE OF BENEFICIARY**

**INTERPRETATION**

Table no.4.8 shows that 74% of the respondents are individual beneficiaries. 18% are group beneficiaries and rest of them are both.

**TABLE NO. 4.9**

**CONDUCTING MEETING IN A MONTH**

|  |  |  |
| --- | --- | --- |
| **Particulars** | **No. of respondents** | **Percentage** |
| Weekly once  | 15 | 30 |
| Once in 2 weeks  | 27 | 54 |
| Monthly once  | 5 | 10 |
| Nil  | 3 | 6 |
| **Total** | **50** | **100** |

**Source: Primary Data**

**CHART NO. 4.9**

**CONDUCTING MEETING IN A MONTH**

**INTERPRETATION**

Table no.4.9 shows that 54% of the respondents said that they conduct meeting weekly once. 30% said that they conduct meeting once in 2 weeks. 10% of the respondents said that they conduct it monthly once and rest of the 6% of the respondents said that they never conduct a meeting in a month.

**TABLE NO. 4.10**

**SAVINGS IN A MONTH**

|  |  |  |
| --- | --- | --- |
| **Particulars** | **No. of respondents** | **Percentage** |
| Below 25000 | 11 | 22 |
| 25000-50000 | 24 | 48 |
| 50000- 1 Lac | 5 | 10 |
| Above 1 Lac  | 10 | 20 |
| **Total** | **50** | **100** |

**Source: Primary Data**

**CHART NO. 4.10**

**SAVINGS IN A MONTH**

**INTERPRETATION**

Table no.4.6 shows that 48% of the respondents saves 25000 to 50000 in a month. 22% saves below 25000, 20% saves above 1 Lac and 10% of the respondents saves 50000 to 1 Lac in a month.

**TABLE NO. 4.11**

**WHAT KIND OF BUSINESS YOU DEAL YOU DEAL WITH AFTER JOINING SHGs**

|  |  |  |
| --- | --- | --- |
| **Particulars** | **No. of respondents** | **Percentage** |
| Agriculture  | 15 | 30 |
| None form activity  | 20 | 40 |
| Services  | 15 | 30 |
| **Total** | **50** | **100** |

**Source: Primary Data**

**CHART NO. 4.11**

**WHAT KIND OF BUSINESS YOU DEAL YOU DEAL WITH AFTER JOINING SHGs**

**INTERPRETATION**

Table no.4.11 shows that 40% of the respondents said that they deal with none form activity after joining SHGs. 30% each deal with services and agriculture after joining SHGs.

**TABLE NO. 4.12**

**WHY YOUR GROUPS HAS CHOOSES THIS LINE OF BUSINESS**

|  |  |  |
| --- | --- | --- |
| **Particulars** | **No. of respondents** | **Percentage** |
| Practical and training  | 6 | 12 |
| Chances  | 27 | 54 |
| Counseling by others  | 17 | 34 |
| **Total** | **50** | **100** |

**Source: Primary Data**

**CHART NO. 4.12**

**WHY YOUR GROUPS HAS CHOOSES THIS LINE OF BUSINESS**

**INTERPRETATION**

Table no.4.12 shows that 54% of the respondents choose this line of business because of the chances. 34% choose it because they get counseling from others and 12% choose this kind of business because it has practical and training.

**TABLE NO. 4.13**

**HAPPY WITH THE FUNCTIONING OF SHG**

|  |  |  |
| --- | --- | --- |
| **Particulars** | **No. of respondents** | **Percentage** |
| To great extent  | 40 | 80 |
| To some extent  | 10 | 20 |
| No comments  | 0 | 0 |
| **Total** | **50** | **100** |

**Source: Primary Data**

**CHART NO. 4.13**

**HAPPY WITH THE FUNCTIONING OF SHG**

**INTERPRETATION**

Table 4.12 shows that 80% of the respondents were happy with the function of SHG. 10% of them to some extent they are happy.

**TABLE NO. 4.14**

**TYPE OF THE BANK FROM WHICH YOU HAVE TAKEN THE LOAN**

|  |  |  |
| --- | --- | --- |
| **Particulars** | **No. of respondents** | **Percentage** |
| Nationalized bank  | 11 | 22 |
| Private bank  | 20 | 40 |
| Cooperative bank  | 19 | 38 |
| **Total** | **50** | **100** |

**Source: Primary Data**

**CHART NO. 4.14**

**TYPE OF THE BANK FROM WHICH YOU HAVE TAKEN THE LOAN**

**INTERPRETATION**

Table no.4.14 shows that 40% of the respondents taken loan from private bank. 38% of them taken loan from cooperative bank and 22% of the respondents took loan from nationalized bank.

**TABLE NO. 4.15**

**YOUR RECOGNITION IN THE SOCIETY INCREASED GREATLY AFTER JOINING SHGs**

|  |  |  |
| --- | --- | --- |
| **Particulars** | **No. of respondents** | **Percentage** |
| Strongly agree | 40 | 80 |
| Agree  | 10 | 20 |
| Neutral  | 0 | 0 |
| Disagree  | 0 | 0 |
| **Total** | **50** | **100** |

**Source: Primary Data**

**CHART NO. 4.15**

**YOUR RECOGNITION IN THE SOCIETY INCREASED GREATLY AFTER JOINING SHGs**

**INTERPRETATION**

Table no.4.15 shows that 80% of the respondents strongly agree that their recognition in the society increased after joining SHGs. 20% agreed.

**TABLE NO. 4.16**

**ECONOMIC POSITION IMPROVED AFTER JOININ SHGs**

|  |  |  |
| --- | --- | --- |
| **Particulars** | **No. of respondents** | **Percentage** |
| Strongly agree | 20 | 40 |
| Agree  | 25 | 50 |
| Neutral  | 4 | 8 |
| Disagree  | 1 | 2 |
| **Total** | **50** | **100** |

**Source: Primary Data**

**CHART NO. 4.16**

**ECONOMIC POSITION IMPROVED AFTER JOININ SHGs**

**INTERPRETATION**

Table no.4.16 shows that 50% of the respondents agreed that economic position increased after joining SHGs. 40% strongly agreed. 8% have neutral opinion and 2% disagreed with it.

**TABLE NO. 4.17**

**YOU HAVE ACQUIRED GREAT SKILL AND KNOWLEDGE AFTER JOINING SHGs**

|  |  |  |
| --- | --- | --- |
| **Particulars** | **No. of respondents** | **Percentage** |
| Strongly agree | 50 | 100 |
| Agree  | 0 | 0 |
| Neutral  | 0 | 0 |
| Disagree  | 0 | 0 |
| **Total** | **50** | **100** |

**Source: Primary Data**

**CHART NO. 4.17**

**YOU HAVE ACQUIRED GREAT SKILL AND KNOWLEDGE AFTER JOINING SHGs**

**INTERPRETATION**

Table no.4.17shows that the entire respondents have neutral opinion that they get the loan faster than they expected.

**TABLE NO. 4.18**

**YOUR BANK IS RESOURCEFUL IN FINDING SOLUTION**

|  |  |  |
| --- | --- | --- |
| **Particulars** | **No. of respondents** | **Percentage** |
| Strongly agree | 18 | 36 |
| Agree  | 7 | 14 |
| Neutral  | 20 | 40 |
| Disagree  | 5 | 10 |
| **Total** | **50** | **100** |

**Source: Primary Data**

**CHART NO. 4.18**

**YOUR BANK IS RESOURCEFUL IN FINDING SOLUTION**

**INTERPRETATION**

Table no.4.18 shows that 40% of the respondents have neutral opinion that their bank is resourceful &finding solution. 36% strongly agreed, 14% agreed and 10% disagreed.

**TABLE NO. 4.19**

**APPROACHING BANK FOR LOAN MUUCH EASIER**

|  |  |  |
| --- | --- | --- |
| **Particulars** | **No. of respondents** | **Percentage** |
| Strongly agree | 18 | 36 |
| Agree  | 7 | 14 |
| Neutral  | 20 | 40 |
| Disagree  | 5 | 10 |
| **Total** | **50** | **100** |

**Source: Primary Data**

**CHART NO. 4.19**

**APPROACHING BANK FOR LOAN MUUCH EASIER**

**INTERPRETATION**

Table no.4.19 shows that 40% have neutral opinion that approaching bank for loan is easier. 36% stronglyl agreed. 14% agreed and 10: have relativity

**TABLE NO. 4.20**

**MAINTAIN A HARMONIOUS RELATIONSHIP WITH ALL MEMBER OF GROUP**

|  |  |  |
| --- | --- | --- |
| **Particulars** | **No. of respondents** | **Percentage** |
| Strongly agree | 50 | 100 |
| Agree  | 0 | 0 |
| Neutral  | 0 | 0 |
| Disagree  | 0 | 0 |
| Strongly disagree  | 0 | 0 |
| **Total** | **50** | **100** |

**Source: Primary Data**

**CHART NO. 4.20**

**MAINTAIN A HARMONIOUS RELATIONSHIP WITH ALL MEMBER OF GROUP**

**INTERPRETATION**

Table no.4.20 shows that the entire respondents strongly agreed that they maintain a harmonious relationship with all member of group

**TABLE NO. 4.21**

**YOU COULD CLEAR OF YOUR PERSONAL DEBT**

|  |  |  |
| --- | --- | --- |
| **Particulars** | **No. of respondents** | **Percentage** |
| Strongly agree | 40 | 80 |
| Agree  | 8 | 16 |
| Neutral  | 2 | 4 |
| Disagree  | 0 | 0 |
| **Total** | **50** | **100** |

**Source: Primary Data**

**CHART NO. 4.21**

**YOU COULD CLEAR OF YOUR PERSONAL DEBT**

**Interpretation**

Table no.4.21 shows that 80% of the respondents strongly agreed that after joining SGHs, they are clear their debt. 16% agreed and 4% have neutral opinion.

**TABLE NO. 4.22**

**SHG MEMBERS ARE CONTRIBUTING TO THE UPLIFTMENT OF COMMUNITY**

|  |  |  |
| --- | --- | --- |
| **Particulars** | **No. of respondents** | **Percentage** |
| Strongly agree | 18 | 36 |
| Agree  | 7 | 14 |
| Neutral  | 20 | 40 |
| Disagree  | 5 | 10 |
| **Total** | **50** | **100** |

**Source: Primary Data**

**CHART NO. 4.22**

**SHG MEMBERS ARE CONTRIBUTING TO THE UPLIFTMENT OF COMMUNITY**

**INTERPRETATION**

Table no.4.22 shows that 40% have neutral opinion that SHG members are contributing to the upliftment of community. 365 strongly agreed, 14% agreed and 10% disagreed.

**TABLE NO. 4.23**

**BANKING OFFICIALS ARE MOTIVATING THE SHGS TO MAKE THE BEST USE OF THE FINANCIAL SCHEMES PROVIDED BY THEM**

|  |  |  |
| --- | --- | --- |
| **Particulars** | **No. of respondents** | **Percentage** |
| Strongly agree | 50 | 100 |
| Agree  | 0 | 0 |
| Neutral  | 0 | 0 |
| Disagree  | 0 | 0 |
| **Total** | **50** | **100** |

**Source: Primary Data**

**CHART NO. 4.23**

**BANKING OFFICIALS ARE MOTIVATING THE SHGS TO MAKE THE BEST USE OF THE FINANCIAL SCHEMES PROVIDED BY THEM**

**INTERPRETATION**

Table no.4.23 shows that the entire respondents strongly agreed that banking officials are motivating the SHGs to make the best use of the financial schemes provided by them.

**TABLE NO. 4.24**

**SHGs TAKE UP RSPONSIBILTY OF ENSURING ENPOWERMENT OF WOMEN THROUGH GROUP**

|  |  |  |
| --- | --- | --- |
| **Particulars** | **No. of respondents** | **Percentage** |
| Strongly agree | 50 | 100 |
| Agree  | 0 | 0 |
| Neutral  | 0 | 0 |
| Disagree  | 0 | 0 |
| **Total** | **50** | **100** |

**Source: Primary Data**

**CHART NO. 4.24**

**SHGs TAKE UP RSPONSIBILTY OF ENSURING ENPOWERMENT OF WOMEN THROUGH GROUP**

**INTERPRETATION**

The entire respondents strongly agreed that SHGs take up responsibility of ensuring empowerment of women through group.

**CHAPTER – V**

**FINDINGS, SUGGESTIONS AND CONCLUSION**

**FINDINGS**

* 36% of them are belonging to the age group of 35 to 45 years.
* 60% of the respondents are Hindu.
* 60% of the respondents are married
* The entire respondents agreed that they are in the habit of saving prior joining SHGs.
* 84% of the respondents came to know about SHGs from their neighbors.
* 46% of the respondents said that due to awareness camps they joined SHGs.
* 84% of the respondents are secretary. 10% of them are member
* 74% of the respondents are individual beneficiaries
* 54% of the respondents said that they conduct meeting weekly once.
* 48% of the respondents saves 25000 to 50000 in a month.
* 40% of the respondents said that they deal with none form activity after joining SHGs.
* 54% of the respondents choose this line of business because of the chances.
* 80% of the respondents were happy with the function of SHG.
* 40% of the respondents taken loan from private bank. 38% of them taken loan from cooperative bank
* 80% of the respondents strongly agree that their recognition in the society increased after joining SHGs
* 50% of the respondents agreed that economic position increased after joining SHGs.
* the entire respondents have neutral opinion that they get the loan faster than they expected.
* 40% of the respondents have neutral opinion that their bank is resourceful &finding solution.
* 40% have neutral opinion that approaching bank for loan is easier.
* the entire respondents strongly agreed that they are optimistic about meeting the future financial needs of business.
* 80% of the respondents strongly agreed that after joining SGHs, they are clear their debt.
* 40% have neutral opinion that SHG members are contributing to the upliftment of community.
* the entire respondents strongly agreed that banking officials are motivating the SHGs to make the best use of the financial schemes provided by them.
* The entire respondents strongly agreed that SHGs take up responsibility of ensuring empowerment of women through group.

**SUGGESTIONS**

* As majority of the members of the self -help groups are illiterate, these SHGs can take up the initiative to give minimum education to uplift their state.
* In order to increase employment government and NGOs should come up with self-help group programs to inculcate entrepreneurship among the SHG Memers
* As per the analysis SHGs have led to increase in employment as well as income among the rural women. These programs have to be expanded to cover illiterate women in the urban areas.
* Only fifty-three respondents stated that financial assistance was taken for educating their children.
* The financial schemes should be made easier so that many rural women can take it up for educating their children. This way illiteracy can be eradicated.
* Self-help groups should take up the initiative to educate the rural family members as to how women contribute equally to the family income and they should not be confined to the house.
* Based on the analysis the members of the self-help groups have contributed towards the rural development. Therefore, the level of the awareness of the working of self-groups should be increased among the rural population.
* SHGs should also promote the products manufactured by its members by conducting exhibitions in rural and urban areas. This initiative will increase the awareness level as well as give the rural women member a wider exposure
* This in turn will increase the employment, income and economic development of the rural areas thereby reducing the regional imbalance of income and wealth in the country.

**CONCLUSION**

The present study have tried to explore the contribution made by the SHGs in women development in the study area and the perceptions of the women in terms of empowerment whether the SHGs have the emancipator potentiality to enable the women to empower themselves.SHGs proved to be effective instruments of poverty alleviation. Poverty as a phenomenon has multiple causality and SHGs initially focused on the economic deprivation and exploitation of the poor. To begin with, SHGs were considered as an alternative strategy to poverty alleviation. Left with no other successful people‘s organization, SHGs were ‗dumped‘ with multiple tasks like empowerment of women, drinking water and sanitation of rural areas, social forestry, and water conservation for agriculture and so on. The brilliant success of the SHGs in addressing the issue encouraged the development thinkers to use the instrument of tackle social deprivation (another factor contributing to poverty). Thus, SHGs began focusing on empowerment, especially Women‘s empowerment to alleviate poverty more holistically.

**BIBLIOGRAPHY**

* Krishnaveni, V., Haridas, R., Nandhini, M., &Usha, M. (2013). Savings And LendingPattern Of Help Groups An Overview. i-Manager's Journal on Management, 8(1), 49.
* Jose, S., Chockalingam, D., &Velmurugan, D. (2019). Problems of Women Self HelpGroup Members in Ernakulam District. Journal of Critical Reviews, 7(1), 2020.
* Christopher, D. S., Senthilkumar, C. B., &Nallusamy, S. An Assessment of ConsumersAttitude in Organic Products Usage Purposes and Dominant Groups.
* Christopher, D. S., &Senthilkumar, C. B. (2018). Dimensions of preference towardsorganic products: An empirical study on consumer's perspective. Indian Journal ofPublic Health Research & Development, 9(11), 1950-1956.
* Anbalagan, M., Amudha, R., &Selvam, V. (2005). Micro Credit to Self-Help Groups: ABoon for Economic Empowerment of Rural Women.
* S. Venkateshmurthy and G.M, Dinesh (2009) -Women Empowerment through SHG –An Analysis.
* R. Prabhavathy (2011)-An Empirical Study of SHGs and Rural Development inTuticorin
* Pratheep, S., &Dharmaraj, A. (2016). An empirical study on stress levels amongworking women in export oriented units of Tirupur district. Man In India, 96(9), 3079-3087
* Palanivelu, P., Nandhini, M., Usha, M., &Krishnaveni, V. (2011). Poverty Eradication:Women's Self Help Groups. SCMS Journal of Indian Management, 8(2), 52.
* Nichlavose, P. R., & Jose, J. (2017). Impact of SHG Initiatives on Socio-EconomicStatus of Members. Asian Journal of Research in Business Economics and Management,7(6), 209-216

**APPENDIX**

**QUESTIONNAIRE**

QUESTIONNAIRE

1. Name
2. Age :
* Below 25
* 25 – 35
* 35 – 45
* 45 – 55
* Above 55
1. Religion
* Hindu
* Muslim
* Christian
* Others
1. Marital status
* Married
* Unmarried
1. Whether you are in the habit of saving prior joining SHGs?
* Yes
* No
1. How did you come to know about SHGs?
* Friends
* Neighbors
* Relative
* Media
1. What motivated you to join SHGs
* A desire to come out of poverty
* Due to awareness camps
* By circumstances
1. Are you holding any official post in the groups?
* Animator
* Secretary
* Member
1. What type of beneficiary are you?
* Individual
* Group
* Both
1. How many times your group conducts the meeting in a month?
* Weekly once
* Once in two weeks
* Monthly once
* Nil
1. How much your groups save in a month?
* Below 25000
* 25000 – 50000
* 5000 – 1 lac
* Above 1 lac
1. What kind of business you deal with after joining SHGs?
* Agriculture
* None form activity
* Service
1. Why your group has chooses this line of business?
* Practical and training
* Chances
* Counseling by others
1. Are you happy with the functioning of SHG?
* To great extent
* To some extent
* No comments
1. Types of the bank from which you have taken the loan.
* Nationalized bank
* Private bank
* Co-Operative Society
1. Your recognition in the society has increased greatly after joining SHGs
* Strongly agree
* Agree
* Neutral
* Disagree
1. Your economic position is improved after joining SHGS?
* Strongly agree
* Agree
* Neutral
* Disagree
1. You have acquired great skill and knowledge after joining SHGs?
* Strongly agree
* Agree
* Neutral
* Disagree
1. After joining SHGs you could take wiser practical decisions for the family
* Strongly agree
* Agree
* Neutral
* Disagree
1. Approaching bank for loan as a member of SHGS is much easier than as an individual.
* Strongly agree
* Agree
* Neutral
* Disagree
1. You maintain a harmonious relationship with all member of group.
* Strongly agree
* Agree
* Neutral
* Disagree
1. You could clear of your personal debts after joining SHGs.
* Strongly agree
* Agree
* Neutral
* Disagree
1. SHG members are contributing to the upliftment of community by undertaking community development activities.
* Strongly agree
* Agree
* Neutral
* Disagree
1. Banking officials are motivating the SHGS to make the best use of the financial schemes provided by them.
* Strongly agree
* Agree
* Neutral
* Disagree
1. SHGS take up responsibility of ensuring empowerment of women through group activities.
* Strongly agree
* Agree
* Neutral
* Disagree