
Self- Help Groups in Karnataka: A Microscopic study of SHGs in Shivamogga City

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ABSTRACT

India is a developing country economically and socially. For Indian government, it is difficult to assist financially in a single time to make to stronger to be a well build economic country since it is not having sufficient fund to provide desired areas or sectors. Even though Indian Government has taken many steps to improve economically condition but unfortunately it is unable to meet desired amount of achievement because of so many internal and external reasons. To become developed, our government has to concentrate first on rural and semi urban places development since India is having nearly 70% of the villages and 26% of population still comes under below poverty line. “A Self-Help Group[SHG] is a village based financial intermediary usually composed of 10-20 local women or men”.

Members make small regular savings contributions over a few months until there is enough capital in the group to begin lending funds may then be lend back to the members or to others in the village for any purpose. In India, may SHGs are linked to banks for the delivery of micro-credit.

Objectives of the Study are to study the socio –economic background of the women beneficiaries and their family Members, to analyze the income, expenditure and savings pattern of the Self Help Group members in Shivamogga City, etc.

KEYWORDS:

Fund, unfortunately, developed, poverty, concentrate

INTRODUCTION:

India is a developing country economically and socially. For Indian government, it is difficult to assist financially in a single time to make to stronger to be a well build economic country since it is not having sufficient fund to provide desired areas or sectors .Even though Indian Government has taken many steps to improve economically condition but unfortunately it is unable to meet desired amount of achievement because of so many internal and external reasons. To become developed, our government has to concentrate first on rural and semi urban places development since India is having nearly 70% of the villages and 26% of population still comes under below poverty line.

CONCEPTUAL FRAMEWORK OF SHG

“A Self-Help Group[SHG] is a village based financial intermediary usually composed of 10-20 local women or men”.

A mixed group is generally not preferred most of Self Help Groups are located in India through SHGs can also be found in other countries especially in South Asia and Southeast Asia.

Members make small regular savings contributions over a few months until there is enough capital in the group to begin lending funds may then be lend back to the members or to others in the village for any purpose. In India, many SHGs are linked to banks for the delivery of micro-credit.

Self Help Groups are novel and innovative organizational setup in India for women upliftment and welfare. All women in India are given chance to join any one SHGs for training and development, so as to be prospective entrepreneur and skilled worker. The SHGs are promoted by the Government as if women in India may not be resourceful enough to be entrepreneurs. When the SHGs arrange training facilities to carry out certain kind of work which are suitable for women in India, bank must arrange financial assistance to carry out manufacturing and trading activities, arranging marketing facilities while the Governments will procure the product of SHGs, arrange for enhancing the capacity of women in terms of leadership quality and arranging for the management of SHGs by themselves so as to have administrative capacity. As a social movement with government support SHGs become more or less a part and parcel of the society.

The preamble of Indian constitution ensures securing to all citizens of India equality of status and opportunity as well as justice-social, economic and political. One of the directive principles of state policy prescribes that the state should direct its policy towards securing equal pay for equal work for both men and women. Although the directive principles are fundamental in the Governance of the country and are to be applied enacting the legislation however, they are not judicially enforceable. In this context one of the provisions of the constitution is of special significance.

After having laid down that the state shall not discriminate against any citizen on grounds of sex, among other things it provides that nothing in this article shall prevent the state from making any special provision for women. Therefore there is a constitutional provision in India permitting the state to discriminate in favour of women, if such discrimination is found necessary. Women claim to be the largest minority in India with a variety of social and economic disabilities which prevent them from exercising their human rights and freedoms in society. The lower status of women led to their oppression in two ways.

- 1) Oppression outside the family and
- 2) Oppression within the family.

SELF HELP GROUPS IN KARNATAKA:

There are over 962446 SHGs in Karnataka (as on 31 March 2016). Under various departmental programmes, the majority of which are women's SHGs. A strategy which has emerged world wide as the single most significant economic development programme for women. A SHG is a small group of 12-20 people who voluntarily come together to address their poverty and other social issues. The core activity is obligation of small saving from group members and group lending from accumulated savings as well as bank loans. It is for this reason that, SHGs are also known as microfinance or micro-credit institutions.

In Karnataka, conveying services to poor women through Self Help Group has emerged as the dominant strategy for combating female poverty. The state running the financial matters by SHGs savings money in the year 2016 there is 14424213 lakh rupees money is saved by SHGs.

MICRO FINANCE IN KARNATAKA:

The origin of micro-finance in Karnataka dates back to 1984 when Mysore resettlement and development agency [MYRADA], a Non-Government Organization [NGO] engaged in rural development and based in Karnataka promoted several co-operative societies those extended loans to their members. Later in the mid-1980s the national bank for agriculture and rural development [NABARD] took the lead. After the launching of SHG –Bank linkage program[SBLP] in 1991-92 and under, this programme the first micro credit by private Vysya Bank NABARD up scaled the programme by way of initiating a series of measures that include training of NGOs and bank staff. The Cauvery Grameena Bank of Mysore district became the first RRB in state to promote and credit-link several SHGs with state intervention, Sthree Shakthi and Swa Shakthi programmes were launched as part of promoting microfinance.

The primary objective of the SHG-bank linkage programme [SBLP] of NABARD is to expand the outreach of the formal banking system to the un-reached rural poor on a sustainable basis.

SHG-BANK LINKAGE PROGRAMME IN KARNATAKA:

The self-help movement is deep –routed in southern states and Karnataka has been forefront in terms of promotion and credit linkage specific strategies formulated by NABARD to meet the requirement for widening the network and depending the penetration of the programme in the state enabled to show the success .The fresh SHGs formed and credit linked in the state during 2010-11 were 62,346 and 49,759 respectively taking the cumulative SHGs formed and credit linked in the state to 6,56,463 and 5,79,969 respectively as on 31 March 2011. The average loan per SHG has risen from 1.09 Lakh during 2009-10 ,to 1.44 Lakh during 2010-11.

NEED AND IMPORTANCE OF THE STUDY:

Woman plays an significant role in all the fields of development. Socially economically if she is strengthened will create wonders. Woman contributes directly and indirectly for the economic development. Though the nature has given the genetic power of reproduction only to the woman, the socio-economic status of women is poor and the incidence of poverty is more on woman. SHGs are in good number in Shivamogga city of Karnataka. The study in the specific city was quite essential to know the strength and weaknesses of SHGs.

OBJECTIVES OF THE STUDY

To study the socio –economic background of the women beneficiaries and their family Members.

- To analyze the income, expenditure and savings pattern of the Self Help Group members in Shivamogga City.
- To study the level of satisfaction of members in Self Help Groups.
- To study the women empowerment through the Self Help Groups.
- To make necessary suggestions for the successful operation and improvement of SHGs.

FINDINGS OF THE STUDY:

- The overall observation of study reveals that, a large number of respondents were females i.e male 33.33 percent and female 66.66 percent.
- It is evident from the table 4.2 that the 16.66 percent respondents belongs to the age group 18-25 years and 23.33 percent respondents were belongs to the age group 26-45 years, 50 percent of the respondents were belongs to the age group 46-65 years ,10 percent of respondents are belongs to above 65 years. Finally age group of 46-65 years respondents are more
- It is clear from the table 4.3 that the 13.33 percent of the respondents are belongs to primary education,20 percent of the respondents are belongs to high school ,36.66 belongs to PUC,16.66 percent belongs to degree and 13.33 are belongs to illiterate. It is observed from the table PUC qualification respondents are more.
- It is clear from the table 4.4 that the 26.66 percent of the respondents belongs to agricultural labour followed by 13.33 are labour,20 are business, 40 percent are house wives. It is observed that 40 percent of the respondents are house wives.
- It is clear from the table 4.5 that is 93.33 percent respondents are married and 6.66 percent are unmarried. It is observed that more women are married.
- From the table 4.6 it is evident that 43.33 percent of the respondents are belongs to nuclear family and 56;66 percent belongs to joint family and finally conclude joint family members are more
- Most of the respondents opined that, the meeting of the SHG were arranged weekly.
- Most of the respondents were living Below Poverty Line.
- Most of the respondents are satisfied with Self Help Groups..

SUGGESTIONS:

On the basis of the findings of the study the following suggestions have been made that would help to improve the performance of SHGs and their members at the grass root level.

-) The government should give more importance to women's education through functional literacy centers.
-) Sincere efforts still required for women's development in the sphere of education, health, sanitation, food security, resource mobilization, etc.
-) The banks should advance adequate credit to the SHGs after making proper assessment of the credit needs of the members through which the members can solve their problems and make professional improvement.
-) The procedure of the banks in sanctioning credit to the SHGs should be simpler and unnecessary delay of any sort should be eliminated.
-) There is no proper place to conduct weekly meetings and concern authority should concentrate on this aspects.
-) A radio club should be formed in each village and people should be encouraged to come and listen to some programmes that spread awareness about government schemes.
-) Marketing facilities for the sale of products of SHG may be created by conducting periodical exhibition-cum-sale at taluk and district level.
-) The creation of women SHGs must be free from political motivation and bias.
-) Banker has to inform the SHG about the new plans.
-) Formalities may be simplified by Banks.
-) Government should export of goods which are produced by the group members.
-) Government should create a separate cell for solving problems of SHG.

CONCLUSION

In the process of economic growth, the informal sector is looked at as a path of transition from the shrinking agricultural sector to the main stream/formal sector economy. Development policies need to be reoriented to treat it not as a transition sector but as an integral sector of the economy. Steps should be taken to improve the informal sector by making resources available, opportunities and assistance to help the sector to develop. As a developing country, India faces constraints of resources for rapid socio economic development. While there may be limitation of financial resources, available human resources are huge and yet to be fully exploited. Thus, the major challenge before the nation today is to evolve appropriate strategy for mobilizing the human resource for optimizing use of the available financial resources.

This study established, that properly designed and effectively implemented SHG actively can not only alleviate poverty but also empower women at the grass roots. The SHGs which create a silent revolution must be viewed as change agents in rural areas. It is not an exaggeration to say that role of women SHGs in various countries including India in general and study area in particular may be considered as a milestone and a turning point towards women empowerment and upliftment.

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